ADRIATIC SEA TOURISM REPORT

2013

RISPOSTE TURISMO

ADRIATIC SEA TOURISM REPORT 2013

Adriatic Sea Tourism Report
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ADRIATIC SEA TOURISM REPORT
2013 EDITION

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NOTE FOR THE READER

THIS SHORT REPORT 2013 IS THE FIRST OUTPUT OF THE ADRIATIC SEA TOURISM REPORT PROJECT, A RESEARCH STUDY THAT INTENDS TO CONTRIBUTE TO MAKING THE KNOWLEDGE OF THE DYNAMICS WITHIN THE ADRIACTIC AREA, WIDER, MORE DETAILED AND UP TO DATE IN THE SECTORS TO WHICH ATTENTION IS DEDICATED: CRUISE, FERRY, SAIL & YACHT.
IN FUTURE EDITIONS, STARTING WITH NEXT YEAR'S, THE REPORT WILL BE MORE DETAILED BOTH AS REGARDS NEW ASPECTS INVESTIGATED AND THOSE ALREADY COVERED IN THIS EDITION. ANY COMMENTS OR SUGGESTIONS FROM THE READERS SHOULD BE SENT TO US AT PRODUCTION@ ADRIATICSEAFORUM.COM. THEY WILL BE PARTICULARY USEFUL IN MAKING OUR WORK AND THE RELATED RESULTS MORE COMPLETE AND USEFUL.

FOREWORD

To attribute the right amount of attention to the Adriatic as an area with a remarkable vocation for tourism and an enormous potential to attract. To give priority to the examination of the movement of tourists by sea, examining flow, dimensions, directions and behaviour. To consider the different types of transport and sea travel, from cruise ships to ferry boats and hydrofoils, from sailing boats to small motor boats to large yachts. To compare what happens and what could happen in the various countries of the Adriatic area with regard to public and private investments, programmes and results, taking into consideration the different actors that contribute to making the above-mentioned types of nautical tourism possible and accessible. To bring to the attention of the reader one or more of the critical and priority issues that could mark the strategic development of the Adriatic as a macro touristic region of excellence.
These are the main objectives of the Adriatic Sea Tourism Report, the new research study, which Risposte Turismo devotes to maritime tourism in the Adriatic Sea, which will be presented every year, starting in 2013, at the Adriatic Sea Forum.
Risposte Turismo, a research and consultancy company, which has been in business for more than 10 years, has always followed, together with other phenomena, trends in maritime tourism and related industries. Risposte Turismo conducts, and is in the process of carrying out, considerable research efforts aimed at knowing as well as possible the aspects, internal dynamics, strategic orientation, results achieved and those foreseen of the cruise, ferry boat and nautical industry, and of the various actors that make up the production chains. In carrying out this research we became aware of the absence of this type of study and its consequent results; focussing on the analysis and considerations of the Adriatic and its tourist traffic by sea, respecting fully the differences and peculiarities but recognising at the same time their contiguity, and contributing, together, to make this stretch of sea alive in terms of activating the economy and employment.
Therefore, it appeared to be worthwhile to begin, and carry out on a continuous basis, a detailed and in-depth analysis, able to provide elements of evaluation for everyone involved in the various sectors already mentioned, both directly and indirectly. A study, which could become – both for private sector operators and public sector decision makers active in the Adriatic area – a working tool with which to consider issues and long-term strategic choices, to define and build a framework for the future – each through their own role – of maritime tourism in the Adriatic.
An objective of this type demands considerable investment in terms of time and resources, the recognition of which prompted us to setup a working group, which for this first edition of the Adriatic Sea Forum has produced a first report. Although it contains – as will be presented shortly and outlined in the pages that follow – a considerable amount of information and data on phenomena which occupy the centre stage, it should be considered to be the basis from which to start building the Adriatic Sea Tourism Report 2014, to all effects a second edition of this new study but the first launch of the complete version, enriched by the addition of new aspects investigated, more detail and an in-depth analysis of those already dealt with.
To watch from the coast a cruise ship passing, or the boarding of tourists in a port, one of the many which could be the first or last stop of a holiday, or to admire adventurous

examples of yachts and boats in the dock ready to sail the seas: moments like these rarely make you think of the complexity and coordination of the production chains required to obtain all this and to live these experiences.
The world of maritime tourism is defined by a number of extraordinary actors, each able to provide their own contribution with their own skills to the production processes that make these different aspects of tourism possible: cruise operators, shipyards, ports and marinas, governments and public administrations, charter operators, maritime agents, tour operators and travel agencies, and a long list of companies that act as suppliers in one of more of the various operative phases. The Adriatic Sea Tourism Report recognises that all these actors are precious fonts of information but at the same time considers them to be recipients and users of what they provide in terms of results.
These companies and organisations make up a sort of macro sector in the Adriatic area with an enviable capacity to generate monetary flows and to impact employment. It is almost impossible to calculate the dimensions of this impact in that it depends only on the component of demand for tourism capable of activating the various related industries. It is, though, necessary and useful to highlight this evidence in order to understand, at least qualitatively, the structure, complexity, dynamics, and than, if possible, attempt an estimate even if accompanied by all the necessary cautions of methodology and in reading and commenting the results.
One of the objectives of the Adriatic Sea Tourism Report, to be included in future editions, is a series of in-depth analyses of the numerous crucial questions which could influence the development of maritime tourism. The environment, for example, forces attention and new approaches on the conservation of the main resource underlying the fruition of the Adriatic Sea. Therefore, it is useful to understand the new measures and tendencies in the field, and the investments made by cruise operators, ports and other operators. The very delicate and crucial issue of taxation - in its different treatment by the countries of the region - greatly influences the dynamics of competition. An analysis capable of comparing the diverse systems, the potential consequences in terms of movement of maritime and nautical tourism traffic, and the investigation of a possible harmonisation of fiscal policies in the macro region, would be particularly precious. International collaborations and the mechanisms of the network can guide the complex development of the Adriatic as a tourist destination, with the focus on movement of passengers by sea, through a timely surveillance of current experiences and hypotheses, both for horizontal networks, between companies involved in the same business, and in vertical networks which gather operational activities of various types around a common objective, while being part of the same sector. The development of destination management actions capable of exploiting tourist facilities on offer, and not only coastal ones, stimulating demand "from the sea", focussing attention on the activities of the different countries in the area, the tourist boards, associations, public administrations and others, to build an ideal benchmark analysis capable of providing ideas to improve the overall attempt to capture and manage demand. Moreover the objects of the Adriatic Sea Tourism Report is the attempt to read the phenomenon of nautical tourism from the point of view of demand, and not only of offer as has been done up until now, mostly limiting analyses and sums to the consistency of the offer (moorings). To do this the precious collaboration of harbour and marina boards and charter operators will be requested, aiming to stimulate the volume of traffic even if in the absence of, as opposed to what happens for other typologies of tourist travel, collectable data. As will be seen in

the Report, this attempt has already been made for this first edition and the intention is to update it and make it more consistent and systematic for future editions.

As to the organisation of this volume, the contents have been subdivided into three chapters. In the first one the focus is on tourist traffic in the Adriatic, which is both an indicator of the results of everything that has been carried out in terms of investment, products and promotion, and a starting point to see and analyse a series of fundamental benefits for the economy and employment activated in the involved areas. The chapter is divided into sections that separate the overall phenomenon into its different components: cruises, ferry boats and hydrofoils, and nautical tourism, which because of their characteristics and of their fruition force the use of different observation and reporting methods. If it has been possible for the cruise industry, through a survey carried out on all the ports of the Adriatic that host this type of traffic, to obtain not only data on passenger movements in the area but also to divide them in accordance with more than one criterion, in the case of ferry boat and hydrofoil traffic even more effort was required. Once again being able to count on the collaboration of the companies which manage passenger terminals in the ports involved, to photograph the state of the offer in the area, the routes, the ports served and the type of traffic and demand, being able to obtain data which can be expanded in the future is a novelty in this field. Lastly, with regard to sail and motorboats, as already mentioned the information available and accessible is always relative to offer and its consistency, not being able – often for objective and probably insuperable difficulties – provide data on demand for traffic and purchase and consumption behaviour. In the pages that follow the reader will find some initial information on this topic, obtained through the collaboration of a sample of marinas distributed along the various stretches of the Adriatic coast and of some charter operators, which notwithstanding all the limits inherent in the sample, allow the acquisition of some useful preliminary data on the trend of demand for sail and motorboat tourism.

The second chapter is dedicated to the offer, intended as presence, characteristics, investments and results of ports and marinas in the Adriatic area, together with some information on the activities and programmes of shipping companies and other operators involved in productive sectors which are the focus of this Report and of the Forum. The objective is not so much to offer an overview of the current situation, useful but without doubt available from other sources, but a state of the art, to be updated continuously, on developments which, from the business point of view of activity and investment, characterise the industry and the offer of products in the Adriatic. In the pages of this chapter, already in this first edition, there will be information on current and imminent programmes and projects of important players that belong to the complex industry of maritime tourism, through which it will be possible to decipher the dynamics of competition, evolution of structures, possible direction of the geographical distribution of traffic, the most common problems and difficulties, relevance and prospects of economic and employment spin-offs from the investment and management choices of the players themselves.

One of the main objectives of planning and organising the Adriatic Sea Forum is to contribute not only to understanding but also to provide incentives for the attention and contribution which the European Union reserves for maritime tourism in the Adriatic. For this reason one of the chapters of the Report, the third one, presents an overview, without claiming to be exhaustive, of programmes, bids and funding which are to be launched in the near future or are planned and delivered in this period by the European Commission, and of projects conceived by individuals or groups and approved and

financed – either completely or in part – by Europe, which are related to the theme of the Forum and this Report. This type of study, once again the result of ad hoc work which aims to find and gather information directly from the source, could lead to the consideration of important points or even to the planning of sources of funding for their programmes; it could represent a framework of reference, a benchmark, through a brief schedule of some current experiences; it could be the basis for seriously and constructively claiming a higher involvement of the European Union in favour of this area; it could be another filter for reading the possible evolution, or involution, of this macro sector and of its components in the Adriatic.

More than 940,000 passengers boarded cruise ships in Adriatic ports in 2012, while total movements in ports amount to more than 4.9 millions. We collected, from direct source, more than 16 million passengers boarded ferry boats and hydrofoils leaving from or arriving in Adriatic ports in the same year, with more than 25 terminals involved in this type of traffic. We had already listed more than 240 marinas in the area equipped to host sail and motor boats, for a sum of over 80,000 overall moorings which considerably grows if considering all the other kind of port structures (not only marinas) in the Adriatic. About 17,000 moorings are in construction or already planned for the Italian side alone. While printing this report the Croatian government announced the intention to construct 15,000 new moorings before the end of 2018.

The main maritime companies, the most coordinated and organised charter operators as well as the shipbuilding industry along with numerous other players of the tourism industry look favourably on the Adriatic and invest in the area convinced of its potential. This brief summary of data is enough to give an idea of the unequivocal relevance that the Adriatic assumes in international geography and maritime tourism.

We are convinced that this area merits more attention, more solid support, more in-depth analyses capable of making a contribution to the strategic approach and to the management policies to be adopted to guarantee for the whole area, to those who work and live there, a harmonious, sustainable and at the same time solid future development. The Adriatic Sea Tourism Report aims to go in this direction.

We are extremely grateful to those who have contributed to and worked towards the compilation of this edition, and to those who will confirm this work and those who will join us to give even more force to future editions.

1 MARITIME TOURISM TRAFFIC IN THE ADRIATIC SEA

1.1 ONE SEA, MANY WAYS OF LIVING IT

The first chapter of this Report deals with the phenomenon which more than any other gives us a snapshot of destinations' dynamism: traffic, the presence of tourists that arrive, stay, move around, or simply pass through a destination in different ways.

The Adriatic is perceived, correctly, as an area characterised by the presence along the coast of a number of places that offer a wide variety of solutions to the beach going tourist, as well as numerous attractions such as landscapes, historical, artistic and cultural heritage in general, food and wine and so on, also found in the surrounding inland areas. Locations, which are accessible in various ways from the places where the tourists come from.

But the Adriatic is first of all a sea, an area of water that can be analysed, talked about, taken into consideration in many ways, seen through many lenses and open to multiple interpretations. When the phenomenon to be investigated is tourism, a possible approach, as mentioned above, is to focus on the various locations that face onto it, and register the dynamics of supply and demand relative to tourism. Another approach, certainly not detached from the previous one, but with its own identity, is to focus attention on those who travel by sea, and from the sea reach one or more of the coastal resorts or embark to get to others, or to "exit" this sea.

This seafaring assumes many forms, both with respect to the means of transport and to the use of the means, as well as with respect to itineraries and the length of stay in the Adriatic. As already made clear in the foreword this Report is dedicated to these forms, and as a consequence, this first chapter focuses specifically on the traffic generated.

Cruises represent a first way of travelling by sea, well known for the stories and tales associated with them, and "visible" considering the significant average size of the ships that make up the fleets of the companies. Although they started out life in the Caribbean and North America, today the itineraries cover nearly all the world thus in the Adriatic too, the part of the Mediterranean that has seen the most growth in the last ten years. Venice is the port with the largest volume of traffic, and with the role of homeport (port of origin and destination of an itinerary) pulled the whole area with it, allowing many other ports to offer themselves to the attention, with more or less success, of the cruise operators that in the drawing up of itineraries, not necessarily limited to the Adriatic Sea, require, or at least consider it appropriate to include other stops in the Adriatic.

For cruise traffic, thanks to the registration of passengers and, of course, of the ships by the authorities appointed to manage this type of traffic, there are concrete figures, even if it is not always easy to acquire them in a form useful for analysis and elaboration, or quickly enough for the data not to be out of date. The information in the second section of this chapter is a series of elaborations of figures that the working group has managed to put together thanks to continuous contact with the various ports in the area in question, in order to acquire the necessary inputs to produce information which is in a certain sense innovative in that it is aggregated and examined with reference to the Adriatic Sea.

Ferry boats and hydrofoils represent the second means of passenger sea travel. In this case, considering their nature as a means of transport in a strict sense, they are a solution that is chosen and used to reach – by water – a place, leaving from another. A means that therefore, unlike a cruise, one does not choose because of the services and facilities on board – even if shipping companies increasingly order from shipyards and provide vessels that have a lot in common with cruise ships – while depending on the routes, the length of time at sea, and prices. The Adriatic is crossed by ferries and hydrofoils both in the north-south and in the east-west directions, and the activation of these connections represent for the locations an important driver for the tourism economy of the interested locations, and more generally for the related industries and the employment dynamics in that the ferry boats, as is well known, are also designated to transport freight. Shipyards, ports, shipping companies, logistics operators and port authorities, travel agencies are some of the more representative examples of actors active in this sector.

As for cruises, Port authorities, in various ways, record the traffic of ferry boats and hydrofoils but in this latter case the information on passenger traffic is not timely or up to date, nor is it possible to separate it out and assign dimensions and characteristics. It was possible however, again through constant daily contact and dialogue with the direct sources, to obtain a good supply of information that has been translated into graphs and tables to be presented in the third section of this chapter, and that represents in many ways a novelty in the investigation and research on sea traffic.

Finally, seafaring is above all connected to the possibility, the passion, the ability to move aboard a boat certainly smaller than those previously, used for everyday pleasure boating from the homeport, or for long and short cruises both in terms of distance and time. Nautical tourism is, on board sail or motor boats, of different dimensions and capacities, owned or rented; a passion, as already mentioned, a hobby or a holiday option. Again the protagonists are the shipyards which construct these vessels, the marinas and ports of various types and facilities able to accommodate them either on a permanent or a temporary basis, the owners of these boats – the pleasure boaters as they are often called – and numerous other actors whose activities are functional to the development of this type of sea traffic and mobility.

The Italian, Slovene and Croatian coasts, the north of Greece, the new proposals that arrive from Montenegro and Albania, represent a particularly wide offer for nautical tourism, for which the Adriatic could increasingly become – given that the potential is high with respect to the current situation – a real hub.

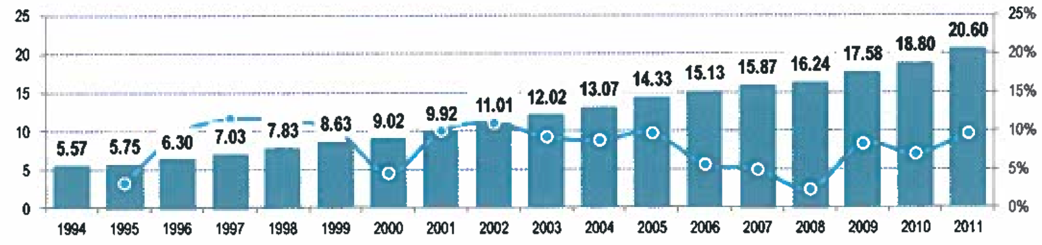
Framing the phenomenon is, however, decidedly complicated. One does it with a more or less abundant amount of details on the supply side, trying to capture the number of transactions, the supply of berths in the ports, the number of nautical licences issued, while the information available on the demand side is scarce, to be able to gather the qualitative and quantitative dimensions of the traffic. How many people are on the move? Where are they from and where are they going? How long for? With what habits and customs? All questions of which the answers, much more than other factors, would provide information on the contribution of this component of the tourism industry in general, and in more detail, on the income and economic impact of a country or region.

In the absence of records and scientific methods capable of providing more or less certain data, the only way is to resort to surveys, made perhaps more solid by listening to the operators whose professionalism and commitment in the field on a daily basis can help to make this absence of systematic and exhaustive statistics less penalising. The Adriatic Sea Tourism Report has begun to carry out this job, which others have also done, but it will be necessary to continue with it in the future.
The following pages present, therefore, a scenario where the various forms of tourism and seafaring mobility in the Adriatic are protagonists, in an attempt to combine the diverse phenomena and recognising in them the factors of economic development – but with beneficial consequences also on a social, cultural and employment level – of the area. All this regardless of the characteristics that distinguish them, which will certainly be taken into account and which condition the research and analysis phase, but very often have led to them being considered separately, totally independent, almost strangers to each other.

1.2 CRUISE TRAFFIC

Cruise tourism is, of the many components of the tourism industry, the one that has been, ever since its conception and birth, on a growth curve which had not, up until 2011, know any dips. The first was experienced the year after, in 2012, because of a probable combination of negative factors represented by the tragedy of the island of Giglio with the Costa Concordia and the continuing economic crisis. The cruise product has over the years gradually convinced more and more people to choose this type of holiday preferring it to others because of one or more of its main features: being multi destination, not having to change accommodation upon reaching and visiting the various destinations of the itinerary, the presence on board of a large number of entertainment, hotel and tourist services.
Gradually over the years a series of variations on the original idea of the cruise have been introduced, through a number of variables such as the level of service, the dimensions of the structure (the ships), the itineraries, the duration, the facilities available. World production has over time become enriched with new operators that – although today they are heavily concentrated with a few groups controlling a very large share of the supply – have made the most of available distribution channels, even if relying mainly on agencies, thus succeeding in winning a growing share of the demand whose provenance has started to diversify more or less in parallel with the extension of the navigation areas.
Graph 1.1 shows the growth in the demand for cruise operators in the world from 1994 up to 2011, the latest figure available at the time of publication of this Report. From about 5 and a half million passengers, in 2001, 10 million was touched, and in 2011, 20 million was reached and overtaken. A growth in demand that has been sustained by a simultaneous development of supply, which has more than doubled the beds available on ships in the last ten years. It is known that ships have increased in dimensions and average size and can accommodate increasing numbers of guests.
It is thus a product which has not yet reached the maturity phase of its life cycle, and still has, according to almost all operators in the sector, significant development potential considering the absolute value of customers which is still not very high, reflected in the low rates of penetration that leave room for predictions in growth.

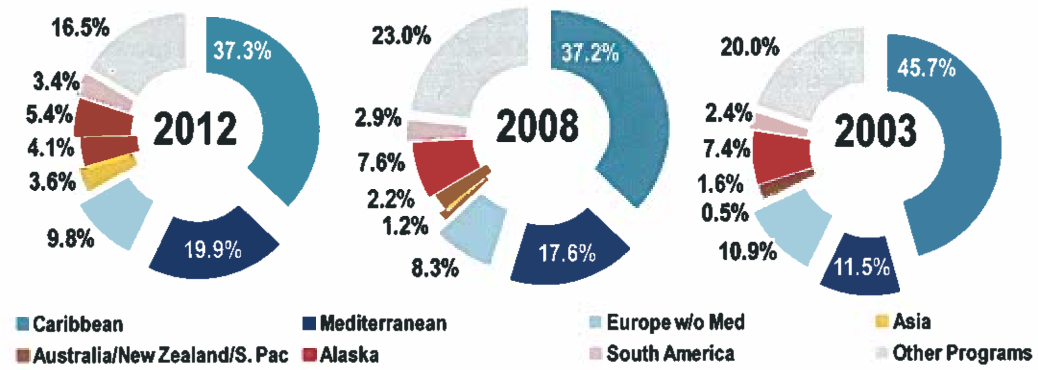
Graph 1.1] *Evolution of cruise passengers in the world, absolute values in millions (left axis of the graph) and rate of annual growth (right axis), 1994-2011*



Source: Risposte Turismo based on data provided by CLIA Europe, PSA, CLIA, IRN Research.

As already mentioned, among the factors that led to the phenomenon of growth is the broadening of the areas within which the cruise operators are present and have developed their itineraries. If, in fact, in the first period the Caribbean area was almost the only area of interest for the phenomenon, gradually the choice was made to create the conditions to offer cruise holidays almost everywhere, evidently with the participation and contribution of other key players in the market, primarily the ports. Graph 1.2 shows how in the 10 years between 2003 and 2012 the distribution of market share of the available offer sees the Caribbean by far the area leader, but with the record falling 8.4 percentage points, which correspond to those gained by the Mediterranean and reduce the distance from the first one to 17 points, halving the difference of 2003.

Graph 1.2] *Capacity of cruise beds deployed per destination area, shares 2003, 2008 and 2012*

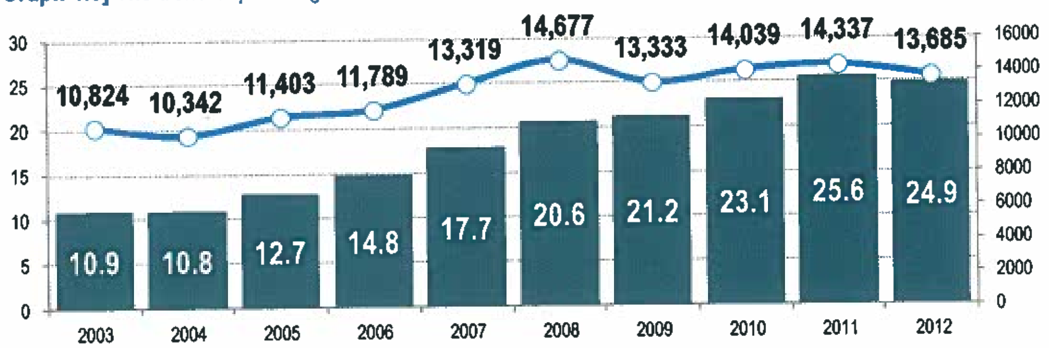


Source: Risposte Turismo/Speciale Cruise 2013 with data provided by CLIA.

From the point of view of catchment area of the demand for cruises, the record goes to North America, traditional source market for cruises, the area of the world where this industry was born and raised. As for the areas of navigation, other catchment areas of demand have emerged over the years, still leaving the record to North America, but characterising it with progressively less significant growth rates, whereas the preserve of other countries has proved to be more consistent, obviously influenced by more contained absolute values of departure on which the variations have been calculated. As already mentioned it is a case of numbers that in absolute value with respect to the potential of demand generate rather contained rates of penetration which go from 3.35% for the United States to 2.7% for the United Kingdom (top European market for origin of cruise passengers) and Australia, 1.7% for Germany and 1.5% for Italy, respectively second

and third European source markets, with a continental average of estimated by the European Cruise Council (now renamed, CLIA Europe) of 1%.
According to this source, which only takes into account the countries of the European Union plus Iceland, Norway and Switzerland, about 5.5 million passengers embarked for a cruise at a port on the continent in 2011 – the last year available at the time of publication of this Report – a third of which were Italian ports. As regards total transits, in 2011 they came to more than 28 million, about a quarter of them were in Italian ports.
Whereas when all countries geographically part on the old continent are taken into consideration, MedCruise, the association of cruise ports of the Mediterranean, puts Croatia in sixth place in terms of overall traffic, particularly strong in volume of transits. Montenegro also enters at 12th place thanks to the port of Kotor and Slovenia is at 15th place thanks to the traffic of Koper. Italy and Greece are obviously at the top of the rank, in first and third places. However, they built their positions thanks to the length of their borders and not only with their Adriatic ports.
Thanks to the information provided by MedCruise it is possible to present a picture of cruise traffic in the Mediterranean, within which the Adriatic dimension is placed. Graph 1.3 shows the overall figure for passenger movements, increased from 10.9 million in 2003 to over 25 million in 2011, a figure that was only touched in 2012 to record, for the first time, in an "exceptional" year for the entire sector, a decrease of passenger movements in the area. As for the cruise calls, more than 10,800 in 2003, a peak was reached in 2008 of 14,700 to then decrease the following year and stabilise at values of about 14,000 with a slight decrease in 2012. Within the Mediterranean Adriatic space, according to the MedCruise figures, there has been an increase of 1.7 million passenger movements (thanks to about 1,800 calls) up to more than 4.8 million (3,238 calls) registering, in the 5-year period 2006-2011, the most significant growth of the sub areas of the Mediterranean.

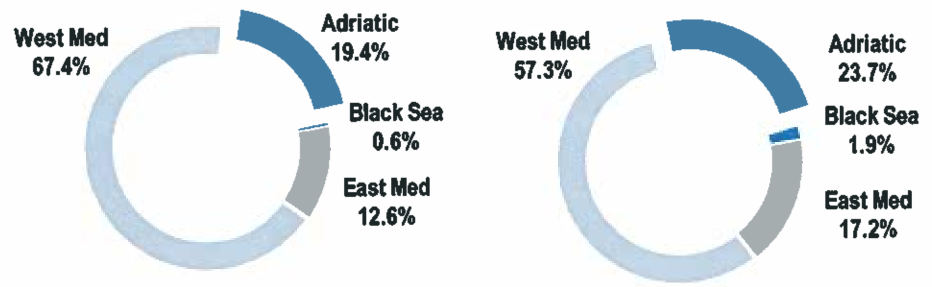
Graph 1.3] *The trend of passenger traffic and cruise calls in the Mediterranean, 2003-2012*



Source: Medcruise Statistic Report 2013 (forthcoming). Note: the figures refer to members of MedCruise and therefore even if more than representative of the entire Mediterranean reality, they are an under estimate.

An elaboration of the MedCruise data allows to distinguish the overall volume of traffic in the 4 areas into which the association separates the Mediterranean Sea. Graph 1.4 shows the distribution both of passenger movements and cruise calls. The Adriatic is in second place for passengers and for cruise calls, a significantly long way from the Western Mediterranean, which accounts for most of the main Mediterranean cruise ports with shares that go from about 67% for passengers to a little more than 57% for calls.

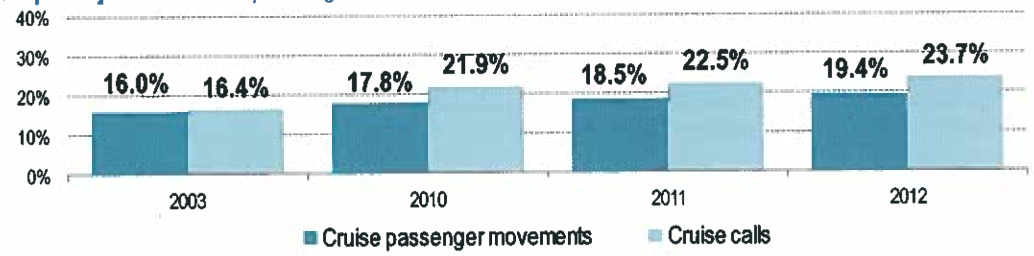
Graph 1.4] *The concentration of cruise traffic passengers (left) and cruise calls (right) in the 4 macro areas of the Mediterranean, share percentages, 2012*



Source: Medcruise Statistic Report 2013 (forthcoming). Note: the figures refer to members of MedCruise and therefore, even if they are representative of the entire Mediterranean reality, they are an under estimate.

Within the last decade, characterised by a general increase in Mediterranean traffic, the weight of the Adriatic on the total has gradually become more significant, through passenger movements from 16% in 2003 to 19.4% in 2012, and for cruise calls of 16.4% in 2003 to 23.7% in 2012. In both cases the acquisition of a greater relative weight on the part of the Adriatic was realised at the expense of the Western Mediterranean, in particular as a consequence of investments made by some port terminals and of the choices, certainly linked to what has just been written, on the part of the cruise companies in terms of itineraries and deployment of their ships.

Graph 1.5] *Adriatic cruise passenger movements and cruise calls share of the Med, 2003-2012*



Source: Medcruise Statistic Report 2013 (forthcoming). Note: the figures refer to members of MedCruise and therefore, even if they are representative of the entire Mediterranean area, they are an under estimate.

Within the context of the Adriatic, Venice is the port leader able to register 1,775,944 passenger movements and 661 cruise calls in 2012, with slightly negative variations with respect to 2011 for passengers (-0.6%) notwithstanding a slight growth (1.1%) in calls. On the other hand Venice does not limit itself to being the port leader in the Adriatic, occupying a constant position in the top ten cruise ports in the world and sharing with Barcelona the leadership as homeport in the entire Mediterranean. Dubrovnik, thanks to a trend of exponential growth in recent years, built mainly of transits as will be seen later on in the Report, is in 2012 close to the threshold of one million passenger movements and outdoes the other two ports, Corfu and Bari, located in the southern part of the Adriatic. There are eight Adriatic ports capable of registering more than 100,000 passengers while, from the 15th position in the table below, the cruise calls register values of less than 10,000 passenger movements, to produce a scenario characterised by the presence of many alternative berths but highly polarised in terms of real capacity to attract. This aspect should be taken into consideration in the future.

Overall, the Adriatic registers 4,988,200 passenger movements in its more than 20 ports. The figure for cruise calls (3,550) does not include, though, the 9 cruise call in Durres in Albania for which it was not possible to determine the number of passengers. With respect to 2011 the growth of these ports is equal to 0.9% while the number of cruise calls is slightly lower (-1.3%). The following table shows the main 20 cruise ports.

Tab. 1.1] *The main 20 cruise ports of the Adriatic overall traffic, absolute values and percentages, 2012*

	Cruise port	Country	Cruise traffic Pax mov.	Cruise traffic calls	Share % on total Pax mov.	Share % on total calls
1	VENICE	ITA	1,775,944	661	35.6%	18.6%
2	DUBROVNIK	HR	975,423	654	19.6%	18.4%
3	CORFU	GRE	655,764	485	13.1%	13.7%
4	BARI	ITA	618,882	206	12.4%	5.8%
5	KOTOR	MON	246,623	343	4.9%	9.7%
6	SPLIT	HR	245,451	269	4.9%	7.6%
7	ANCONA	ITA	110,106	52	2.2%	1.6%
8	RAVENNA	ITA	100,987	67	2.0%	1.9%
9	TRIESTE	ITA	70,807	43	1.4%	1.2%
10	KOPER	SLO	64,456	46	1.3%	1.3%
11	KORCULA	HR	42,469	141	0.9%	4.0%
12	ZADAR	HR	20,640	59	0.4%	1.7%
13	SIBENIK	HR	15,355	84	0.3%	2.4%
14	BRINDISI	ITA	13,507	36	0.3%	1.0%
15	RIJEKA	HR	9,539	276	0.2%	7.8%
16	PULA	HR	8,322	33	0.2%	0.9%
17	ROVINJI	HR	7,956	60	0.2%	1.7%
18	IGOUMENITSA	GRE	1,827	4	<0.1%	0.1%
19	OPATIJA	HR	1,800	12	<0.1%	0.3%
20	OTRANTO	ITA	1,182	5	<0.1%	0.1%
	TOTAL		4,988,200	3,550	100%	100%

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

Of particular importance in the reading of industrial dynamics and of traffic in a sector such as cruise – but it would be valid for any other phenomenon or field – is the concentration on the supply side, that is the total traffic polarised in few ports. This is what happens in the Adriatic, with the three top ports recording 68.3% in 2012 of the total for the area, a figure that increases to 85.7% and 97.5% if we consider the top 5 and the top 10 ports.

Tab. 1.2] *The concentration of cruise traffic in Adriatic ports, 2012*

Cruise passenger movements	first 3	first 5	first 10
2012	68.3%	85.7%	97.5%
2011	69.1%	84.8%	97.4%

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

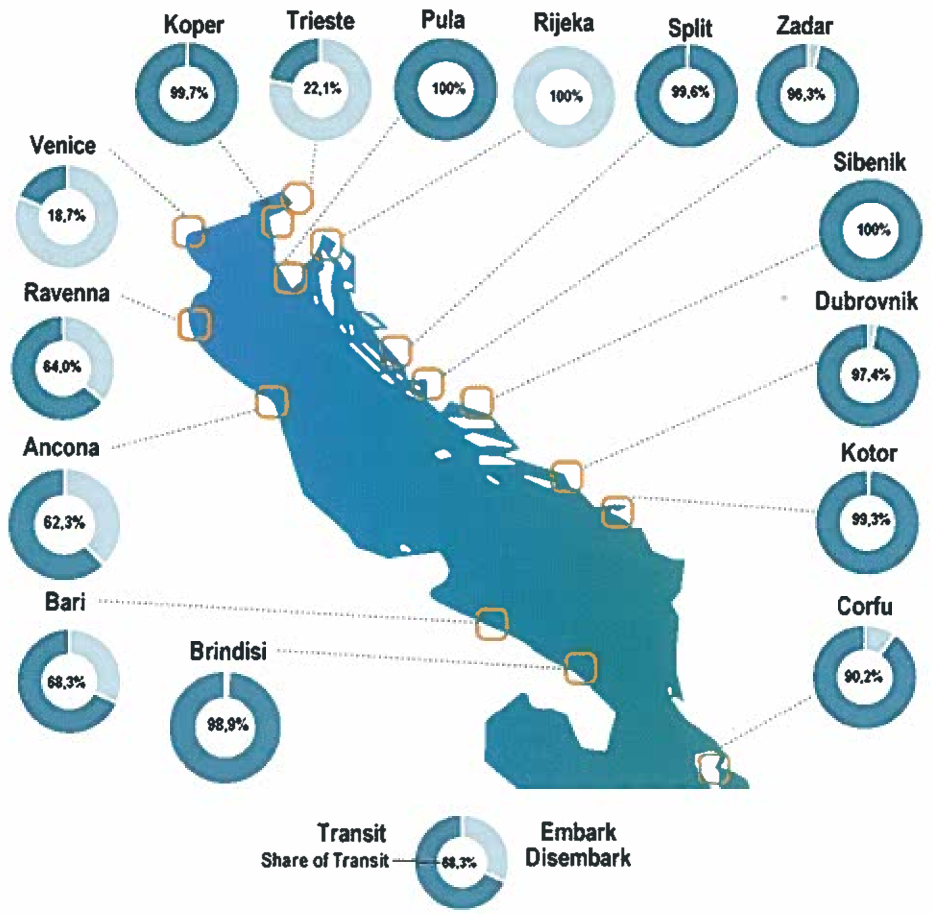
The figures for the traffic of individual ports allow the aggregation for the country of origin, thus Table 1.3 shows how Italy is by far the leading country with over 2.6 million passenger movements and 1,074 cruise calls in Adriatic coast ports. Figures which with respect to 2011 signal variations of -0.6% and +4.2% respectively, which translate into a total weight for 2012 equal to 54% of passenger movements and a little less than a third of the calls. Of the figures for Croatia the number of cruise calls stand out thanks to

Tab. 1.3] *Cruise traffic by country, absolute values and share percentages , 2012*

PORTS Country	CRUISE 2012 Pax mov.	CRUISE 2012 calls	Share. % on total Pax mov.	Share. % on total calls	Variation % on 2011 Pax mov.	Variation % on 2011 calls
ITALY*	2,691,415	1,074	54.0%	30.2%	-0.6%	4.2%
CROATIA	1,326,955	1,588	26.6%	44.6%	0.8%	-5.5%
GREECE*	657,591	489	13.2%	13.7%	6.0%	7.7%
MONTENEGRO	246,623	343	4.9%	9.6%	30.2%	8.5%
SLOVENIA	65,616	56	1.3%	1.6%	-39.7%	-28.2%
ALBANIA	n.d.	9	n.d.	0.2%	n.d.	-80.4%
BOSNIA-HERZEGOVINA	0	0	0.0%	0.0%	0.0%	0.0%
TOTAL 2012	4,988,200	3,559	100%	100%	0.90%	-1.30%

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note (*): both for Italy and Greece, only their Adriatic ports are considered. The figures for cruise calls differs from the previous table in that those for the Albanian port of Durres are included, excluded previously because the corresponding figures for passenger movements were not available.

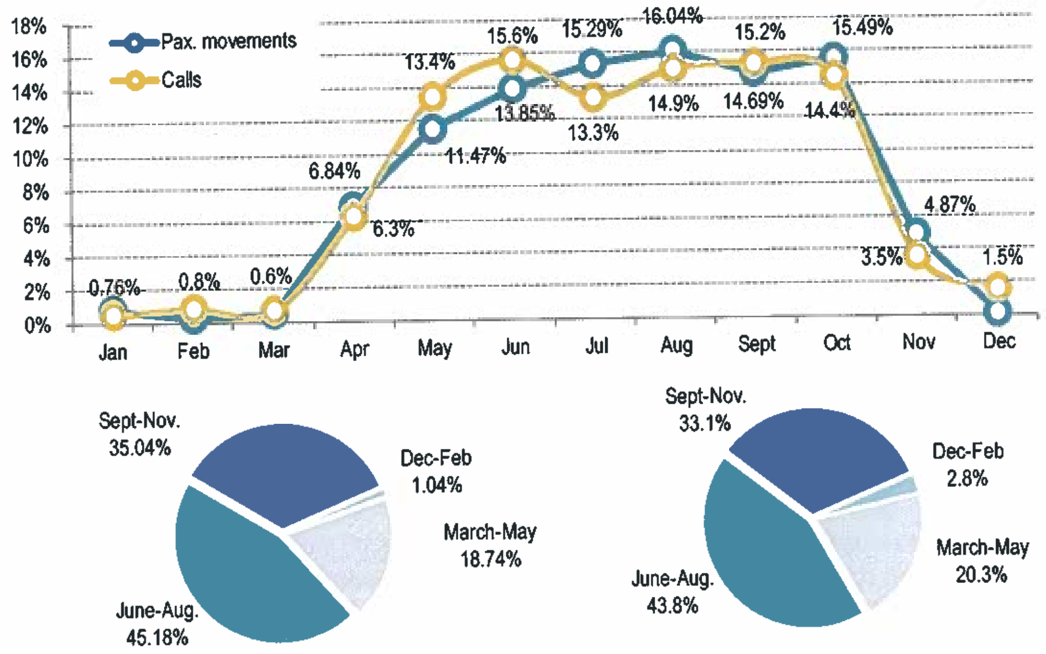
Fig. 1.1] *Percentage distribution of traffic between embarkments-disembarkments and transits, 2012*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

ports such as Rijeka and Rovinji that include in their statistics cruise ships of less than 50 passengers.
The figures for Greece are of relevance, notwithstanding the fact that only those for the ports of Igoumenitsa and Corfu are included in these elaborations, as are those for Montenegro, thanks to its only port, Kotor, which continues to record important rates of passenger growth as a result of inclusion in various cruise itineraries. The largest decrease in percentage terms is recorded by Slovenia, which with Koper saw an exceptional 2011 with respect to the preceding years during which a large ship, now relocated in South East Asia, had assured traffic throughout the year.
The composition of the passenger movements referred to in Adriatic cruise ports is shown, in the figure 1.1, in terms of balance between embarkments and disembarkments and transits, characterising each port as either homeport or port of call. The figure shows how the ports that can count on embarkment and disembarkment traffic are located mainly on the western coast of the Adriatic with the exception of Rijeka and Corfu, which is capable of using its airport to offer proposals to the market, mainly north European and short distance. Trieste since 2012 is mainly characterised as an embarkment and disembarkment port recording a distribution similar to that of Venice, although with very different volumes.
To enrich the elaborations made and provided for the reader of the Adriatic Sea Tourism Report, 10 of the main Adriatic cruise ports have been taken into consideration and the values and information relative to them have been used to draw up some graphs and tables, displayed below. Graph 1.6 and the following table show a particularly important picture in that it refers to the monthly concentration of cruise traffic in the Adriatic. From the average of the figures pertaining to each of the 10 ports in the table a summary distribution is obtained that sees in August the month of most traffic, with more

Graph 1.6] *Monthly and trimester share of passengers (left pie) and cruise calls (right pie) of 10 cruise ports, 2012*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

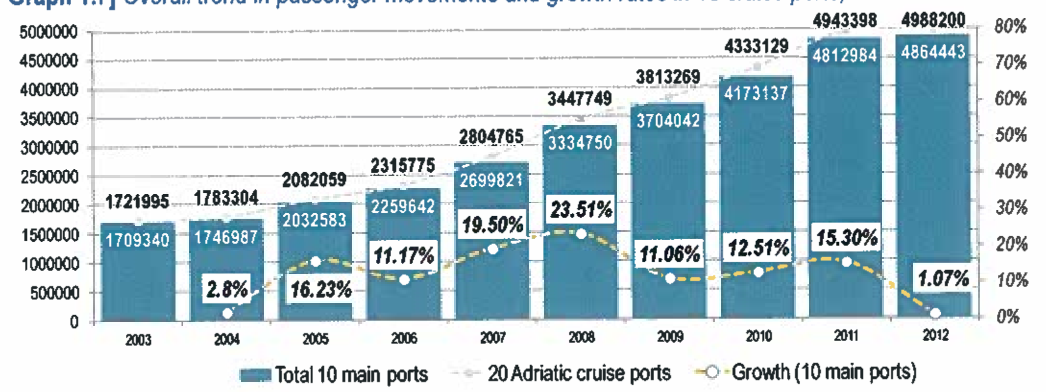
Tab. 1.4] *Monthly shares of cruise passenger movements each of 10 cruise ports, 2012*

Port	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
VENICE	0.9	0.6	1.2	6.6	12.3	14.0	16.0	14.4	14.8	14.0	4.9	0.3
DUBROVNIK	0.0	0.0	0.4	7.6	11.2	14.2	14.9	16.4	14.4	14.8	6.0	0.1
CORFU	0.0	0.0	0.1	7.6	12.8	14.3	14.0	17.7	14.2	14.5	4.8	0.0
BARI	0.9	0.9	1.3	8.4	9.8	12.4	17.3	14.5	14.8	14.5	5.2	0.0
KOTOR	0.1	0.0	0.3	2.7	11.5	13.0	14.1	19.0	16.2	18.5	4.5	0.1
SPLIT	0.0	0.1	0.0	4.7	10.0	16.0	16.9	15.5	16.3	17.1	3.3	0.1
RAVENNA	3.0	0.0	0.0	6.0	21.4	10.2	13.3	10.5	11.1	23.3	1.2	0.0
TRIESTE	0.0	0.0	0.0	2.6	9.0	13.7	12.6	14.6	15.6	17.9	14.0	0.0
KOPER	0.0	0.0	0.0	5.7	12.6	11.2	17.9	16.5	16.7	13.8	5.6	0.0
ZADAR	1.0	0.9	0.0	19.9	31.9	7.0	8.1	3.4	15.0	11.0	0.0	1.8

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note: values are expressed as percentages.

than 16% of total yearly passenger movements, followed by October and July.
The trend is very similar for cruise calls, even if the record goes to the month of June. The first three months concentrate more than 45%, underlining – even if it is a feature that is well known to all operators – that it is necessary to work to try and correct this trend and assure more significant dimensions of cruise traffic even in the colder months, an element which – as we will see in the next section - is more present in the case of ferry traffic. Today, thanks to the choices of some cruise companies, the scenario is already significantly different from the one of a few years ago, but the potential of the area's tourist attraction allows for new programmes and commitments with this objective to be initiated, acting on levers that have not yet been used, for example differentiated port terminal tariffs in exchange for hosting ships that offer a "low season" product in those months.
The graph 1.7 shows the trend in passenger movements in the last decade of the 10 ports taken into consideration for these elaborations. The graph shows a constant growth, which has never known setbacks notwithstanding the difficulties encountered in 2012 both for the economy in general and for the cruise industry in particular. The percentage values show variations with respect to the year before, and it is easy to see that 2008 is the year that showed the most significant jump with respect to the year before. The values that appear on top of the columns are those relative to the total Adriatic cruise ports, values that are continually growing.

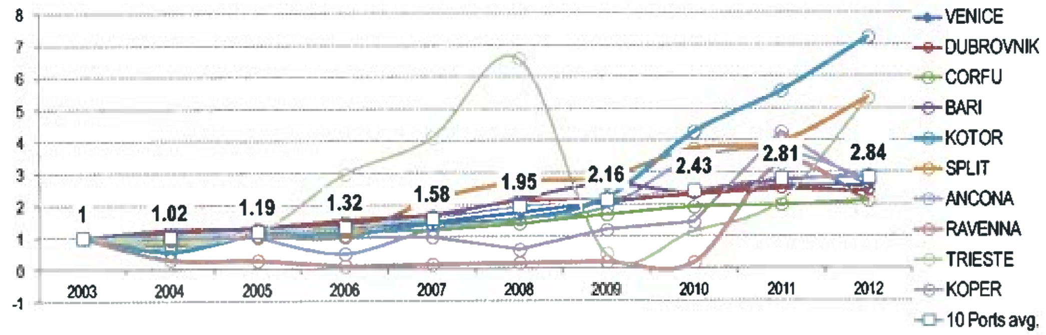
Graph 1.7] *Overall trend in passenger movements and growth rates in 10 cruise ports, 2003-2012*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

If in the previous graph the trend of the decade was expressed as a sum of data relative to the 10 ports taken into consideration, in the following one each port is expressed by a line of evolution that reveals the differences between one case and the next. It is in fact a graph that shows the decade's indexed growth, the progression that the traffic, always expressed in passenger movements, has undergone presenting the first year as the base year of value 1, and the other characterised therefore by a value that with respect to the initial value reflects the increase (or the decrease) shown by the phenomenon analysed. In the case of Venice, for example, with regard to 2003, base year with a value of 1, the growth up until 2012 gives an index equal to 2.57. Venice has therefore grown in terms of passenger traffic by 2.57 times in the decade, slightly less than the overall average for ports equal to 2.80. For some of these ports the index is affected and depends on the initial absolute value which, when it is quite low, can favour the manifestation of a particularly significant index of growth. This for example is the case of Kotor, grown from 34,120 passenger movements to more than 240,000 for an index of 7.2. Trieste and Spilt follow in this elaboration with values greater than 5.

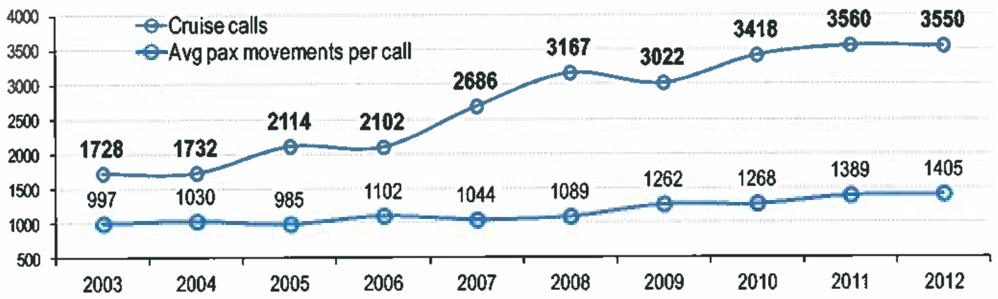
Graph. 1.8] *Indexed growth of passenger traffic in each of 10 cruise ports, 2003-2012*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note: 2003 is used as index year =1 in order to consider the decade 2003-2012.

Using the data on the cruise calls, Graph 1.9 gives the trend of the last decade for Adriatic cruise ports, showing the total reached. The curve shows the non-linear trend, with frequent changes in tendency, increasing or decreasing. The graph also shows a rather significant point, from a qualitative point of view – even if still numeric – about Adriatic cruise traffic: the average number of passengers per call. In line with the progress made in navel engineering which have in this respect allowed shipyards to construct vessels of ever increasing dimensions and capacity, the trend in this case is constantly growing, with values which are rising from one year to another year, going from 994 in 2003 to 1,385 in 2012.

Graph 1.9] *Trend of cruise calls and avg. passenger movements per call in Adriatic cruise ports, 2003-2012*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

The last piece of information of the paragraph is about the forecast of Adriatic cruise traffic in 2013, expressed both as passenger movements and cruise calls. The data was requested directly from the managers of port terminals, only a few of whom, however, chose to provide them, others preferred to not expose themselves, in particular with regard to passenger numbers. In any case, considering that forecasts have been made – either for both the dimensions or for one of the two – for 10 ports capable of weighing in a relative sense 80% of the total traffic in Adriatic in terms of passengers and 79% of ship calls, the information contained in the table below can be considered to be more than representative of the overall trend relative to the near future. The figures show a forecast for 2013, which is on the increase with respect to 2012 both for passengers and cruise calls. In particular the first figure stands out with a positive variation of 9.3% for over 369,000 passenger movements more than last year. Growth in cruise calls is less evident given the downward tend in the data supplied by some of the ports. Of the ports that provided these estimates, Dubrovnik has announced a much higher percentage growth than that provided by Venice. Of the ports with less traffic in absolute values the triple digit growth forecast of Igoumenitsa stands out, as the forecast by Brindisi for passengers.

Tab. 1.5] *Cruise traffic in Adriatic, forecast for 2013 (and variations on 2012)*

	Pax mov.	Calls	% Variation 2013 on 2012		Absolute variation	
	2013	2013	Pax mov.	calls	Pax mov.	calls
VENICE	1,820,000	680	2.5%	2.9%	44,056	19
DUBROVNIK	1,224,598	704	25.5%	7.6%	249,175	50
CORFU	700,000	460	6.7%	-5.2%	44,236	-25
BARI	n.d	183	n.d	-11.2%	n.d	-23
SPLIT	220,000	219	-10.4%	-18.6%	-25,451	-50
ANCONA	110,106	56	stable	stable	stable	stable
RAVENNA	100,000	81	-1.0%	20.9%	-987	14
TRIESTE	80,000	53	13.0%	23.3%	9,193	10
SIBENIK	30,000	105	95.4%	25.0%	14,645	21
BRINDISI	30,000	n.d	122.1%	n.d	16,493	n.d
IGOUMENTISA	18,761	27	926.9%	575.0%	16,934	23
RIJEKA*	10,016	290	5.0%	5.0%	477	14
			9.3%	1.9%	368,771	53

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013 on data provided by single ports or terminals. Note (*) Rijeka includes in its values also <50 pax cruise ships (not included for other ports). Forecast on passenger movements are based on the 80.1% of the 2012 traffic while cruise calls on 78.8%.

1.3 FERRY, HYDROFOIL AND FAST CATAMARAN TRAFFIC

Ferries play a fundamental role among the different forms of maritime transport and tourism. In fact, they are vessels designed to transport people, vehicles and lorries. There are various types, the more common ones are those know as cruise ferries, fast ro-pax ferries, in addition to, in the category of cargo ferries the so-called ro-ro[1] (that stands for roll-on-roll-off and highlights their capacity to load road vehicles carrying up 12 people quickly). Shippax, a Swedish company leader in the ro-ro and ferry sector, identified as the oldest car ferry, the "Motor Princess", introduced in 1923 by Canadian Pacific in Vancouver.

Ferries supply the capacity for passenger transport to, from and between islands, across rivers and bays. It is, generally speaking, a middle-short sea transport service, often including pleasure facilities. Now even car ferries are equipped with restaurants, lounges and cabins with toilet and shower. General equipment and passenger facilities are getting closer to the standard of some cruise ships. In addition to ferries there are also vessels of other types: hydrofoils, fast catamarans and multihulls. These ships, designed for quick daylight journeys, are equipped with coach-type seats.

The product is characterized by the fact that it is not used exclusively for tourism. In contrast to cruise transport which is entirely for leisure purposes, in this case many of the routes supply transport services, often public ones, to assist island residents and connect local territories, rather than responding to tourist demand. In fact, the public transport side mixes in with other aspects of the business such as the routes, the companies and the operators. There are still subsidized state entities competing with private companies. In addition, it should be mentioned that even when mainly tourists use them, it is still a means of transport used to reach a holiday destination and then return home and not in itself a destination (as a cruise ship can be).

It is a very heterogeneous and complex sector. The information is limited and, even when it is available it is collected and recorded by the port authorities and the companies which manage the terminals on the basis of other requirements. If some of the companies that manage passenger traffic have historical records available, the data are related to the origin of passengers and type of vessel used, and in many cases are limited to the total number of passengers without details of the number of calls and without providing the possibility of subdividing the data.

It should also be noted that with respect to the cruise sector, described in the previous section, where the catalogues are published and the itineraries sold a year before, with traffic of this type the ticket is usually bought at the last minute, if not at the ticket office just before boarding. This makes – in this segment - it very difficult to make predictions for the upcoming season. Making predictions is a need that does not seem to be usual for harbour boards. They limit themselves to carrying out final checks and registering what is happening. In this section, after a rapid review of European Union data, sourced from Eurostat but available only up to 2011, this first edition of the Adriatic Sea Tourism Report offers the reader data on the ten major ports of the Adriatic as well as a collection of data for 2012 of more than 25 ferry ports.

[1] The term ro-ro distinguishes from lo-lo (lift on/lift off), merchant ships that use a crane to load and unload.

More ports will be added to these in order to provide a first platform of information put together from direct sources, in a study that we hope will gradually build up a database that will permit better estimates of the phenomenon and the making of comparisons from one year to the next.

The EU, in its statistical activities, provides overall estimates for all its member countries that can be used to understand the dimensions of the phenomenon, even if only partially. Croatia, as a candidate and not a member country, provides data on a voluntary basis. It will be included in future elaborations, as they will enter the EC this July. According to the 2012 EU Statistical Pocketbook[2] dedicated to transport, the number of passengers (excluding cruisers) passing through EU ports is estimated to be about 396[3] million in 2010, the latest data available. This means a fall of 2% compared with 2009. Close to 88 million passengers were embarked and disembarked in Italian ports in 2010 (not only the Adriatic coast), confirming Italy as the leading seaborne passenger transport country in Europe. From the same Eurostat source, but different output (Eurostat report, Statistics in focus 12/2012 – Transport), it is possible to see similar figures that show passengers embarking ("outwards") and disembarking ("inwards") in European ports (excluding cruisers). It is evident that the differences between these numbers are small: this reflects the fact that most passenger transport in Europe takes place on the main national and intra-EU ferry connections, so that the same passengers are counted twice (both when they embark and when they disembark).

Tab 1.6] *Sea inward and outward flow of passengers by country*

	INWARDS			OUTWARDS		
	2008	2009	2010	2008	2009	2010
EU27	203,445	199,014	195,537	201,678	195,568	193,093
EU15	193,051	188,919	184,174	191,443	185,424	183,320
EU12	10,394	10,095	11,363	10,235	10,143	9,773
EL*	45,255	43,907	42,021	45,186	43,832	41,972
IT	44,761	45,496	41,959	43,643	42,834	42,016
SI	15	25	16	16	24	17
HR	12,983	13,019	12,554	13,037	13,001	12,554

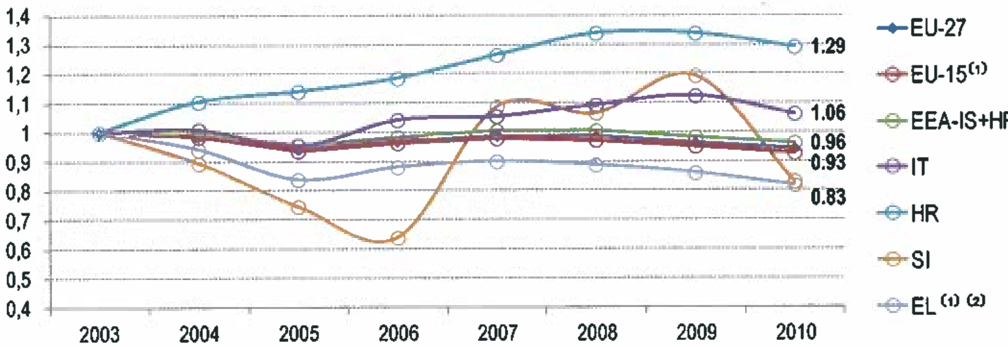
Source: Eurostat report, Statistics in focus 12/2012 – Transport (2012). Note: value in thousands, excluding cruise passengers, (*) EL data after 2003 includes cruise passengers.

In contrast to the recent developments in maritime goods transport, seaborne passenger transport continued to decline in 2010. The total number of passengers passing through EU-27 ports in 2010 has been estimated at 396 million (inwards movements plus outwards movements), a drop of 2% compared to the previous year. There has been a year-by-year decrease in total number of seaborne passengers passing through EU-27 ports since 2007. The European time series evidenced how some countries have experienced a substantial drop in the number of seaborne passengers embarking and disembarking from one year to another. These sudden changes in the volume of seaborne passengers are typically caused by openings of new bridge connections and subsequent closure of ferry links. According to the UE pocket book, increased use of the Channel tunnel and rapid growth in low cost flights are other factors having effects on the number of seaborne passengers in Europe.

[2] EU Transport in Figures, Statistical Pocketbook 2012.
[3] For the abovementioned limits this also includes cruise passengers. Cruise passengers represent less than 3% of the total number of passengers in ports of EU-27.

Both the leading countries, Italy and Greece, recorded decreases of around 5% in the total number of passengers embarking and disembarking in 2010. According to the EU figures Croatia registered more than 25 million passengers in its ports while Slovenia 39,000 passenger movements. As there is no up to date data, it is interesting to see a time series using 2003 as an index equal to 1 and elaborating the time series. Croatia is the series with the most growth among the ones considered, reaching 1,29.

Graph 1.10] *Indexed growth of sea passenger traffic in European areas and single countries, 2003-2010*



Source: Risposte Turismo elaborations on Eurostat report, Statistics in focus 12/2012 – Transport (2012). Note (1) EL from 1997 to 2011: partial data, (2) EL data after 2003 includes cruise passengers.

The Mediterranean Sea basin dominated maritime passenger transport, accounting for more than half (52.2%) of all passengers along the EU's coast, according to 2010 data. Most passenger transport by sea in EU countries is national transport. In general, countries with a relatively long shoreline or a number of well-populated islands have both a large volume of seaborne passenger transport and a high share of national passenger transport by sea. This applies to countries like Malta, Portugal, Greece, Italy and Spain. In contrast, countries with major regular ferry connections with other EU countries tend to have a high share of international intra-EU transport. As in previous years, Spain and Denmark were the only two countries recording relatively large shares of extra-EU passenger transport in 2010. This is mainly due to the geographical position of the countries, with Spain having links with Morocco and Denmark with Norway.

Tab. 1.7] *Sea passenger traffic (embarks and disembarks) at major EU Seaports, 2000-2010*

Rank	Port, Country		2000	2005	2006	2007	2008	2009	2010	change 09/10 %
1	DOVER	UK	16,197	13,501	13,987	14,433	14,006	13,265	13,361	0.7
2	PALOUKIA SALAMINAS	EL	n.a.	11,663	11,981	13,066	13,063	12,821	12,705	-0.9
3	PERAMA	EL	n.a.	11,663	11,981	13,066	13,063	12,821	12,705	-0.9
4	MESSINA	IT	11,898	9,802	10,834	10,603	10,380	10,441	10,765	3.1
5	CALAIS	FR	15,066	11,695	11,460	11,519	11,002	10,158	10,237	0.8
29	IGOUMENITSA	EL	933	2,338	2,531	2,683	2,631	2,741	2,726	-0.6

Source: Eurostat report, statistics in focus 12/2012 – Transport (2012). Note: value in thousands.

With regard to top regions, among the top 10 with the largest number of passengers transported by sea (2010 data) the Adriatic region is not included. Attiki in Greece is the leader, followed by Naples, Kent, Pas-de-Calais and other ports. If we consider only the

seaports, according to the latest Eurostat focus released in December 2012, only Igoumenitsa in Greece, on the border of the Adriatic Sea, is included in the top 40. It should be noted that in this chart Croatian ports are not included, and that, as will be seen in the following pages, at least one Adriatic port (Split) could easily enter this chart.
This first edition of the Adriatic Sea Tourism Report presents, in the following pages, elaborations and interpretations of the phenomenon of passenger transport by ferry thanks to the first hand collection of data and information on passenger traffic. The Adriatic Sea Tourism Report information platform has been built from research and contact with more than 50 Adriatic ports. In the Adriatic the ports that offer passenger transport services are in fact numerous on both coasts[4].

Fig. 1.2] *Adriatic seaports providing ferry, hydrofoil and fast catamaran traffic data*

Note (*) Data for single ports of Montenegro are not available.

The following table shows the 2012 figures for the ports indicated in the map above. As can be seen, with respect to the table sourced from the EU, two Croatian ports are present even if Croatia will not officially enter the European Community until mid 2013. With regard to the information collected for the cruise sector, the methods used for the collection and presentation of the data for the ports, by admission of the competent authorities, provide no information for calls, even for ports the handle more than a million passengers. Split is the only port to register nearly 4 million passengers; two ports – Zadar and Igoumenitsa – exceed the threshold of two million passengers, followed by three other ports with between 1 and 1.4 million passengers handled each. Although the total passenger traffic is an underestimate of the actual traffic, with data limited to 29 ports more than 16 million passengers handled emerge, thanks to almost 80,000 ferry, hydrofoil and fast catamaran calls. For the ports taken into consideration the negative

[4] For more in details on current investments regarding companies and routes in the Adriatic area see the next chapter.

variation with respect to 2011 is 9.0%. The decline in calls is less sharp, equal to -1.9%, relative to ports that provided figures for 2012 and 2011.

Tab. 1.8] *Adriatic ports ferry, hydrofoil and fast catamaran passenger movements 2012, absolute values and percentages*

	Passenger movements			Calls		
	2012	2011	Var 2012/2011	2012	2011	Var 2012/2011
SPLIT*	3,862,752	3,781,612	2.1%	12,505	12,641	-1.1%
ZADAR	2,369,270	2,410,687	-1.7%	17,000	17,000	0.0%
IGOUMENITSA	2,288,152	2,640,891	-13.4%	11,617	11,795	-1.5%
CORFU	1,420,201	1,682,858	-15.6%	14,863	15,984	-7.0%
BARI	1,235,335	1,364,817	-9.5%	1,919	2,198	-12.7%
ANCONA	1,062,383	1,409,066	-24.6%	n.d.	n.d.	n.d.
DURRES	798,524	853,748	-6.5%	1,291	1,435	-10.0%
PATRASSO	508,827	748,029	-32.0%	n.d.	n.d.	n.d.
DUBROVNIK	491,052	538,062	-8.7%	6,228	5,293	17.7%
BRINDISI	468,179	521,283	-10.2%	769	1,027	-25.1%
ROVINJ	281,762	275,679	2.2%	236	335	-29.6%
VENICE	263,180	462,037	-43.0%	619	744	-16.8%
SIBENIK	300,000	299,412	-19.2%	2,077	2,077	0.0%
POREC	221,971	212,477	4.5%	4,178	3,999	4.5%
TERMOLI	183,195	197,838	-7.4%	n.d.	n.d.	n.d.
RIJEKA	159,190	171,396	-7.1%	704	758	-7.1%
RODI GARGANICO	90,208	34,076	164.7%	577	229	152.0%
MONTENEGRO**	65,000	69,436	-6.4%	n.d.	n.d.	n.d.
RAB	50,458	55,065	-8.4%	3,034	3,588	-15.4%
PULA	49,869	49,581	0.6%	254	364	-30.2%
VIESTE	39,326	27,302	44.0%	215	155	38.7%
NOVIGRAD	36,976	37,887	-2.4%	n.d.	n.d.	n.d.
UMAG	35,914	39,980	-10.2%	70	60	16.7%
TRIESTE	28,995	28,790	0.7%	n.d.	n.d.	n.d.
RAVENNA	6,119	7,470	-18.1%	281	267	5.2%
PESARO	4,964	5,126	-3.2%	44	45	-2.2%
OTRANTO	3,747	1,614	132.2%	n.d.	n.d.	n.d.
	16,325,549	17,945,032	-9.0%	79,994	78,481	-1.9%

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note: (*) data does not include tourist and small boats, (**) Data includes all ports in Montenegro, data for individual ports were not available. Table does not include ports with no traffic in 2012 (i.e. Pescara).

Even taking into account the fact that in the Adriatic Sea Forum Report 2013 the number of ports considered is inferior with respect to the total, it is still possible to attempt to show some initial information on the concentration of traffic in the main ports, where it can be seen that more than half of the traffic is relative to the first three ports of 2012, with a slight increase on the value for 2011. Clearly with the denominator value much higher than what the result would have been if all ports had been included in the total, the concentration figure diminishes.

Tab. 1.9] *The concentration of ferry, hydrofoil and fast catamaran passenger movements in Adriatic ports, 2012*

passenger movements	first 3	first 5	first 10
2012	52.2%	68.5%	88.8%
2011	49.2%	66.2%	88.9%

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

In limiting the ports, and therefore the number of Adriatic countries to the five – or less, that provided figures for 2012 and 2011, it is possible to show a comparison with the year before. The decline of the Greek and Italian "Adriatic" ports, both with 17%,

emerges together with the substantial hold of the Croatian ports analysed. It was not possible, as already seen in the list of ports included in this edition of the Report (Table 1.10), to receive detailed data of ports in Slovenia and, Bosnia and Herzegovina.

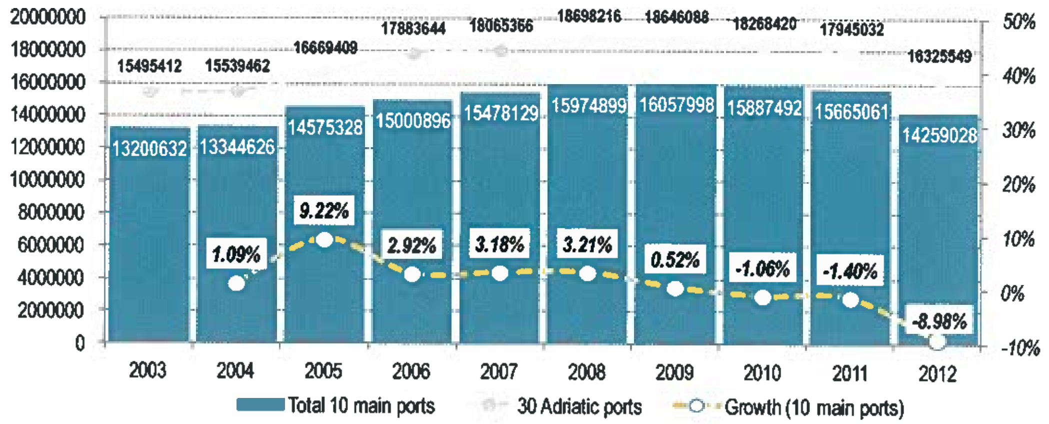
Tab. 1.10] *Ferry, hydrofoil and fast catamaran passenger movements by country, 2012, absolute values and percentage shares*

Country	2012	2011	Variation 2012 on 2011
CROATIA	7,871,838	7,859,214	-0.2%
GREECE*	4,217,180	5,071,778	-16.9%
ITALY*	3,385,631	4,078,232	-17.0%
ALBANIA	798,524	853,748	-6.5%
MONTENEGRO	65,000	69,436	-6.4%
	16,325,549	17,945,032	-9.0%

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note (*): for Italy only the Adriatic ports were considered, for Greece Corfu, Igoumenitsa and Patras.

In not limiting the variation to 2011, but extending the historic series to the 2003-2012 decade, a trend is revealed, in absolute values and percentage variations over the previous year, of the traffic in 10 Adriatic ports, listed in the first column of the table. The rate of growth is calculated only for the 10 ports, but can provide indications, which are useful in showing a gradual decline evident over the last few years, after the peak reached in 2009 with more than 16 million passenger movements. To assist the reader, the line that distinguishes the positive trend from the negative variation ones with respect to the previous year, where it emerges that, from 2010 the decline has increased to -8.98% registered between 2012 and 2011. The value is slightly more contained with respect to that shown previously, relative to the total of ports registered.
The graph, on top of the chart, shows the series that indicates the overall values of 30 Adriatic ports even if the series is not always complete and accurate, by admission of those who provided the indications. Overall, for these 20 extra ports there are about 2

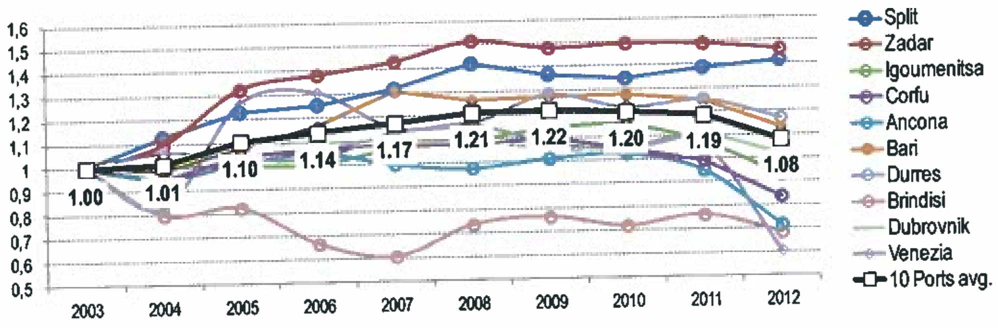
Graph 1.11] *Total ferry, hydrofoil and fast catamaran passenger movements and growth rate in 10 Adriatic ports, 2003-2012*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

million extra passenger movements with a trend that is very similar to the one for the first ten ports. The following graph shows, using indexed values, the growth rate starting from a common base. If we consider the total of the 10 ports it emerges that values higher than 10 years ago are still registered, but instead of continuing to expand, something that characterises cruise passenger traffic, in this case the trend is returning to values which are increasingly similar to those of 10 years before.

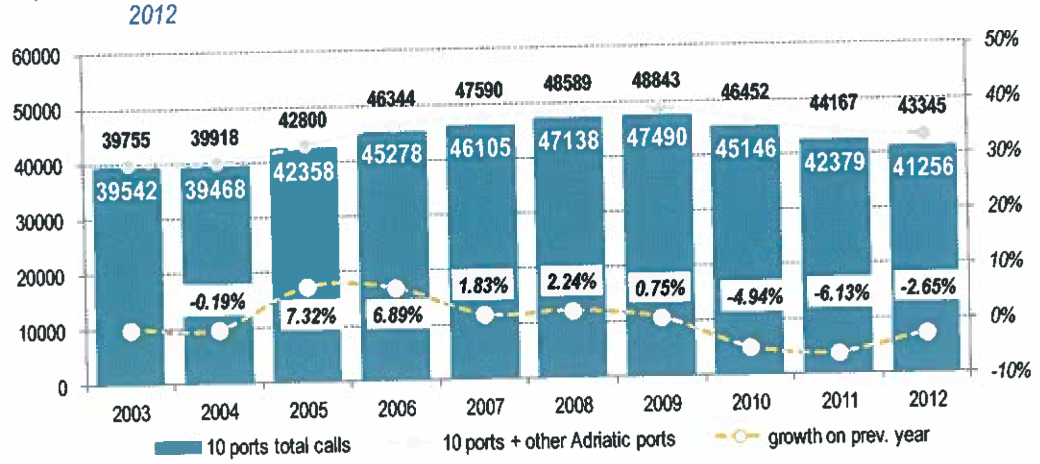
Graph 1.12] *Indexed growth of ferry, hydrofoil and fast catamaran passenger movements 2003-2012 in each of 10 Adriatic ports*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

The pair of graphs that follow, analogous to that which has already been show for the traffic of passenger movements, shows the trend for berths. This information is not available for the same 10 main ports for traffic: Zadar, for example, even if it is the second Adriatic port, did not provide this information. The ports included in this series are: Corfu, Split, Bari, Sibenik, Dubrovnik, Durres, Brindisi, Rijeka, Venice and Ravenna. As already mentioned, the figure for the number of berths proved to be difficult to obtain. In any case the trend shows the same type of curve as the one for passengers and draws out values that are still higher than 10 years ago, but considerably lower than the peak registered in 2009 after 5 years of positive variations. Also in this case it can be seen that only 5 of the 9 variations over the previous year are above the orange line that

Graph 1.13] *Total ferry, hydrofoil and fast catamaran calls and growth rate in 10 ports of the Adriatic, 2003-2012*

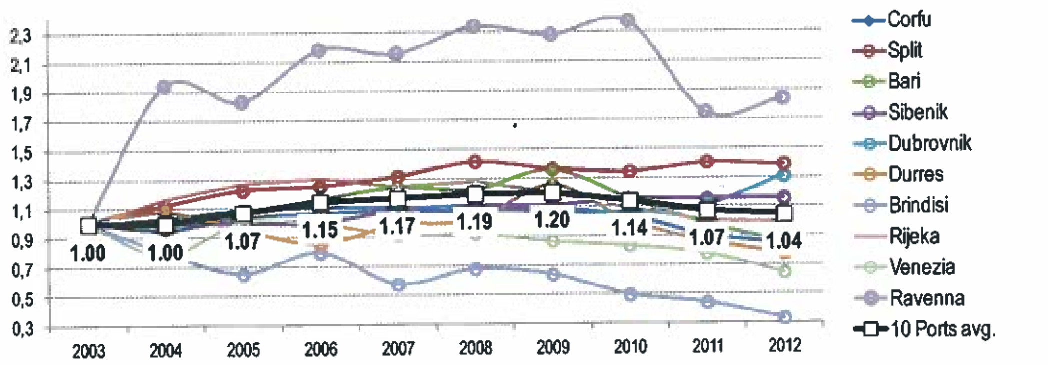


Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

differentiates positive trends from ones with negative variations with respect to the previous year, which were only calculated for the 10 ports.

In the process of constructing the Adriatic Sea Tourism Report information platform a start was made to the collection of the historical series of data for the other ports.
If the figures for Ravenna are excluded – which started from a very low base of berths in 2003, or Brindisi, which has seen ferry calls decline by a third, there are no other ports that have experienced such a tight squeeze – a substantially stable traffic for the decade emerges in the Adriatic area. The green curve sees, as in the case of passenger movements, a peak in 2009, and a value that, in the final year 2012 of the ports analysed, returns to values similar to those of 10 years ago.

Graph 1.14] *Indexed growth trend of ferry, hydrofoil and fast catamaran calls 2003-2012 in each of10 Adriatic ports*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note: 2003 is used as index year =1 in order to consider the decade 2003-2012.

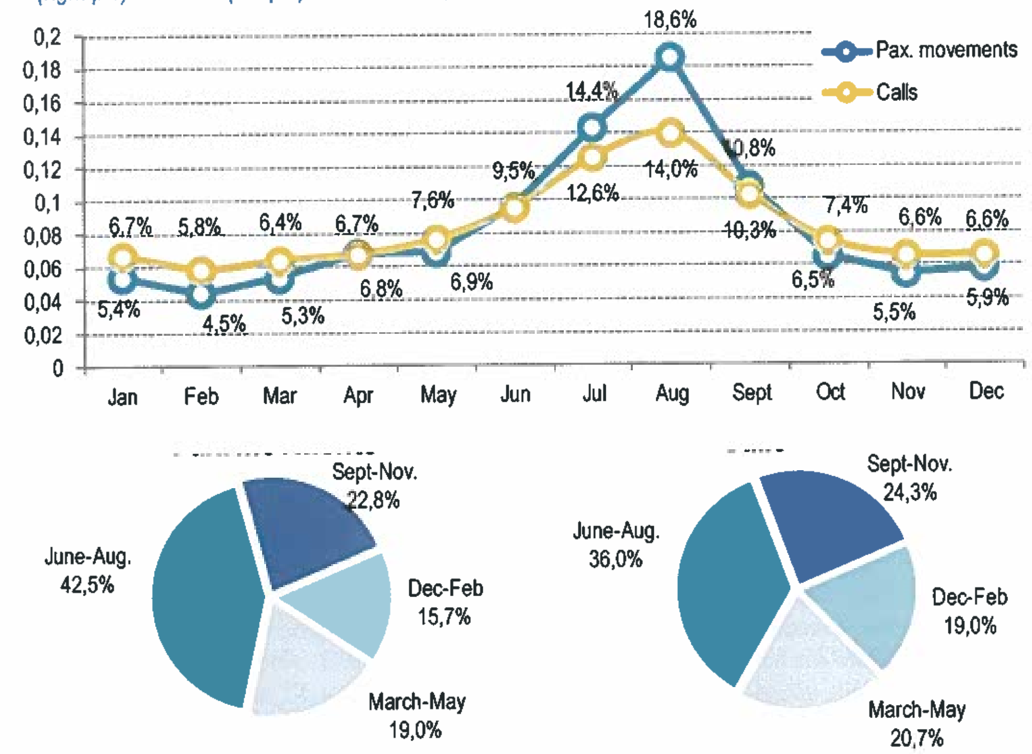
Another reading is proposed, in the table and graph that follow, of the monthly share of ferry, hydrofoil and fast catamaran passenger movements in 10 Adriatic ferry ports. Ten ports provided information divided into months and updated to 2012. The first table reveals passenger traffic mainly concentrated in the summer season, with the exception of Pula, and never lacking during the winter months.

Tab. 1.11] *Monthly share of ferry, hydrofoil and fast catamaran passenger movements in each of 10 ferry ports, percentage share 2012*

Port	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
BRINDISI	3.6	2.1	3.2	4.3	4.5	6.8	14.1	30.9	11.5	6.6	5.4	7.3
CORFU	4.5	3.7	4.7	8.7	7.4	9.4	14.9	20.5	10.8	6.1	4.5	4.8
DURRES	3.4	2.1	3.2	4.3	4.5	6.8	14.1	30.9	11.5	6.6	5.4	7.3
IGOUMENITSA	4.6	3.8	5.0	8.2	7.1	9.0	15.2	19.6	11.0	6.4	4.8	5.3
PULA	0.0	0.0	0.0	0.0	0.0	10.3	35.9	46.1	7.7	0.0	0.0	0.0
RAVENNA	0.7	0.8	1.1	1.3	1.3	6.4	29.3	46.7	7.3	2.2	1.8	1.1
RIJEKA	4.0	2.8	6.2	6.0	7.2	12.3	18.0	19.0	10.3	6.6	4.3	3.4
SPLIT	6.6	6.2	7.2	6.9	7.5	10.7	13.3	13.3	9.8	6.4	5.9	6.2
TERMOLI	0.6	0.5	1.4	3.9	4.8	15.4	21.3	38.0	10.3	2.2	1.0	0.6
VENICE	2.9	2.8	3.8	3.8	7.0	11.1	21.0	23.1	14.5	5.0	2.4	2.6

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note (*): values are expressed as a percentage.

Graph 1.15] *Monthly and trimester shares of ferry, hydrofoil and fast catamaran passenger movements (right pie) and calls (left pie) in the Adriatic, 2012*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

With respect to cruise traffic, seasonal fluctuations are less pronounced. If the graph below is analysed it can be seen that seasonal fluctuations are less obvious for ship calls while passenger movements show a monthly peak equal to 18.5% of the total in the 10 ports taken as a whole. In analysing the individual ports it can be seen that the share record is more than, or almost, 40% for three of the ten ports taken into consideration.
The two pie charts above show, in a similar way as that seen in the previous section, the division of traffic by season. Also in this case, the summer season emerges but is less obvious, the result of the presence of ferry traffic all year long.
In addition to the ports cited above, it is appropriate that, in order to ensure the so-called territorial contiguity, regular services connecting the main islands should not be underestimated, in the case where these islands are not connected by bridges. An objective for the next edition is to try and validate the information included here in order to reach unique elaborations, a process that has already begun for Italian ferry ports.
Some ports, as will be seen, are grouped together. In this edition the statistical tables are presented. For the most important movements during 2012 as regards ferries and fast ships (fast catamarans) Croatia has registered a considerable number of passengers, a total of 11,185,726, a number that is in slight decline with respect to 2011 (-0.11%). The final figure for ferry passengers in 2012 is 9,149,478 to which more than 2 million passengers are added, between fast catamarans and other mall ferries. In the latter case only the transport of passengers is referred to, those who make short trips mostly

between the islands near Spit, Zadar, Rijeka, Sibenik and Dubrovnik. The highest numbers of passengers were registered mostly for the ferries that transport passengers and vehicles, between the area of Split towards the nearby islands of Brac, Salta, Hvar, and the area of Zadar towards Ugljan and Pasnam. In addition an increase in pax is concentrated on the ferry routes between the islands of Cres and Krk, Vlabiska and Merag, Prizna and Zigljen, and the Istrian peninsula Brestova. The table below shows the absolute values and the variations while the figure below the table shows the location of the routes.

Tab 1.12] *Main passenger transport routes in Croatia 2012-2010*

	FERRIES ROUTES	pax 2010	pax 2011	pax 2012	% var.
A	Zadar - Ošljak - Preko	1,657,065	1,617,167	1,606,123	-0.69
B	Split - Supetar	1,531,933	1,538,513	1,534,340	-0.27
C	Valbiska - Merag	717,058	769,177	763,515	-0.74
D	Jablanac - Mišnjak / Stinica	650,000	655,620	701,912	6.60
E	Prizna - Žigljen	647,042	697,943	673,017	-3.70
F	Split - Stari Grad	577,272	593,634	601,445	1.30
G	Brestova - Porozina	569,740	584,695	568,769	-2.80
H	Orebić - Dominče	457,715	477,227	486,225	1.85
I	Biograd - Tkon	456,103	448,198	441,862	-1.43
L	Split - Rogač	262,185	272,926	269,728	-1.19
	MAIN 10 ROUTES	7,526,113	7,655,100	7,646,936	-0.11
	OTHER ROUTES	1,980,541	2,013,345	2,009,832	-0.17
	TOTAL PAX	10,927,383	11,197,897	11,185,726	-0.11

Source: Agencija za obalni linijski pomorski promet (Tablice Statistika 2010-2011-2012).

Fig. 1.3] *Map of the main internal passenger transport routes in Croatia*

In this case, as for the cruise phenomenon, even if making a forecast of passengers for this type of transport remains particularly uncertain and risky, the ports were asked to provide an estimate of the traffic and of the ports for 2013. Considering these ports as one, passenger traffic registers, surprisingly, +1.9%, following the positive results for Split, Durres and Sibenik. Whereas with regard to ship calls the seven ports that provided data registered -2.5%, mainly as a result of the decline foreseen for Dubrovnik.

Tab. 1.13] *Ferry, hydrofoil and fast catamaran traffic in the Adriatic, forecast for 2013 (and var. on 2012)*

	Pax mov.	Calls	% Variation 2013 on 2012		2012	
	2013	2013	Pax mov.	calls	Pax mov.	calls
SPLIT*	4,100,000	12,755	3.9%	2.0%	3,946,248	12,505
ZADAR	n.d	17,000	n.d.	stable	2,369,270	17,000
CORFU	1,340,400	14,500	-5.6%	-2.4%	1,420,201	14,863
DURRES	852,824	1,400	6.8%	8.4%	798,524	1,291
DUBROVNIK	473,369	4,886	-3.6%	-21.5%	491,052	6,228
SIBENIK	330,000	2,110	10.0%	1.6%	300,000	2,077
VENICE**	150,000	208	-4.9%	-6.7%	157,785	223
			1.9%	-2.5%		

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note (*) Split data also include small and tourist boats, (**) Venice forecast data includes only ferries as hydrofoils and fast catamarans forecast are not available.

1.4 SAIL AND YACHT BOAT TRAFFIC

Going to sea is a social activity. There are various ways of utilising the sea through boating. Although the main objective of this study is to focus on the tourism aspect, there are other uses of pleasure boats[5] which cannot be undervalued, more orientated towards sporting activities such as fishing or in a more general sense, pastimes. The demand, therefore, that results from the various uses and services of a boat, develops a sector which embraces numerous different activities, each capable of making a contribution to the realisation of sellable and useable output. Shipyards, brokerage, chartering and refitting and maintenance spring to mind just in relation to boats: from construction to hiring assistance, numerous companies involved in the sector can be identified. Add to these harbours and their facilities (marinas and others) able to accommodate these players, the providers of services not only for boats but also for their users, a good part of tourism industry operators that come into contact with this segment of the demand. Tourism could be further developed, thanks to the pleasure boat industry. It could experience expansion in the future given the recognisable potential of the fact that, 67% of the Italians would like to spend their holidays at sea but less than 20% have ever boarded a boat.[6] Again with regard to Italy – only one of the target markets for boating – two out of three Italians, according to the Report on Italian Tourism 2003 produced by Mercury (Ruggieri, 2003), ten years ago did not know that it was possible to hire a boat and the situation does not seem to have changed much since then. Although in other countries the scenario could be different, these findings reveal the enormous potential available for a sector that even today suffers from a skewed perception of the luxury dimensions, emphasising a high threshold of access that would cut out, for reasons of spending power, most of the potential demand. In reality it should be recognised that

[5] Pleasure boats are usually classified and subdivided in the following way: pleasure ships: units with hulls more than 24 metres long; pleasure boats: units with a hull of between 10 and 24 metres long; pleasure craft: pleasure units with oars or with a hull equal to or less than 10 metres.
[6] Pollicardo (2005), Lo sviluppo del mercato e l'immagine della nautica italiana nel mondo", in Cherubini S., Nastasi T. (eds). Il marketing della nautica da diporto, Nautica Editrice, Rome.

there is a supply, and its relative demand, concentrated on maxi and luxury yachts, which though represents, of course, only a part of a more comprehensive recreational area[7].
The entire sector is, though much more complex, able to satisfy the requests, needs and preferences of many components of the demand, releasing important potential effects and implications for economic, tourism and coastal development for countries that face onto the sea and that are organised to accommodate this type of traffic.
Academics and scholars who have attempted to describe the phenomenon have provided quantification of maritime tourism using three main variables that are proposed as a proxy of the phenomenon: the number of recreational boats and the number of licences to measure demand; the number of berths to estimate the supply. The next chapter should be consulted for a reconstruction of the Adriatic supply. In terms of demand it has not been possible to obtain values from direct homogeneous sources for all the countries of the Adriatic. When the Adriatic Sea Tourism Report (ASTR) is not a direct source, the information is mostly from Italy and Croatia that today, because of the structure of the countries and the organisation of the supply, are the Adriatic nations that are more focussed on and use this type of tourism[8].
In order to provide new insights dedicated to the Adriatic region, while recognising that there are reliable sources which, according to the methodology used, carry out investigations for the respective countries with well structured samples, the Adriatic Sea Tourism Report in this first edition presents the results of two surveys carried out on two distinct categories of operators of the nautical sector (marinas and charter companies) active in the various countries of the Adriatic.
As regards the first of these two surveys, it was conducted on a sample of 20 marinas, heterogeneous by character and location. Although definitely a contained number, it is able to express, through the elaboration of the answers and the data collected, evidence and results that can enrich the patrimony of information available to people who work in the field and anyone who is interested in the phenomenon.
The marina managers involved in the survey were interviewed directly and invited to provide either quantitative or qualitative answers depending on the specific questions.
The following table shows some of the main structural characteristics, including berths. It is possible to see how the values oscillate between 70, in the only marina in Albania, and 740 in the Leuca Marina in Puglia. About half of them are designed to accommodate maxi yachts. Clients of the marinas are 61.9% residents and 38.1% from other countries. As regards the first group, 44.9% of the total sample, equal to 72.5% if it refers to residents only, come from an area 100 km from the sea.

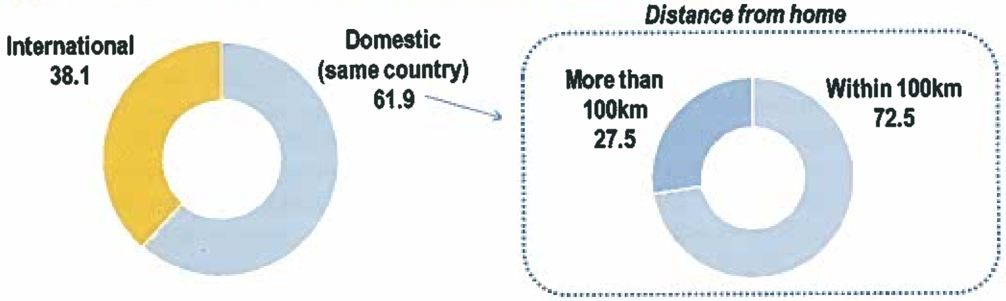
[7] For yachts and super yachts the main source on an international level is the Global Order Book of Show Boat International that monitors orders of yachts (boats of over 24 metres) worldwide. The world fleet of this section is estimated, in 2009, to be 5,000 units worldwide. More recently "The Yacht Report" provided, in 2012, a identifying value for the worldwide fleet of yachts over 30 metres as about 4,500 units (and an average length of 48 metres).
[8] With regard to Italy and its nautical park, for example, the *Rapporto sul Turismo Nautico 2013* of the *Osservatorio Nautico Nazionale* (ONN) shows how the units registered in area of the Adriatic coast were in 2012 equal to 24,965, with a prevalence of motor units (71.6%) but less clearly so than the national average. Clearly the nautical park is not only represented by the number of registered boats as many boats do not need to be registered according to current Italian law.

Tab 1.14] *The sample of marinas*

Marina	Country	Moorings	Max length	Berths	Max lenght	Year[1]
Porto Turistico Marina di Leuca	Italy	740	40	30	20	2000
Porto di San Foca	Italy	150	25	-	-	2006
Marina di San Pietro	Italy	200	30	10	11	2009
Portoverde	Italy	320	25	80	16	1971
Marina di Rimini	Italy	622	45	100	35	2002
Marina di Porto Levante	Italy	500	20	100	17	2000
Marina di Albarella	Italy	455	25	150	18	1977
Marina del Cavallino	Italy	350	30	150	25	1973
Porto Turistico di Jesolo	Italy	613	27	70	26	1974
Porto Turistico Marina Uno	Italy	420	20	-	-	1960
Marina Sant'Andrea	Italy	250	30	400	30	2003
Porto San Rocco	Italy	546	60	-	-	1999
Marina Koper	Slovenia	75	18	35	18	1992
Marina Porec	Croatia	120	17	-	-	1991
Marina Zadar	Croatia	350	95	100	11	1985
Marina Hramina	Croatia	370	33	12	25	1983
ACI Marina Split	Croatia	351	50	30	14	1984
ACI Marina Dubrovnik	Croatia	350	40	150	20	1983
Porto Montenegro	Montenegro	250	150	-	-	2009
Marina di Orikum	Albania	70	30	50	30	2004

Note. (1) year in which activity was started.

Graph 1.16] *Comparison by place of origin of clients of the sample of marinas*

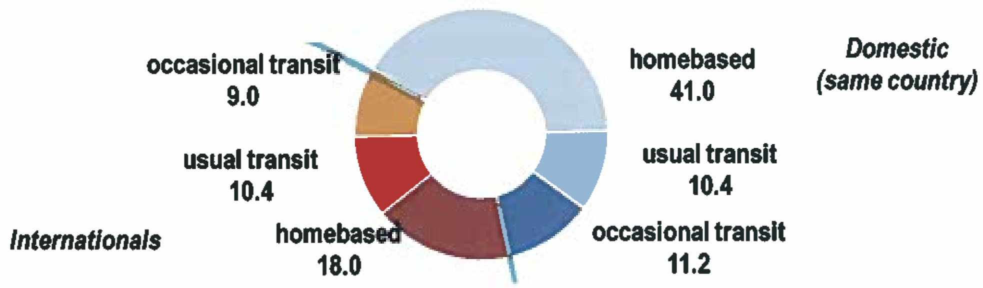


Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

As always, perhaps more than usual, the overall average does not provide a harmonious and constant distribution of values in the various geographical contexts taken into consideration. What emerged from the survey is that for various variables the two Adriatic coasts, west and east, show completely opposite trends.
The origin of clients is one of these variables. The cited share of international clients in the total marinas interviewed (38.1%), if separated into two values relative to the east and west coasts, provides respectively values equal to 14.3% for the Italian coast and 74% for the east coast, underlining how in the first case there are many more resident clients with respect to what happens on the other side. The data are substantially stable in relation to what happened in previous years: the shares have not in fact changed drastically. The clients of the marinas interviewed, if the resident ones and a few "exchanges" between the demand from each of the seven countries of the Adriatic are excluded, are mainly from Austria and Germany, but there is the presence, albeit a minority, of British, French and Swiss clients and in some cases Australian and South

American ones. Clients from East Europe are increasing, in particular from Russia but also from Poland, Slovakia and the Czech Republic.
As to the average age of the pleasure boaters, the last *Rapporto sul Turismo Nautico* of the Osservatorio Nautico Nazionale[9] states that seafarers in Italy are about 50 years old, a figure that is a bit higher than that for Croatia (from 41 to 48 years) according to the latest edition of the main study on maritime tourism for Croatia, *Tomas Nautika Jachting*[10], that presents – among others – the results of a 2012 survey carried out on more than 2,100 pleasure boaters.
In analysing the data contained in these two sources as regards the composition of the group of travellers and use of the boat, the respondents confirmed – in Italy – the general trend of going boating with the family, followed by friends and a small percentage on their own. A similar breakdown is true for Croatia where the majority of pleasure boaters go boating with their families (32% with the family, 32% with their partners), followed by friends (28%) and the remaining 1% on their own. Again on the Croatian front, it emerged that 42% of pleasure boaters own their own boats, 6% sail in boats owned by friends or relatives, 6% with foreign charter companies, while 49% rely on Croatian charter companies. Of the variables investigated in order to gather the composition, the characteristics and the behaviour of clients, so as to recognise one or more relevant aspects of tourism, a breakdown was requested of those who use the marina as a home base to moor their boats, defined as "permanent clients", and those who are "in transit", having a homeport in another structure. The latter were then subdivided again into "habitual in transit" and "occasional in transit" on the basis of the frequency with which they transit, considering these choices and behaviours to be different for the purposes of a possible reading of the composition of the clientele.
It emerged that resident clients (that is from the same country as the location of the

Graph 1.17] *Distribution of the type and origin of clients of the sample of marinas interviewed*

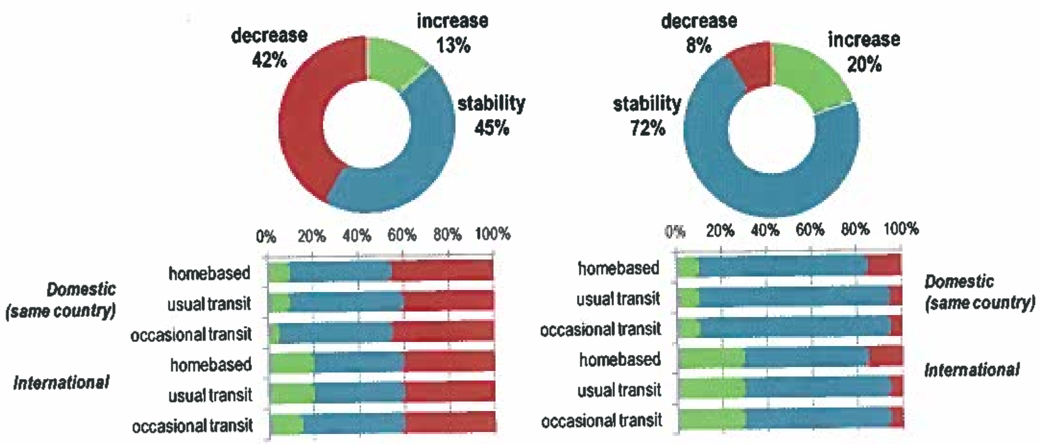


Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

[9] The *Osservatorio Nautico Nazionale* (ONN) was founded in 2008 by an agreement among the Provincia di Genova, UCINA – Confindustria Nautica, the Accademia Italiana della Marina Mercantile and for the Università degli Studi di Genova, the DIEM – Dipartimento di Economia e Metodi Quantitativi and the CERIST – Centro di Ricerca per l'Innovazione e lo Sviluppo del Turismo.
[10] In 2012, the *Tomas Nautika Jachting* study on nautical tourism in Croatia, was presented by the Croatian Tourism Board, where a number of questions were asked of 2,000 pleasure boaters, elaborated by the Institut za Turizam. From this report it emerges that 50% of pleasure boaters interviewed have an average family income of 3,500 euro per month, a sharp rise given that, in 2010, 47% were below the threshold of 2,000.

marina) are subdivided into 41% stable clients, 10.4% occasionally in transit and 11.2% habitually in transit, while the international component is made up of 18% stable clients, 10.4% clients in habitual transit and the remaining 9% in occasional transit.
Once again the total values are influenced by two different types of scenarios, almost opposed, on one side, the west Adriatic (and therefore the Italian marinas of the sample), and on the other side, the east coast.
If in the Italian marinas the clientele is 86.2% resident, in the marinas on the west coast the trend is the opposite, where 72.9% of pleasure boaters are foreign and only 18.1% resident. 19.4% are international clients in transit.
An interesting indicator, seen from another point of view, is provided by the *Tomas Nautika Jachting* study, according to which, of the total pleasure boaters who go to sea in Croatia, 15% arrived by boat[11]. The dominant nationalities are, in this case, Italians, Germans, Slovenes and Austrians, an indicator that has been confirmed by the interviews that we made.
A contribution to reading the current trends in the use of marinas comes from answers provided by managers of the structures of the sample to the questions on growth, decline or stability of the 2012 clientele with respect to 2011 and their forecasts for growth, decline or stability for 2013 with respect to 2012. The average of the answers received leads to the consideration that in 45% of cases the clientele for 2012 with respect to the previous year was stable; it has grown by only 13% while declining for the remaining 42%, a figure made up largely of the answers provided by the Italian marinas. As to the forecasts for 2013 over 2012, there is a distinct increase in those who consider traffic in their marinas to be stable (confirming the stability of 2012 over 2011 or arresting the decline of 2012 over 2011), while 1 respondent out of 5 believes that their demand will increase. The charts below allow the verification of a different distribution of the answers when the request was to specify the variations from one year to another limiting them to a single category of clientele. If in going from 2011 to 2012 the single distributions are aligned with the general one, in forecasting differences between 2013 and 2012 there

Graph 1.18] *Variations in clientele of marinas, 2012/2011 and forecasts, 2013*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

[11] In Croatia pleasure boaters arrive at the main port of departure by car (69%). 15% and 14% arrive directly by boat or plane respectively; other means are equal to 2% of the total.

seems to be more optimism as regards attracting international clients, with more growth than the domestic market.
Given the precise information available from the records of the individual marinas, and in order to add to the knowledge of traffic in the structures interviewed, the marinas were asked to quantify the demand in terms of clients (divided into annual and seasonal) and calls. Useful information in this case, as in the previous elaboration, more to try and define a current trend than for the absolute values, in that the request was for figures relative to 2007 and then for the three-year period 2011-2013 (the latter as a forecast based on experience and historical data).
The following table shows the mean values (absolute and percentages) of the survey sample. It is easy to see how the trend is of substantial stability, with absolute values for annual and seasonal clients that do not vary much. The case of calls is different: two strong declines were recorded between 2007 and 2011 and between 2011 and 2012.

Tab 1.15] *Number of annual and seasonal clients, and daily calls*

	mean values				Variations		
	2007	2011	2012	2013	12 on 07	12 on 11	13 on 12
Annual clients	258	267	244	239	*- 5.4%*	*- 8.6%*	*- 2.0%*
Seasonal clients	66	58	54	55	*- 18.2%*	*- 6.9%*	*+1.9%*
Calls	1,488	1,379	1,177	1,178	*- 20.9%*	*- 14.6%*	*+0.1%*

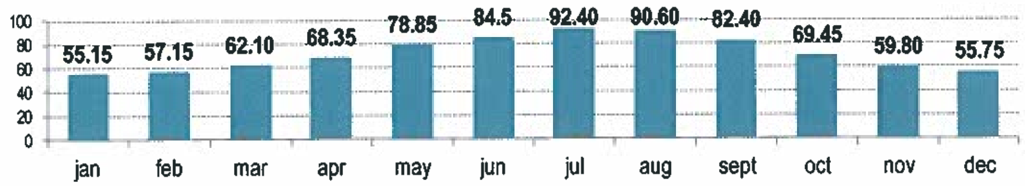
Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

Among the reasons for the decline in clientele, underlined mainly by the marina managers of the northern part of the Adriatic, the excessive fiscal pressure from the Italian government and the ever more frequent checks carried out by the authorities are cited: frequent in that more than one authority is authorised to carry them out. These declines have resulted not so much in pleasure boaters ceasing to sail as in changing the port of reference, resulting in migration that in 2012, after the entry into force (and then its withdrawal) of a mooring tax[12], saw many boats change homeport moving from the west to the east coast of the Adriatic, encouraged, as mentioned, by a better offer.
According to revelations made by marinas in the northeast Adriatic, there has been a shift of clients to the eastern shore, still accessible both as a home and a transit port in light of the proximity, both by sea and by land, of the two shores.
Among the factors of competition good access is added to how modern the structures are, a characteristic that was considered to belong exclusively to the marinas of northern Italy up until a few years ago, a factor that has placed the Slovene and Croatian marinas in a state of strong competition in attracting pleasure boaters from Austria, Germany and, in general, from northern Europe.
Another topic of interest capable of telling the story of the trend in sea traffic is seasonal fluctuation, measured through occupied berths, which decline during the winter; it is logical to expect this in an area with a temperate climate but with a winter that is less suitable for bathing.

[12] A mooring tax was introduced in Italy at the end of 2011 (Italian art.16 D.L. 201/2011, "decreto Salva Italia") for pleasure boats longer than 10 metres stationary in Italian waters, at a daily rate. It was then modified, at the beginning of 2012, to an annual ownership tax, applied to Italian citizens who own a boat of more than 10 metres in length independently of where it is moored and with a considerably reduction.

The graph that follows shows the average monthly occupancy rates related figures provided by the marina managers interviewed. A relative value was requested considering the month of highest employment as equal to 100.
The most frequently indicated months of maximum occupancy rate were, understandably, July and August, that on average show not less than 90% of berths occupied, while 4 months (the first two and the last two of the year) seem to limit employment to less than 60%. Among the comments received many were from marinas indicating a frequent transformation of annual contracts into seasonal ones, with the consequent reduction in occupancy rate in the colder months of the year.

Graph 1.19] *Monthly occupancy rates in interviewed marinas*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

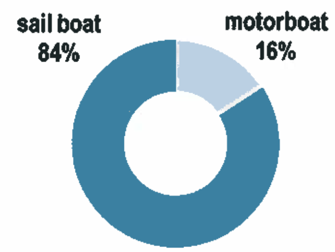
In addition to quantitative information, the interviews made it possible to address some issues related to seafaring of pleasure boaters in the Adriatic, noting that the study intended to investigate further the pleasure boat-tourist, someone who either owns or hires a boat and uses it as means of transport for a holiday and certainly for pleasure, but differently from those who think of and live boating mainly as an everyday pastime.
The following pages outline a brief overview of the findings. Part of the results relative to other topics dealt with in the survey will be covered in the next chapter, dedicated to supply.
Marinas have turned out to be starting points for tourists arriving from the sea to be able to visit the inland areas. This choice very often is not made thanks to any explicit promotion or activity on the part of the locality, but because of the desire of the pleasure boater, sometimes encouraged by the staff of the marina that may have made materials and information on the inland area and its possible points of interest available to the tourists. There is no evidence, however, in the responses of the interviewees, of experiences of real collaboration between the organisations responsible for promoting tourism in the area and marinas in order to promote a better visiting experience for the tourist. Whereas collaborations of other kinds are established with businesses, from restaurants to car hire companies, including amusement parks and travel agencies that organise tours of the locality. The *Tomas Nautika Jachting* study reveals how the experiences which provide the greatest satisfaction for tourists that visit Croatian marinas are the beauty of the landscape, food and wine, cultural events and the possibility of going shopping in the localities visited, confirming the desire of the pleasure boaters to discover the territory.
The second investigation of this first edition of the Adriatic Sea Tourism Report was to listen to a small sample of charter companies. These companies permit the tourist to lease or hire a boat. In the first case the boat is made available to the pleasure boater, while in the second case the crew is also made available.
These companies are present in the Adriatic above all on the eastern shore, where, according to the small sample 80% of total fleet homeports are situated. Over and

above the always inherent risk of data from a restricted sample, a finding of the *Rapporto sul Turismo Nautico* shows – to some extent – how in Italy charter companies resident in the Adriatic region are equal only to 23.3% of the national average.
The 10 charter companies that assured their collaboration, making themselves available to respond to a series of questions and talk to the research team, are listed in the table that follows. Also in this case interviews were carried out on the basis of twenty or so questions that aimed, as will be seen, to try and grasp and understand the operational dynamics of the Adriatic charter companies and, through them, as a proxy, the choices of their clients to all effects maritime tourists on board sail or motor boats.

Tab 1.16] *The sample of charter companies and division by typology of boats in the fleet*

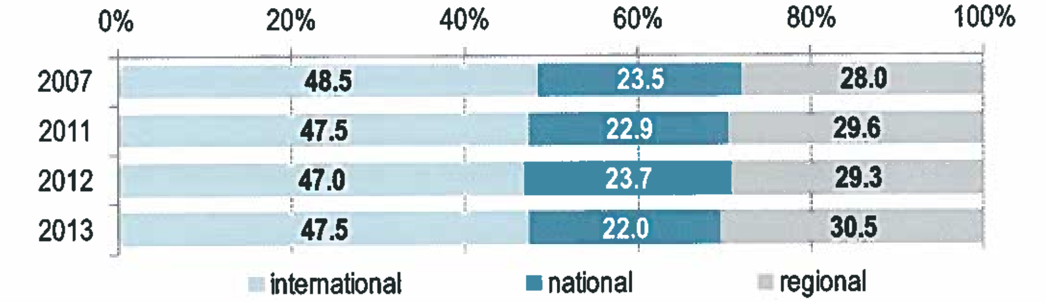
Company	Country
Adriatic Yacht Charter	Croatia
Arawak Sailing Club	Italy
Euronautic	Croatia
Foka Nautica	Croatia
MennYacht	Slovenia
Morgan Yachting	Italy
Sailing Freedom	Italy
Sea Land	Italy
Studio Tim	Croatia
Yacht Charter Venezia	Italy

Graph 1.20] *Typology of boats*



The Adriatic charter companies interviewed have, on average, fleets of 19 boats, of which 16 sail and 3 motor. It is a case of a particularly high value, due to the fact that the companies in the sample are on average large and very well organised. In fact if one takes into consideration the value provided by the ONN for Italian charter companies, it is 5.2, while, according to the nautical tourism department of the Croatian Chamber of Economy, in 2009 there were more than 928 charter companies with approximately 3,463 boats and therefore with an average of 3.7. Croatia has a particularly flourishing charter industry: given the information provided by the *Tomas Nautika Jachting* study, the share of pleasure boaters who rely on Croatian charter companies is 49%. Of these 70% do not request a skipper, while 22% request crew and 7%, even if they do not request it at the time of hiring the boat, take it later. Going back to the average dimensions of the fleets, they are values that, both the Italian one and the Croatian one, are influenced by the presence of very many companies with limited fleets and sporadic activity. As to the composition of the clientele of the companies interviewed, they are divided equally between resident clients (53%) and international ones (47%).
With regard to the first category, 44.7% of resident clients (and therefore 29.3% of the total) come from localities that are less than 100 kilometres away from where the company operates. By comparison with the past and a forecast for 2013, those interviewed reveal a substantial stability both for international clients and for resident ones, with a slight increase in the "local" client share.
As for the marinas, the situation that emerges from the average total should be filtered geographically, dividing what happens between the two coasts.
On the west coast there are many resident clients, 76%, divided between 42.4% "local" clients and 33.6% those who come from further than 100 kilometres away. On the east coast the situation is diametrically opposed: in fact there are 70% international clients and only 30% resident, divided almost equally into the two classes already mentioned.

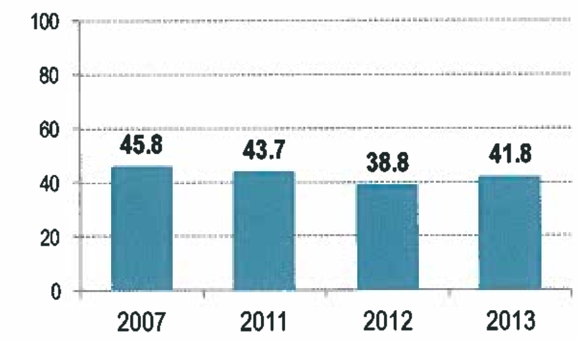
Graph 1.21] *Origin of the clientele of the charter companies*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

According to the various companies interviewed the market for international clients is European countries that are not part of the basin of demand for marinas, almost revealing a complementarity by origin between those who own and those who hire boats. It is a case in particular of East European countries such as Hungary, Ukraine, Poland and North Europe (Sweden, Norway and the United Kingdom) and in general all of Central Europe, in addition to pleasure boaters who do not, obviously, own a boat and come from "within the Adriatic", countries that face onto this Sea. Some sporadic cases were also revealed of clients that come from South America, the United States and Australia.

Graph 1.22] *Booking rates for boats of the charter companies fleets*



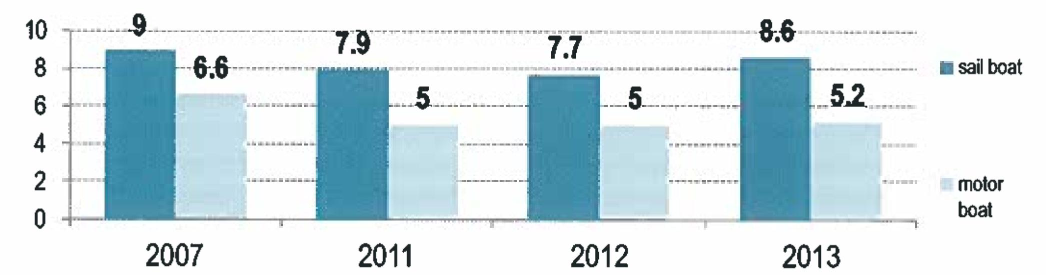
All of these figures were confirmed by the *Tomas Nautika Jachting* study which, for Croatia, reports that clients of international charters are above all the Swedes, French and British, and the most faithful Slovenes and Austrians.

The market in this case is considered to be more promising than the Russian one, that is gradually becoming better connected through direct flights, for example with the airport of Trieste.

The average rate of bookings for boats – for which is intended the relationship between booked days and bookable days – is 38.8% in 2012, with the Italian companies providing a much lower average figure and, correspondingly, for the Croatian and Slovene companies it is about 44%.

From 2007 to today the charter companies point out that the figure has fallen by 7 points even if in terms of forecasts a partial recovery of this decline is expected. In observing the average duration of hires, the sailing boats made available by the charter companies are booked for more days with respect to motor boats, with an average value of between 7 and 8 days, though down on the 9 of 2007 even if the forecasts appear to be positive, given that for 2013 it is believed that the average sail boat hire could return to 9 days. As to motor boats, the average hire seems to have stabilised at 5 days after the decline from 6.6 in 2007. In a comparison between east and west shores, the relative average values of the first are still higher than those of the latter.

Graph 1.23] *Average duration of bookings for sail and motor boats*

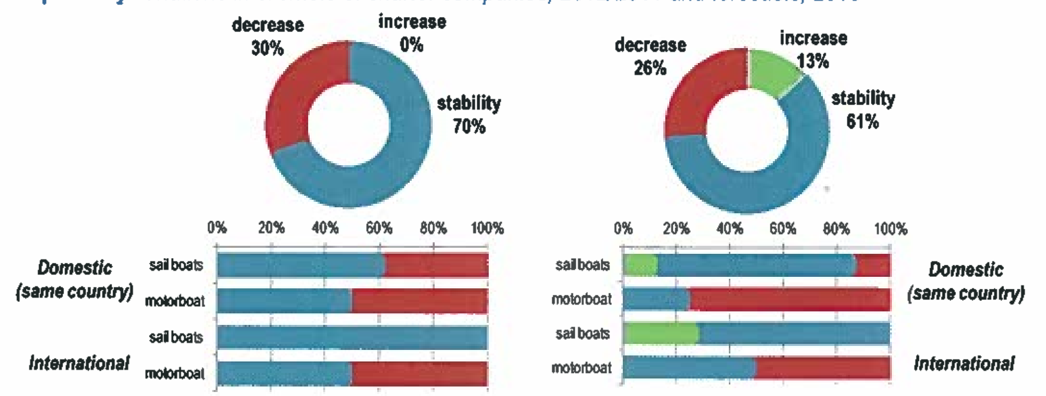


Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

The seasonal concentration that operators were able to see in their activity is summed up in the 20 weeks between half way through May to half way through October, with the summer months even more clearly separated from others than in the past.

The trend of clients is summarised in the graph that follows: it can be seen that 30% of those interviewed reported a decline in the number of clients between 2011 and 2012, while for the remaining 70% there was substantial stability. None of the interviewees recorded an increase. However, the forecast for 2013 is more positive. The numbers related to sail boats seem to be better than those related to motor boats.

Graph 1.24] *Variations in clientele of charter companies, 2012/2011 and forecasts, 2013*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

A wide variety of itineraries are chosen by pleasure boaters, as there are not in general any particular limits imposed by the companies. The latter do though receive many requests from the pleasure boaters for information on the best routes to take, or on the most interesting places to visit. The issue is of particular relevance for those who are involved in development of the area. Although the managers of these companies are not responsible for the promotion of tourism and the provision of information, they prove to be key players in addressing the flow of maritime tourist towards discovering the area, resulting in experience that could be included in maritime tourism: "To include these activities in maritime tourism is motived by the fact that, for example, visiting the inland area or the tourist port's town is made possible and supported by the fact that they have arrived on the coast by means of a pleasure craft" [13].

The main sources of information for those who go pleasure boating in Croatia, are – in the sample interviewed and elaborated by the *Tomas Nautika Jachting* study – previous experiences, suggestions from friends, relatives, yacht clubs and travel agencies, in addition to the media, tourism fairs and increasingly, the internet.

The considerations made for the marinas are the same as those for tourist clients of the charter companies visiting the inland areas: when they arrive at a destination they almost always have to rely on their own initiative, possibly with the help of the staff of the companies, in organising trips in the area. Therefore, even from this second category of operators interviewed, there seems to be a warning for an area of action for those responsible for the promotion of local tourism, who could intervene and orientate to their advantage the choices of at least part of the pleasure boat tourists.

With regard to the itineraries followed, there does not seem to be any great difference between those who choose a motor boat and those who choose a sail boat, if not that in some cases those who request crew very often have chosen to hire the first type of boat and therefore will follow itineraries that have been advised, in that the sailor in some cases has more of sporty spirit and therefore is more autonomous in deciding the route to follow.

The sample was asked which services were most requested by clients and it turned out that among them were those related to local transport such as airport transfers.

In interpreting the status quo and the prospects of the market, also the representatives of the charter companies underlined how particularly penalising fiscal policies, together with cost differentials in the purchase of some essential goods such as fuel, can result in advantages for specific national contexts with respect to others, with more and more clients going to companies in countries on the east coast of the Adriatic and those outside the area such as Spain and Malta for these services. Among the suggestions and priorities, which the managers of those charter companies calling for a revival of the sector and of their activities, are more promotion of the Adriatic area even in distant markets, a reduction in mooring costs in the marinas and the creation of new berths on the east side of the Adriatic.

An aspect of particular interest for the future development of the phenomenon of maritime tourism in the Adriatic is that of collaboration, in a type network, among the charter companies. In a scenario of highly variable demand and rather inflexible supply in the short to medium term, the management of client requests is often, at least according to the answers gathered, entrusted to the building of informal networks of direct collaboration. In this way the impossibility of a charter company, with its entire fleet booked, of satisfying a request could be resolved through direct collaboration with other companies able, on that occasion, to make one of their boats available.

This paragraph and the entire first chapter conclude with some figures and ideas relative to the economic impact that pleasure boaters are capable of generating as consumers. The *Rapporto sul Turismo Nautico* for Italy and the *Tomas Nautika Jachting* study for Croatia outline the main items of expenditure and how much they come to for pleasure boaters from these two countries. In the first case, based on national averages so only partly due to what happens in the Adriatic, for a permanent client to eat in the marina costs from €15 for boat owners, €127 for those who travel by pleasure boat. As regards

[13] C. Benevolo (2011), Problematiche di sostenibilità nell'ambito del turismo nautico in Italia. Impresa Progetto - Electronic Journal of Management, WP 2-2011.

shopping, entertainment and culture costs go from €10 to €71. With regard to those who are considered to be clients in transit costs are on average €39 to moor a boat to €446, while for meals values are higher and range from €19 to €164, and for shopping, entertainment and culture the sum is higher, ranging from €14 to €229.

The average costs in Croatia are much lower, with €100 for a boat, divided among €65 for the boat including hire, skipper, mooring, fuel and other items and €35 for other expenses such as accommodation on land, meals, shopping, entertainment, culture and sport. Charter company consumers with the highest expenses are the French, Russian and British who spend on average €177, while the best consumers of those who arrive in Croatia with their own means, or means not hired from charter companies, are the Italians who leave behind an average of €74 a head. These figures are in decline both as regards those who use charter companies (-6% in the last 5 years) and those who arrive independently (-13% in the last 5 years).

2 ADRIATIC PORTS AND LINES, PRESENT AND FUTURE

2.1 CRUISE AND FERRY PORTS

Centuries have passed since the first rudimentary forms of port infrastructures were constructed in order to strengthen the defences that nature often provided for vessels. Over time numerous investments have been made by the authorities, which in the meantime have been intrusted with the development and management of the port, changing the configuration and the relationship between land and water in the various access points of the Adriatic.

Especially for certain categories of traffic, much sought after by the local authorities, such as cruises, in the last twenty years there has been an intensification of investments in order to ensure a port capable of receiving cruise traffic, with varying degrees of success. At times this is done through the constitution of ad hoc companies, the capital for which is raised both privately and publicly.

This section is dedicated to the description of the current state of projects and to future investments in the ports of the Adriatic dedicated to cruise and ferry traffic, with the objective of bearing witness to the turmoil that is characterising the activity and investments of ports in this period for the benefit of passenger traffic. It is mainly a case of development plans tied to the construction of terminals and improvements to the infrastructure of port.

However, it should be remembered that to support this type of traffic and enhance the repercussions there are investments to be made on the promotion and hospitality side as well. Even if they have not been cited at length in these pages it is worth remembering that many destinations, often in collaboration with the port terminals, are beginning to try and combine as best they can the promotion of the area with attracting cruise tourists.

The following section is dedicated to focussing on smaller port structures that characterise the Adriatic maritime tourism offer. The final section provides some information related to the activities of shipping companies in the Adriatic.

Not being able, in this short report, to devote space to all the numerous ports in the Adriatic, some of them are reviewed below, and are, however, capable of offering the reader an overview that helps to further the knowledge of the competitive scenario and the port services on offer. They are presented in the form of short cards in geographical order starting from the southern Italian coast (Brindisi) and proceeding in a clockwise direction until the Greek port of Igoumenitsa.

Brindisi. The port has a number of investments planned, some of which are very important for passenger movements. In fact, a terminal specifically for cruise passengers will be built for a total investment of approximately 1.5 million euro. The investment is part of a plan for maritime tourism that involves the granting of a new licence for the management of cruise passengers. This management will involve Venezia Terminal Passeggeri (VTP),

MSC Cruises and Royal Caribbean Cruise Line, and Brindisi Cruise Terminal is composed of 35% participation by Bassani, and 25% each from Marinvest and RCCL, and 15% from VTP.

Bari. The main planning options for the future of the eastern ports are aimed at increasing the cruise traffic in the Port of Bari on two main fronts: to expand Terminal Crociere and construct the extension of west dock.

In the first case, Terminal Crociere, planned for when Bari had far fewer and smaller ships visit, can no longer guarantee adequate reception to visitors and, when the large cruise ships of Costa and MSC, which use it regularly as a homeport for embarkment and disembarkment of thousands of passengers in a few hours, are present at the same time, problems are created and operations are slowed down. The project to expand the terminal to solve these problems and allow for margins of growth is ready to be implemented. The increase in size of cruise ships makes the need for new docks of adequate dimensions urgent. Without them there is the risk of losing this traffic, according to statements made by the Levante Port Authority. A project, at an advanced stage of definition, will allow the realisation of a dedicated extension to the west dock where two ships of up to 350 metres long will be able to dock at the same time, keeping the current berths for ships of smaller sizes.

Fig. 2.1] *Bari extension projects*[14]

With this intervention the Port of Bari will have five dedicated berths available with the possibility of satisfying new typologies of traffic that at the moment cannot be accommodated in the Adriatic. All of these docks will be connected to the new cruise terminal by elevated walkways equipped with moving walkways that will help the movement of passengers on the docks at all times of the year in complete safety.

Pescara. The president of the Province of Pescara has reported that the maxi-amendment to the development decree presented by the Government in the Senate has had the text already approved by the Commission that provides funds for the Port of Pescara included in it. In addition to the 9 million euro needed to cover all the expenses related to dredging work supported by the Ministry of Infrastructure, a further 3 million euro have been allocated to aid the maritime sector, stalled for months because of the impracticability of the seabed.

Ancona. The works foreseen in the 1988 Land Use Plan are still a priority and are being carried out, especially for the development of the infrastructure of the commercial port:

[14] This picture, as well as the following ones in this section, were provided or sourced by the ports.

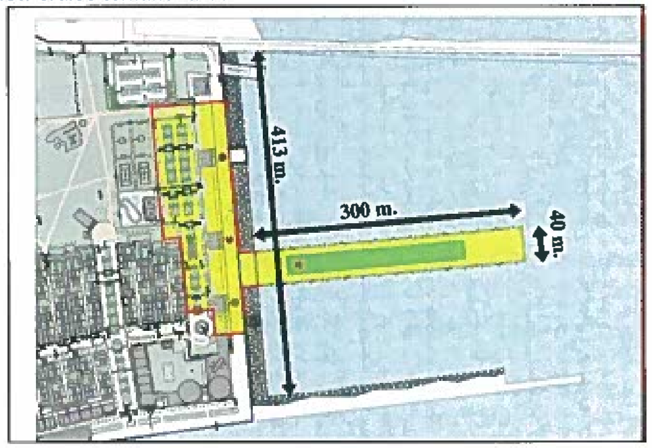
the completion of the docks and works related to the maritime accessibility of the port. The three-year work plan 2012–2014 foresees the extension of pier XXIX Settembre to adapt a dock for cruise ships for a value of 2 million euro. The Port Authority together with the Ancona City Council has also set up a waterfront working group in order to "open the port" to the city and allow access to its historical heritage.

Pesaro. Redevelopment works for the port are in progress and the restarting of works worth more than 13 million euro have been relaunched and will be concluded by mid 2013. This project is for the extension of the east pier (finished in 2012), the construction of the new breakwater pier and the partial demolition of the west pier for a value of 8.5 million euro. Other works, which foresee further investments, were begun at the end of last year. The dredging of the port and other works are planned for a total investment of 11.65 million euro.

Ravenna. The Ravenna Port Authority has invested 25 million euro in the new terminal of Port Corsini: two piers for cruise ship, and limited but sufficient services to serve as a homeport. A 10–year operational agreement has been reached where the Ravenna Port Authority assigns the management of the works completed in April 2011 to the Ravenna Passenger Terminal, a company composed of RCCL with other Italian partners such as the Venezia Terminal Passeggeri, the Ravenna Chamber of Commerce, the Bologna Chamber of Commerce and the Airport of Bologna.

In order to develop cruise business, investments will not just be made in the new terminal but specifically the Ravenna Port Authority foresees further investments in reception and a shuttle service – from Port Corsini to Ravenna and Bologna – and control and assistance projects.

Fig. 2.2] *Ravenna new cruise terminal area*

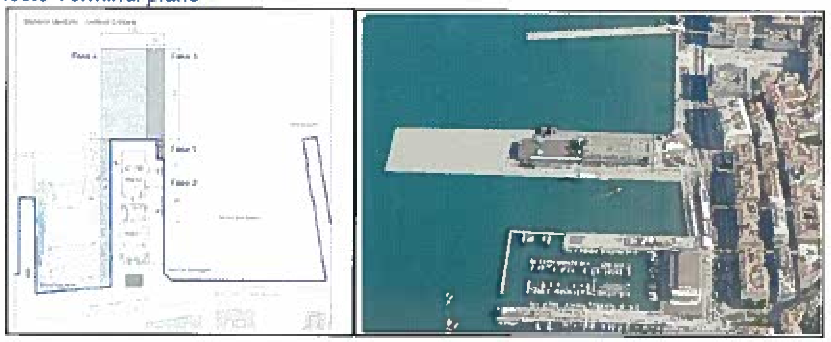


Venice. The main cruise port in the Adriatic and among the biggest in Europe and in the world, continues to invest to strengthen its role. The Isonzo 2 Terminal was built in 18 months with an investment of 12 million euro. Venezia Terminal Passeggeri (VTP), the company that manages passenger traffic, has invested more than 32 million euro in services and infrastructure for cruise passengers and is planning to continue and invest another 30 million in the next three years, a part of which will be dedicated to converting warehouses into new terminals to provide each berthing place with its own facilities. After the investment made in purchasing three new additional boarding bridges to improve the flow of passengers, modernisation works of building 109/110 (now a

warehouse) started in March and will be carried out in the next months, thus totaling 10 terminal facilities.

Trieste. Trieste Terminal Passeggeri (TTP) was set up in April 2007 with the aim of organising and managing Triestine passenger traffic. Trieste is renovating the Stazione Marittima on Pier Bersaglieri. The cruise terminal is being modernised and will become the passenger boarding lounge. The most important works regard the Hangar 42, which is situated at the end of the pier; it is being transformed into the arrivals lounge and will be connected to the other terminal by a transparent stairway leading to a panoramic terrace from which it will be possible to admire the view of the Triestine waterfront. Today, the two docks of the Stazione Marittima are 220 (n. 29) and 240 (n. 30) metres long respectively with a draft of 10.06 and 7.92 metres. Their extension is planned because of the dimensions of modern ships that are often 300 metres or more long. The already implemented development programme for Pier Bersaglieri is part of a larger modernisation plan for the port, started in 2007. The Port Authority has since then embarked on an expansion plan for the cruise terminal, divided into 4 phases: the first two phases of restoration of the dock and development and modernisation of Hangar 42 have been completed; the following two foresee the extension of Pier Bersaglieri to the north (the dark grey area of the drawing below) and the enlargement of Pier Bersaglieri towards the south side and the completion and extension (the light grey area of the drawing below). The two final phases foresee costs of about 7 million euro and 12 million euro respectively and should be completed by 2012 according to the plans.

Fig. 2.3] *Trieste Terminal plans*[15]



Koper. In the first nine months of 2012, the Luka Koper Group allocated 14.5 million euro mainly to the cargo sector. More in general the port has invested, in 2011 only, about 2 million euro in dredging and improvements to structures (in particular, new fenders).

The passenger terminal has the form of a tent but the operations are efficient and fast and allowed the accommodation of large cruise ships (more than 3,000 passengers).

Umag. Dredging works are planned to lower the seabed by a metre in order to favour the entry to the port of larger vessels and cruise ships. The material removed will be deposited a mile away from the coast in such a way as to form artificial shallows, which should also assist the reproduction of marine life. For the Port of Novigrad it is planned to build an internal basin for yachts up to 14 metres and to expand the working dock (50 metres). In the Port of Antenal a new passenger terminal is planned for ships of up to 100 metres with the possibility of bunkering.

[15] This picture, as well as all the ones in this section, were provided or sourced by the ports.

Porec. in Istria, has some investments underway or planned the construction of the port town of Červar-Porat (in progress, expected completion July 2013), the extension of the pier in the port of Vrsar-Orsera, the construction of the breakwater north and south of the port of Porec and the construction of the new pontoon for international traffic and the cruise vessels in the port of Porec should start in 2014 and be finished by 2016.

Rovinj. As part of the IPA Operational Programme 2007-2013, the European fund Adrimob has allocated €190,000 to the town of Rovinj for a project aimed at developing a common strategy for sustainable transport. It is based on the improvement of maritime transport services, facilitating the movement of sea travellers, including tourists, business people and workers, which are increasing in number. The first cruise ship stopped at Rovinj nel 2002. Since then the number of companies coming to Rovinj has increased. In 2011 more than 50 ships called. Among the most frequent companies are: Seabourne, Silversea, Royal Clipper, Windstar, Seadream, Compagnie du Ponant, Seacloud, Club Med. At present it is possible to refurbish supplies of water and electricity and guarantee the disposal of waste. It seems that improvements and restructuring will be carried out to the port. Important projects are foreseen but it was not possible to examine them or know if and when they will be implemented.

Opatija. In drawing up the documentation for the project that foresees the rebuilding of the Port of Opatija, the simultaneous accommodation of two ships of 200 metres and the reservation of the internal side of the pier for 30 yachts of between 30 and 80 metres was included.

Rijeka. Rijeka Gateway Project or Rijeka Traffic Route Redevelopment Project is a complex development programme, which aims at redeveloping the port/city interface and improving the port traffic connection with international road and railway corridors. The World Bank plays an important role in the realization of the Gateway Project. The Bank is financing the project through a RGP I and RGP II loan, granted between 2003 and 2009. In compliance with the master plan, the modernisation of the Port of Rijeka will be divided into several components: the conversion of the Delta area into a new urban precinct and a public waterfront area in the city centre, and the construction of a new Port Passenger Terminal at the Rijeka breakwater.

Zadar. The existing ferry terminal of Zadar is the main access to the Croatian islands nearby: it ranks second per number of passengers in the Adriatic, after the Port of Split. The relocation of the ferry port of Zadar to the area of Gaženica (3.5 km south of Zadar) is considered to be a high priority project by the Government of Croatia: this project will allow an increase in traffic by providing additional berths which can accommodate larger ferries and cruisers as well as ro-ro vessels. The new port is directly connected to the new motorway network (four lane access road) with direct and rapid access to Zadar Airport, Zagreb, the rest of Croatia and Central Europe through the road and motorway networks.

The construction of the new ferry terminal of Gaženica requires:

- Undersea excavation of about 250,000m^3 of rock and marine sediment for maritime access and the filling in of about 1.8 million m^3 of materials for reclamation of about 20.5ha of land.
- Construction of a primary (L=180mt.) and secondary (L=270mt.) breakwater.
- Construction of 1,420.00mt. of quays to create 12 berths for island ferry vessels, international vessels and cruise ships, and construction of about 300mt. of quays to create a new fishing port.

- The construction of 1,560.00mt. of access roads to the city road network and of basic terminal infrastructure (approx. 13.5 ha of port area), including the surfacing of wharf and pier areas, construction of traffic processing areas (internal roads, parking, waiting areas, loading and unloading lanes, pedestrian areas), and water supply and sewage.
- The construction of a large passenger terminal building to provide passengers and users of the ferry terminal services of a high standard.

The cost of the project is estimated at about 236 million euro, financed by the Government of Croatia. The construction of the new terminal started in May 2009 and is expected to be completed in 2014 with the opening of the passenger terminal building.

The new port will provide an extended berthing capacity for larger international ferries and modern cruise ships and international standard on-shore facilities for passengers and vehicles. Draft depths in the new ferry port will range from 6 metres at the island terminal to 13 metres at the cruiser berths.of the international terminal. The project will relocate the ferry port of Zadar from the historical city harbour to a less constrained site. It will increase the berthing capacity for domestic and international ferry vessels and cruise ships, thus improving links between Zadar and Croatia's islands, and other countries of the Mediterranean area.

Fig. 2.4] *Zadar new Gaženica port project*[16]

Sibenik. The first part of the Maritime Passenger Terminal project (current investment €12,000,000) includes the infrastructure rehabilitation project extension and the reconfiguration of the passenger wharves on Vrulje Quay. The extension and reconfiguration of the wharves is required to increase the capacity of the existing infrastructure within the port area, to allow for more efficient handling of the island ferry traffic and the entry of large cruise ships. The port will be able to accommodate two cruise ships at the same time, one of up to 260mt. and one of up to 200mt. This will allow the Port of Sibenik to meet the needs of both domestic and international passenger traffic. Work on this project started in March 2011 and is divided into two phases. The first phase should be completed by mid 2013 (international traffic), and the second phase by the end of April 2014 (domestic traffic). The second part (planned investment €20,000,000) includes the construction of the passenger terminal facilities.

[16] This picture, as well as all the ones in this section, were provided or sourced by the ports.

Split. By mid 2013 an infrastructure rehabilitation project should start. The project will finish in December 2015 for a cost of 22.3 million euro, EBRD loan[17]. With the aim of improving the functioning of national and international liner traffic, and handling large cruise ships, the extension and rehabilitation of outer wharves has been planned, namely the construction of the pier allowing for acceptance of passenger vessels on the outer side of the breakwater of the City Port of Split. The realisation of outer berths has a direct impact on the increase of transport capacity of the port, inland and maritime traffic, which is necessary for the manoeuvring of vessels, and which has until now been provided for anchoring and for maritime routes. According to the Split Port Authority the design solution of the planned berths will be organised in such a way as to provide for simultaneous berthing for two passenger vessels. The investment implies finding a solution both for the circulation of traffic – including that of the inland settlements – and the provision of parking areas for buses intended for cruise passengers, and serving the needs of planned development. The €18.8 million sovereign guaranteed loan to the Port Authority, which manages the infrastructure of the port, will be used to extend and reconfigure the passenger wharves. At present, Split is unable to benefit from growing cruise traffic due to its inadequate berthing infrastructure: the extension and rehabilitation of the wharves will increase capacity to enable handling of large and medium-sized ships and relieve congestion at the existing ferry berths. The project will also enable the Port of Split to become the first cruise port member of EcoPort in the Adriatic Sea and the first port to receive Port Environmental Review System (PERS) certification in the EBRD region. The extension and reconstruction of berths 26 and 27 in the port should be concluded this December (cost of investment: 4.3 million euro, cost of supervision: 23,074 euro). The main aim of this project is to improve the functioning of domestic and international traffic within the port and increase the possibility of acceptance of cruise ships. Another project is in the preliminary phase of preparation of documents to obtain building permits from the Ministry of construction. The aim of the project is the reconstruction of a ro-ro ramp at berth n.20, and to expand the length of the existing ro-ro ramp to 30 metres. The new ramp will be used for accommodation of ferries and catamarans for domestic as well as international traffic.

Dubrovnik. The major infrastructure projects have been completed: the first one concerns the reconstruction and rebuilding of an operative quay of 810 metres in Gruž Bay, and is mainly for cruise ships (completed in 2009); while the second one concerns the infrastructure project in the Batahovina I area (started in November 2010) with a new 230 metre working quay. In the second phase the Dubrovnik Port Authority is planning to carry out the Batahovina II infrastructure project, in the period 2013-2014, building an additional 400 metres of quay. The Batahovina area is intended for local and international ferry traffic, oriented to development of multimodal transport.

Durres. The largest port in Albania and one of the busiest ports in the Adriatic region, is preparing to expand to cater for around 90% of Albania's maritime transport, that passes through the 80 hectare port every year, growing at an average annual rate of 5-6%. In the last five years the Port of Durres has undergone many important legal and structural transformations. New management, moving from a government to a private

[17] The European Bank of Reconstruction and Development (EBRD) will finance the expansion of ferry and cruise passenger operations to support the growing tourism industry around Split in Croatia.

Fig. 2.5] *Dubrovnik infrastructure project*[18]

entity, has improved both the infrastructure and superstructure, and eliminated security problems through the implementation of European policies and procedures, and set it on a path of growth. Plans are underway to increase the depth of the entrance channel. The project, estimated at 15 million euro, will include the dredging of the port by 11.5 metres and the restructuring of the quays. It is foreseen that on completion the port will be able to cater for vessels of between 30 and 40,000 tons.

Corfu. During the programming period 2007-2013, the Corfu Port Authority (CPA) is completing the following projects related to passenger traffic:

- For the cruise sector, expansion of windward jetty by 430 metres with a budget of €18,384,700. The expansion will allow berthing of 2 to 3 cruise ships.
- For yachting tourism, construct shelter for about 80 berths for small and medium boats in the old port of Corfu (Spilies) in the heart of the city with a budget of €11,730,009.
- The leeward east pier where the liners will be transferred internally to fully separate the functions of the port to better serve both (cruise and ferry lines), with a budget of €10,102,608.
- The certification of environmental management of the port (EMAS) as a first step towards the port becoming a "green port".
- The strategic goal for the future is to attract more cruise ships and the choice of Corfu as a homeport.

This objective entails:

- The continuous improvement of service facilities and security to expedite the movement of visitors within the port.
- Collaboration with local agencies to improve the image of Corfu as a destination.
- Emphasizing not only and the cruise but also the positive elements of the island and harbour (international airport, UNESCO city monument, natural beauty, tourist infrastructure).

[18] This picture, as well as all the ones in this section, were provided or sourced by the ports.

In the medium and long term the traffic of cruise ships continues to grow and will require a second passenger terminal on the pier with a connection to the ship to improve conditions for passengers.
Upon completion of the project a modern port complex will have been established, able to fully meet current and future needs of the cruise industry with the potential for Corfu to become a cruise hub for the central Mediterranean. The major redevelopment of the port infrastructure with the completion of the new pier extension (operational July 2013) and the constant excavation of the port basin, provide the possibility of simultaneously handling more than six large ships and for expansion to accommodate the growing needs of a homeport in coming years. Some investments will be devoted to planning the construction of a yachting port for super yachts (30 to 145 metres long) and small cruise ships.
Igoumenitsa. The Port of Igoumenitsa has a large infrastructural project in two phases, the first has been completed and the second is under construction, to be completed in 2013. Phase A of the project was co-funded by the EU Cohesion Fund and the Greek Ministry for the Environment, Physical Planning and Public Works. It concerns the creation of a harbour front quay for the berthing ships, the creation of the quay area with a total surface of 210,000m^2. Of this 130,000m^2 consist of the marine area (a controlled waiting area for vehicles), buildings and gates necessary for the port's proper function, a 6,326 square metre passenger terminal.
The completion of Phase B of the port's development should provide the port with infrastructures that will allow the achievement of its strategic goals:

- Land surface of 11,800m^2, part of which will host the permanent unaccompanied cargo administration service.
- Drilling of a 170m wide and 1,700m long straight channel, with a useful depth of -10.5mt.
- Terminal 2 Building: 3,041.46m^2.
- Terminal 3 Building: 2,324.80m^2, to serve Schengen Agreement controls and will be the terminal for cruise ships.
- A 197.60mt. long finger pier, for the mooring of 300,000 DWT[19] ships (227mt. long and of maximum loaded draft 9.40mt.).
- 371mt. long connecting platform with a useful depth of 10.20mt.

2.2 MARINAS AND OTHER PORTS

Having dealt with, in the previous chapter, some aspects relative to marinas in the Adriatic from the point of view of demand and traffic, in this chapter the intention is to contribute – with the help of some existing sources and of a study aimed at making new and additional elements emerge – to constructing an initial picture of the supply of berths and of investments dedicated to this segment of the nautical sector, focussing on, with respect to the ports taken into consideration in the previous section, the structures capable of accommodating pleasure boats, yachts and maxi yachts.
From the natural coves that for centuries have provided shelter for boats plying the Adriatic, currently in these waters there is a fairly heterogeneous offer from the point of view of structures that with the passage of time have evolved in response to changes in

[19] The deadweight tonnage is a measure of how much weight a ship is carrying or can safely carry.

habits of consumption of this form of navigation, and its consequent tourism, or more in general pastimes. Today there are still equipped coves, but from the docks and piers, quays and canal ports, marinas and tourist ports have been constructed, or better "All types of movable and immovable structures constructed both on land and at sea with the sole or primary aim of serving pleasure boating and pleasure boaters, including complementary services".[20]
To rebuild and survey the structures some key sources such as the Italian *Rapporto sul Turismo Nautico*, the *Pagine Azzurre* (Blue Pages), the association Assomarinas, ACI Club websites, plus other specific websites and brochures regarding the coasts of Montenegro, Albania and Greece have been consulted so as to integrate the previous elements.
If on one hand the coasts of Slovenia, Croatia, Montenegro, Bosnia and Albania face 100% onto the Adriatic, this is not the case for Italy and Greece. For Italy all the structures down to Leuca were considered, while for Greece only the region north of Thesprotia was considered. The total, resulting from this survey, of berths in the Adriatic, revealed that more than 240 structures are able to host along the coasts 82,275 berths. But it should be pointed out immediately that if for Italy the existence of a source such as the Pagine Azzurre made it possible to trace the entire supply regardless of the type of structure, in the case of other countries the census is limited to those that can be defined

Fig. 2.6] *Marinas and small ports in the Adriatic Sea*

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

The following table presents the size of the offer – structures and berths – for each country, and their distribution in the area. It also presents the average berths per structure, average that for Greece and Albania refers to the only marina in these two as marinas and as such only a selection of the total structures, even if the most significant.

[20] Italian Article n°2 of d.P.R. 509/97.

As Table 2.1 shows 67.5% of berths surveyed are in Italy, followed by Croatia with 22.9% and then by the other Adriatic countries with percentages that do not exceed 5%. The figures for berths are substantially in line with that of the structures: 72.4% are concentrated on the west coast, the Italian one, with more than 170 among marinas, small ports, quays and canal ports. As before Croatia follows with 51 structures equal to 20.9% and then the other nations with far fewer points of call. But, to reiterate, it is clear that the numerical imbalance in favour of Italy is conditioned by the availability of information from the sources used and, therefore, in not having identified small ports, coves and other solutions along the east coast of the Adriatic.

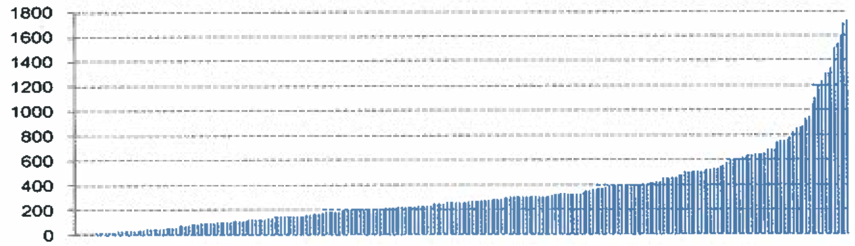
Tab. 2.1] *Values and shares of berths and structures by nation*

	Berths		Structures		Avg. berths per structure**
	value	% share	value	% share	
ITALY*	55,514	67.5%	176	72.4%	315
CROATIA	18,854	22.9%	51	21,0%	370
MONTENEGRO	3,586	4.4%	8	3.3%	446
SLOVENIA	2,886	3.5%	6	2.5%	481
GREECE*	1,235	1.5%	1	0.4%	1,235
ALBANIA	200	0.2%	1	0.4%	200
BOSNIA-H.	0	0.0%	0	0.0%	0
TOTAL	82,275	100%	243	100%	339

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note (*): both for Italy and Greece, only their Adriatic ports are considered. (**) the values are rounded either up of down to whole numbers.

countries (for Greece only in the north) and reveals therefore exclusively the number of berths present there.
The graph that follows shows the distribution of structures surveyed in the Adriatic according to the number of berths. It can be seen that more or less two thirds of them do not exceed 400 berths (a portion that would be much larger if the "non marina" offer of the countries of the east Adriatic had been registered), while those capable of offering more than 800 berths are less than 10%.

Graph 2.1] *Distribution of the structures based on the number of surveyed berths (vertical axis)*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

The following table shows the division that only takes into account the 65 structures surveyed with an offer of over 400 berths, in this case capable not only of offering a breakdown of the overall offer but redressing the balance of the comparison among the countries, having excluded the smaller structures that were surveyed only for the Italian coast. The any case the distribution does not change particularly, with Italy having a concentration of 62% and Croatia 22% of berths. Montenegro and Slovenia have respectively 4 and 3 structures of this class, for 6.2% and 4.6% of berths for the total

Tab 2.2] *Berths and shares of medium–large structures (> 400 berths), per nation*

	Berths		Structure		Share on total*	
	value	% share	value	% share	berths	structure
ITALY**	29,956	62.0%	42	64.6%	54.0%	23.9%
CROATIA	10,882	22.5%	15	23.1%	57.7%	29.4%
MONTENEGRO	3,508	7.3%	4	6.2%	97.8%	50.0%
SLOVENIA	2,700	5.6%	3	4.6%	93.6%	50.0%
GREECE*	1,235	2.6%	1	1.5%	100%	100%
TOTAL	48,281	100%	65	100%	58.7%	26.7%

Note (*): share of medium and large structure on total structures. (**): both for Italy and Greece, only their Adriatic ports are considered.

area. With respect to the total taken into consideration in this study, the port structures with fewer than 400 berths are about 28%, that translates into, understandably, almost 60% of berths. These values change from country to country, but once again, to reiterate, the differences are determined by the different recognition possible in each of them.
The following table gives a density value for the offer of boating harbours in the Adriatic. For each region that includes at least one of the structures that are part of the total considered in this study – 17 out of a total of 25 – shows the number of berths per kilometre of coast and, in the last column, the kilometres, as a regional average, that separate one structure from the other.
With regard to the first indicator, the first two regions are Italian, Friuli Venezia Giulia with 124 berths per kilometre and Veneto with 83. Followed by the Karst region of Slovenia with 62 berths and Emilia Romagna with 51. The determining factor is naturally the morphology of the coastline that for Croatia, for example, is made up of numerous islands that increase its overall length giving a density figure of 8 berths per kilometre.
According to the other method of calculation, for which a low number expresses higher

Tab 2.3] *Density of structures and berths per region*

COUNTRY	REGION	BERTH/KM*	KM PER STRUCTURE*
ITALY	Puglia**	16	16
ITALY	Molise	22	12
ITALY	Abruzzo	19	19
ITALY	Marche	35	16
ITALY	Emilia Romagna	52	5
ITALY	Veneto	83	3
ITALY	Friuli Venezia Giulia	124	3
SLOVENIA	Karst	62	8
CROATIA	Istarska	8	41
CROATIA	Primorsko-goranska	3	213
CROATIA	Zadarska	4	108
CROATIA	Šibensko-kninska	6	67
CROATIA	Splitsko-dalmatinska	2	118
CROATIA	Dubrovačko-neretvanska	1	512
MONTENEGRO	Montenegro**	12	37
ALBANIA	Valona - Vlorë	1	244
GREECE	Corfu***	6	200

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note (*) the values have been rounded either up or down to whole numbers; (**) overall Montenegro coastline, (***) the values for the length of the coastline have been recalculated on the basis of our elaborations.

density with respect to a high number, in the classification among the regions the same ones come out on top again, with values that express one structure every 3 kilometres (Friuli Venezia Giulia and Veneto) and every 5 (Emilia Romagna) and every 8 (the Karst). The Croatian region of Dubrovnik closes this classification with one structure every 512 kilometres.

Another possible elaboration of the offer of berths for maritime tourism in the Adriatic depends on the differences found among the northern, central and southern regions. In order to distinguish these areas the division proposed by the ARPA[21] of Emilia Romagna that traces a line from Ancona to Zara and then from the Gargano to the island of Lastovo has been used.

The northern part of the Adriatic is home to 63.3% of berths and 63.8% of structures that on average have 336 berths, while further south the other two areas divide among themselves more or less evenly the remaining berths (20.5% in the central Adriatic area, 16.2% in the southern one) and the structures (18.9% in the central area, 17.3% in the southern one).

Tab 2.4] *Berths, structures and the average of berths per structure in the Adriatic area*

	Berths		Structure		Avg. berths/ * per structure
	value	% share	value	% share	
North	52,088	63.3%	155	63.8%	336
Centre	16,878	20.5%	46	18.9%	367
South	13,309	16.2%	42	17.3%	317
TOTAL	82,275	100%	243	100%	339

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013. Note (*) the values are rounded either up of down to whole numbers.

As already mentioned the coastline of the Adriatic Sea hosts, according to the database utilised for this Report, a little more than 82,000 berths, structures such as docks, small ports and private marinas. Despite the high number of berths made available to pleasure boaters, the Adriatic area shows that it is, in any case, proactive from this point of view, in light of new projects to expand the already existing structures and build new ones.

On the Croatian side of the Adriatic Sea there are various projects either to build new marinas or to enlarge existing ones, things are moving not only in the direction of increasing the dimensions but also to raise the standard of services on offer.

It is not simply a case of making berths available but also of intervening in other important aspects, for example projects of urban regeneration. This is the case of Rijeka that intends to bring the waterfront to life with hotels and shops that serve the cruise port and the commercial one, as well as tourism. Four hundred new berths are foreseen, of which 80 will be for maxi yachts.

In Sibenik reclaimed land, in an area that was previously used for a factory where manganese was processed, could host a new multipurpose marina on an area of 12,455m². Still on the Croatian coast, the Adriatic Croatia International Club which already has 21 marinas in Istria, Quarnero and Dalmazia, has announced the construction of a new landing place for pleasure boaters in the southern Adriatic area thanks to the new marina in Slano which, together with the marina of Dubrovnik, local regional capital, and the Korcula one will bring the number of marinas in the area to three. The objective is to make it accessible as early as this season adding another 200 berths for boats from

[21] Agenzia Regionale Prevenzione e Ambiente (Agency for Regional Prevention and Environment).

11 to 25 metres in a 50,281m² area including space for services such as restaurants, a swimming pool and car parks.

That Croatia is making a considerable investment in maritime tourism is evident from the fact that it is the only country facing onto the Adriatic Sea to have a precise strategic plan dedicated to maritime tourism, which the Ministry of Tourism has programmed for this sector from 2009 to 2019. The investments have been divided into three main areas of activity: the first objective is to continue to conserve the area and the environment, in spite of the development strategy, in order to develop maritime tourism in a sustainable way; the second area of activity regards the specific infrastructure, which have to be adapted, expanded and renovated, in addition to the construction of new infrastructure; the third foresees the implementation of tourist services, from accommodation to the organisation of complete packages. The nautical part of the strategic plan appears to be the most competitive and attractive aspect of the portfolio, becoming a priority for all the regions that border the sea.

Albania still has a market that is heavily influenced by recent and well known problems that the country experienced in the past and which led to the enactment of certain regulations. Whereas Slovenia and even more so Croatia now have an advanced level of services for pleasure boaters, this country is taking its first steps thanks to the gradual modernisation of the structures. If on one hand the laws in Albania for years prohibited its citizens from using a private boat, with the exception of fishing vessels and low powered motor boats, limiting the creation of domestic demand, on the other hand it should be pointed out that these prohibitions were not applied to boats flying a foreign flag, therefore allowing the arrival and landing of pleasure boaters from other countries.

It is, therefore, a question of context that sees its potential – which comes from its strategic position in between the central-south Adriatic, the Greek islands and Turkey – blocked a little by the limits of its laws. Over the last few years a number of projects for the construction of new berths have been announced, but they have not been translated into worksites.

In Italy – according to the *Rapporto sul Turismo Nautico* – in the last 5 years 15,092 new berths have been built, of which 2,800 on the Adriatic coast. A coast on which, between new marinas and expansion works, there are 6,748 new berths in 19 structures in the final stages of construction, while there are plans for a further 10,710 berths for which work has not yet started.

As for the ports being built along the Adriatic coast, the marina of Gargano in Manfredonia, in the province of Foggia, aims to become one of the most important marinas of the Italian Adriatic coast. The project – worth about 60 million euro and once finished should provide work for about 40 people, including permanent and seasonal workers – foresees 747 berths from 8 to 60 metres. The structure is characterised by its "green" orientation, on one hand because of the photovoltaic system for the electricity supply and the possibility of access to a scenic causeway, and on the other hand the modern services that will be offered such as a landing pad, a swimming pool and solarium, as well as classic services such as wi-fi, shops, the shipyard and covered dry storage.

Work on the tourist Port of Isola Verde in Rosolina in the province of Rovigo will see 700 new berths over an area of 70,000m². The project provides for the creation of car parks accessible from anywhere in the port and a square where the pleasure boaters will be able to find all services related to boating such as a supermarket, restaurants, first aid, the yacht club and a hotel with about 75 rooms.

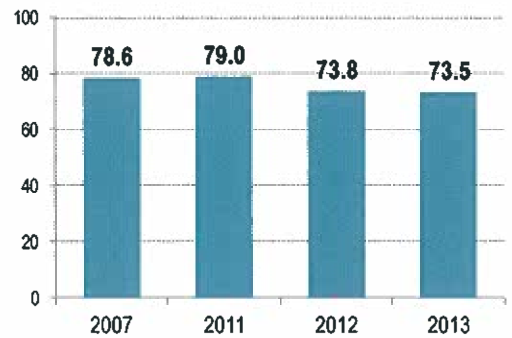
Tab 2.5] *New berths by status of works in Adriatic regions*

REGION	BERTHS			
	Recently built	*In construction*	*Planned*	*Total*
FRIULI VENEZIA GIULIA	0	600	200	800
VENETO	1,100	1,200	2,600	4,900
EMILIA ROMAGNA	800	300	0	1,100
MARCHE	0	750	300	1,050
ABRUZZO	200	520	1,650	2,370
MOLISE	300	500	830	1,630
PUGLIA**	400	2,878	5,130	8,408
	2,800	6,748	10,710	20,258

Source: Assomarinas. Note (**) data include only Adriatic coast.

Among the medium to large projects are those of Marinedi Spa whose marinas have more than 500 berths. In addition to the one already in place in Vieste, it will increase to 643 in the course of 2013, other projects announced are those relative to destinations in Puglia, Abruzzo and the Marche in Italy, in addition to Budva in Montenegro and some new places in Croatia. On the Italian side of the Adriatic Sea, of works carried out recently, those under construction and those planned, in a few years time there could be – if all the projects announced and planned were implemented – a total of 20,258 berths as shown in the table below. The source of the data is Assomarinas.
A last and conclusive contribution to the information relative to the offer of port structures for maritime tourism comes from one of the surveys carried out ad hoc for the Adriatic Sea Tourism Report, presented in the first chapter. The survey included questions, which were asked of the interviewees, about the marinas and the services they offer.
Information on personnel employed, both of a structural and infrastructural type, was requested: the result is an average scenario of the 20 marinas involved in the survey, of 14 people employed permanently and 5 seasonally. It should however be remembered that mainly medium to large marinas with a solidly structured organisation took part in the survey.
Another piece of information to come out of the survey – related to the dimensions of traffic, that is, not only of supply but also of demand – is the occupancy rate of the marinas, useful in understanding if and how much of the available offer is used, up until reaching the saturation point of demand.
This indicator, more than others, should be the basis of the decision making process for future investments.
The value, in the marinas surveyed, seems to have gone down, above all between 2011 and 2012, going from 79% to 73.8%, and the forecast for the current year is more or less unchanged, a contraction which is composed of both a decrease in the number of clients and the movement of some of them from the category "annual" to the "seasonal" one.

Graph 2.2] *Marina occupation rate, 2007-2013*



Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

With regard to the services offered, taking for granted a different offer and different standard based on the type of structure, they can influence the choice of the pleasure

boater both, and especially, in the choice of homeport and in the choice of transit berth: from the draft to security, from location to accessibility and a whole series of recreational activities such as bars, restaurants, swimming pools, rent-a-bike, to the availability of wi-fi and technical assistance for the boats.
To confirm the results of the survey conducted for this Report, it is possible to cite those contained in the *Tomas Nautika Jachting* study such as the services in which the Croatian marinas seem to trust to attract and maybe keep clients. In addition to the classic services of restaurants and shopping there is the possibility of organising guided tours of the area, sports such as fishing or scuba diving, concerts and other events. The expansion of services in this direction seems to have meant that with respect to 2007 there is more participation in "marina life" today.

2.3 ROUTES AND SHIPPING COMPANIES

The last section of this chapter is devoted to the Adriatic offer, that is to reviewing what the Adriatic proposes to travellers. Even if in a reduced form, this short version 2013 presents the reader with a collection of information related to cruise and ferry companies.
Before analysing the routes and therefore the investments taking place in the Adriatic area it is interesting to take into consideration the following table, which describes, from the point of view of a large stakeholder group of experts, the passenger vessels market and the challenges in Europe. It sources from the last report of LeaderShip2020[22]. It is the EU shipbuilding industry's response to the competitive challenges it is facing this decade and presents a research path that was started in 2002 and designed to

Tab 2.6] *Passenger vessels market description and challenges*

Ro Pax	Stable market with only a dozen ships ordered and delivered each year.
Large Ferries	More stringent safety and emissions standards needed to overhaul the large ferry market.
Cruise liners	Markets so far dominated by European shipbuilders (Germany, France, Italy, Finland). Deliveries historically and projected to be around 8-10 ships per year. Korea's STX owns big yards in France and Finland, but orders lacking. Both Japanese and Chinese will build cruise vessels in the next couple of years, Japan will build two ships for German owner AIDA and China a couple for national cruise companies. China also has a cruise ship on the cards for an Australian customer (Titanic rebuild for Clive Palmer). Cruise ship companies, facing saturation in US and some EU markets (notably UK), focus growth strategies predominantly on Asian markets, ships might need adaptation to (cultural) preferences of these new customers.
Super-yachts (Inland and Seagoing) as well as leisure crafts above 24mt.	Fleet approx. 4,400 vessels (>25mt.), Russian, European, Middle Eastern, Australian and American owners dominate. Deliveries per year approx. 400. Super yacht market caters to the world's high net worth individuals, spending on new yachts since crisis much reduced but leading quality builders AND cost fighters do continue to receive orders. Operationally, cost control and (part) standardization vital for yards. Consolidation in terms of ownership of shipyards, with European yards bought out by Middle-East or Asian companies. Growth must come more and more from new client markets such as Asia (notably China) or South-America. Ultimately, localising the yachts to specific cultural tastes and cleaning up the ship's environmental performance (lightweight materials, lower fuel consumption, etc.) may become key issues for the future

Source: LeaderSHIP 2020 'Final Report'. The Sea, New Opportunities for the Future.

22 The Sea, New Opportunities for the Future (2013), LeaderSHIP 2020 'Final Report'.

address all issues that are important for the future competitiveness of this sector. It is interesting to notice how these markets include 3 of the 4 topics of the Adriatic Sea Tourism Report; the only exception is leisure craft of less than 24mt. Cruise companies are an industry which, with their choices and their input given to other players in the sector, has meant that the phenomenon has been affirmed year after year and that cruises have become a product capable of meeting and attracting the mass market and other specific segments of the market.

A number of cruise companies operates in the Adriatic Sea. The following is a list of more than 50 companies present in the 2013 programmes of the Adriatic ports:

- Aida Cruises
- All Leisure Holidays
- Azamara Club Cruises
- Carnival Cruise Lines
- Celebrity Cruises
- Club Mediteranee
- Compagnie Des Iles Du Ponant
- Constellation Cruise Holdings
- Costa Crociere
- Croise Europe Alsace Croisieres
- Crystal Cruises
- Cunard Line
- Fred Olsen Cruise Lines
- Fti Cruises Hellas
- Hapag-Lloyd Kreuzfahrten
- Helios Shipping
- Holland America Lines
- Iberocruceros
- Kd-Bereederung & Co.Kg
- Kristina Cruise
- Louis Cruise Line
- Mano Maritime
- Msc Crociere
- Nicko Tours
- Norwegian Cruise Lines
- Oceania Cruises
- P & O Cruises
- Passat Kreuzfahrten
- Phoenix Reisen
- Plantours & Partner
- Princess Cruises
- Pullmantur Cruises
- Regent Seven Seas Cruises
- Royal Caribbean International
- Sea Cloud Cruises
- Sea Dream Yacht Club
- Seabourn Cruise Line
- Silversea Cruises
- Star Clippers
- The Aegean Experience Maritime
- Variety Cruises
- Windstar Cruises

If we go back a few years, to be more precise to 2003, thanks to the list provided by the ports it has been possible to see how more than 30 are no longer sailing in the Adriatic in 2012. Among them some decided to operate in other areas, while other simply went out of business. AMI Shipping, Chois Breeze Maritime, Classic International Cruise Company, Dolphin Maritime, Festival Cruise Line, Hebridean Island Cruises, Marline Universal, NYK Cruises, Royal Olympic Cruises.

In 2013 the Adriatic Sea will witness the presence of more than 50 cruise companies, as listed above, sailing its waters. Alongside the main ports, smaller ports coexist and in some cases are called on once or twice in the course of the season, often docking in the harbour - possible for medium-small cruise ships. What follows offers a brief overview of the programmes of the cruise companies in the Adriatic. Costa Crociere will cruise the Adriatic Sea with a number of ships of its fleet: Costa Magica, Costa Classica and Costa Fascinosa. The itineraries will vary, generally from 5 to 8 days and, in some cases, they will take place only in the Adriatic Sea. In order to strengthen the tourist product, embarkment will be both in Trieste and Venice. It should be noted that in 2012, Costa Crociere introduced an itinerary orientated to the discovery of inland areas with new "thematic" excursions (Medjugorie, the Shrine of Loreto and the Monastery of San Gerasimos, using respectively the ports of Dubrovnik, Ancona e Kefalonia), integrated

with Kotor, Split and Trieste. Going back to 2011, the Costa Favolosa was christened in Trieste. MSC Crociere, in the 2013 catalogue, presents itineraries of three ships, among them the new MSC Divina, launched last year. Embarkment at Bari is added to a call at Venice. It is interesting to see how it is on the Adriatic product that a number of communications of the company are based, even using poetic quotes that invoke the destination Dubrovnik. Royal Caribbean has – among others – inserted in 2013, with embarkment in Venice, the Splendour of the Seas, after the restoration of the ship in 2012. The itineraries, after the lagoon departure, ply calls at Dubrovnik, Ravenna or Split, to then leave the Adriatic heading for Greece or Turkey. In repositioning its ships Royal Caribbean in 2012 decided to move the Voyager of the Seas to the seas of the South East Asia, adversely affecting in particular the traffic of Koper that had recorded a real boom in 2011. Being included in the seasonal schedule of a large ship can in fact represent, for a cruise destination, an element that can positively – or negatively – affect its passenger traffic movement.

Norwegian Cruise Line also sails in the Adriatic using Venice as its homeport for itineraries that include the entire Mediterranean, often alternating between Venice and Barcelona and the other way around, calling at Dubrovnik, Split and Koper. Among the large ships, a novelty for 2013 is the Disney Cruise Line that, with Disney Magic, at present employed in the Caribbean, will play the Adriatic calling at Venice (for the first time in the history of the company), and along the Dalmatian coast of Croatia. In 2014 Venice will become the ship's summer homeport. Among the various specialty cruise products it is interesting to note the ports called on in the Star Clippers's itineraries in the Adriatic which, after departure from Venice, calling at Rovinj, Mali Losinj, and Hvar, in addition to better known cruise destinations such as Dubrovnik, Kotor, Corfu before leaving the Adriatic; Paul Gauguin that will leave for the first time this year from Venice calling at Zadar before heading for Greece; Seabourn that will stop in the Adriatic in 2013 at Otranto, Koper and Rovinji and Triluke Baie. In addition to the cruise ships, of which the above gives some examples, the Adriatic Sea is sailed by numerous weekly cruises in motor boats and motor sailers whose routes include the islands of the Adriatic with catalogues proposed by tour operators devoted to the Adriatic (as in the case of Kompas).

Moving on to another form of passenger transport, it would seem to be useful to clarify some of the categories: ferries are a type of boat used above all for commercial transportation of large vehicles, containers and railcars. They are the so called ro-ro[23], ferries for transportation of goods, car-ferries for the transportation of cars destined for export, multi-purpose ro-ros for the transportation of goods on long routes, and rail ferries for the transportation of people, vehicles and lorries. Among these are ferry boats, used for short distances and so for local transportation, and two other types of more interest to the Adriatic Sea Tourism Report, dedicated to the comprehension of the phenomenon of maritime tourism in the Adriatic: the so called ro-pax ferries, ships designed to carry more goods transportation means in proportion to passenger transportation ones, and cruise ferries that are predisposed for the transportation of both types of means but with a structure more similar to that of cruise ships. Of the latter only the speed with which they are capable of moving differentiates the modern generation

[23] The term ro-ro refers to ferries that carry goods, but the origin of the term extended to all types of ferries which load with a slide access called a ro-ro, roll-on and roll-off compared to vessels that load with cranes called lo-lo of lift-on and lift-off.

of cruise ferries called fast cruise ferries, from super fast ferries, monohulls, catamarans or trimarans capable of reaching speeds of 45 knots, more than 80 km/h.
In the Adriatic Sea a number of companies operates ferries and fast catamarans, which are differentiated by typology of route and of vessel on the basis of the service offered:

- Adria Ferries
- Adriatica Traghetti
- Albanian Ferries
- Agoudimos Lines
- Anek Lines
- Blue Line
- Bura Line & Offshore Slatine
- Commodore Cruises
- Emilia Romagna Lines
- Endeavor Lines
- European Seaways
- G&V Line Dubrovnik
- Grimaldi Lines
- Ilion Lines
- Jadrolinija
- Linijska Nacionalna Plovdiba
- MB Kapetan Luka
- Mediteranska Plovdiba
- Miatrade
- Minoan Lines
- Montenegro Lines
- Nautićki Centar Komiza
- Navigazione Libera del Golfo
- Obrt Trn
- Prz Vrgada
- Rapska Plovdiba
- RedStar Ferries
- SNAV
- Superfast Ferries
- Tirrenia
- T.U.O. Mankul
- Venezia Lines
- Ventouris Ferries

Of these companies the historic Adriatica di Navigazione no longer features, completely absorbed by Tirrenia in 2004, after decades of operating between Italy and the than Yugoslavia, Albania, Greece and Egypt, bringing together a number of private shipping companies: Società San Marco, Costiera di Fiume, Zaratina, Nautica di Fiume, S.A.I.M. di Ancona, Puglia di Bari. Other companies have interrupted their services, such as Marmara Lines (lines from Ancona and Brindisi), Fragline ferries, connecting Patrass and Brindisi via Igoumenitsa and Corfu, Med Link lines, Maritime Way, Palmier Ferries, Prosperity Navigation connecting Italy to Albania and Skenderberg Lines.
There are a number of types of service on offer, based on the diverse requirements that the morphology of the area imposes. Just think of the local service, for which it is necessary in those parts of the Adriatic characterised by islands: the Tremiti served by Navigazione Libera del Golfo and Tirrenia, for example, or the case of the various Croatian islands that are connected to the mainland thanks to the services of a series of companies, led by Jadrolinija which links Italy to Croatia and follows a route along the Croatia coast.
There are many companies that go back and forth horizontally, connecting the various regions of Italy with those that face onto the Adriatic Sea on the east coast. This is the case of Venezia Lines and Commodore Cruises that connect the lagoon city with the coasts of Istria, but also further south with Bari and Durazzo. Further down we find Emilia Romagna Lines which links with its services the coasts of Romagna and the Marche with those of Croatia arriving at Losinj, Zara and Rovinj. In the centre of the Adriatic we have the Blue Line and SNAV routes, which connect Ancona to Croatia and Montenegro Lines that links Ancona to Bar, and then in the southern Adriatic many companies such as Adriatica Traghetti, Adria Ferries go to Montenegro and Albania (which should see a connection operated by Af Marina, a 600 passenger and 160 cabin ro-pax between Trieste and Durazzo), Albanian Ferries, Red Star Ferries, and the already mentioned Montenegro Lines.

The traffic that involves the entire length of the Adriatic of tourists travelling to Greece in the summer months is also important with the routes of Anek Lines, Ilion Lines and Minoan Lines from the ports of Trieste and Venice arriving in Corfu and Igoumenitsa, calling at Ancona and Bari where companies such as Superfast Ferries, Agoudimos Lines, Endeavor, European Seaways, Ventouris Ferries and Grimaldi Lines operate. At the end of 2012 the shipowner Grimaldi announced that he had moved the focal point of the activities in Trieste, activating a line dedicated to the route from Trieste to Igoumenitsa. A map that traces the routes described above closes this chapter.

Fig. 2.7] *The main ferry routes in the Adriatic*

Source: Risposte Turismo/Adriatic Sea Tourism Report 2013.

3 THE EUROPEAN PERSPECTIVE

3.1 THE INDISPENSABLE SUPPORT OF THE EUROPEAN UNION

The future of the Adriatic as an area of interest for economic, occupational and social development of the countries that border this Sea necessarily depends on the attention and commitment that the European Union devotes to it. In fact it is a case of designing strategic interventions capable of having an effect on various issues and measures such as infrastructure, mobility, attracting investments, access to credit, which should not rely solely on the choices and possibilities of individual countries as they risk being uncoordinated and therefore not necessarily cohesive and functional for the benefit of the development of the all region.

That Europe should commit itself in a convincing way to supporting the marine economy as well as marine tourism is nothing more than a logical deduction of the simple facts highlighted on the website of the Directorate General for Maritime Affairs of the European Commission[24]:

- 22 out of 27 EU countries have a coastline.
- The EU's coastline is 7 times as long as that of the US and 4 times as long as Russia's.
- The EU's maritime regions are home to almost half its population and account for almost half its GDP.
- In terms of surface area, there is more sea than land under the jurisdiction of EU countries.
- Including its outlying regions, the EU has the world's largest maritime territory.

For these reasons we believe that Europe should do more, paying due attention to maritime tourism, the Adriatic, and therefore to marine tourism in the Adriatic. The Adriatic Sea Tourism Report thus reserves a chapter for the information gathered on what the European Union has done, what it plans to do, what it probably could do and has not done; and alongside this how some organisations, some business networks have taken advantage of the activities and funding of the European Union to launch and develop projects of diverse content and objectives but still, to a greater or lesser extent, related to the fields of interest of this work.

A document central to understanding the commitment of the European Union to maritime and coastal tourism is the so-called Blue Growth Communication (COM 494 final of 2012). There is a section dedicated to the maritime and coastal tourism sub-sector, recognised as the largest single maritime economic activity, employing 2.35 million people, equivalent to 1.1% of total EU employment. It states that more than 90% of enterprises employ less than 10 people, but also that in some areas tourism is an

[24] Facts and figures, European Commission. Directorate-General for Maritime Affairs and Fisheries website (2013).

additional source of income for coastal communities, while in others it can dominate the local economy. "*While many of these tourists may not venture far from the shoreline, openwater activities are on the increase. Yachting is expected to grow by 2-3% a year. The cruise industry is also growing. Within Europe it employs nearly 150,000 people and generates direct turnover of €14.5 billion*[25]*. EU shipyards have been successful in serving this specialised market – both with large cruise ships and small leisure vessels*[26]".

Another main document (COM 352 of 2010), this time dedicated to the entire tourism sector, includes a definition of Europe as "*the world's no. 1 tourist destination, with the highest density and diversity of tourist attractions*".

In communications, articles and policies the tourist industry is increasingly defined as a key sector of the European economy. Its role in the generation of the EU GDP (directly or indirectly) is estimated at over 10% with relevant employment levels (updated figures from the UE affirm that 9.7m citizens work in 1.8m businesses; a value that rises to 12-14 million workplaces in some way related to the sector). Europe – and in particular the Directorate-General for Enterprise and Industry (EU DG ENTR) – recognises how tourism contributes to:

- employment and regional development;
- sustainable development;
- an enhanced natural and cultural heritage;
- the shaping of a European identity.

Tourism is considered by the European Union to be an important means of promoting Europe's image in the world, projecting its values and affirming the European model, which is, for the EU, the result of centuries of cultural exchanges, linguistic diversity and creativity.

Article 195 of the Lisbon Treaty acknowledges the importance of tourism. EU policy aims to promote tourism so as to maintain Europe's standing as a leading destination, and maximize the industry's contribution to growth and employment.

In order to understand the policy objectives and priorities that will define the space for new implementations and new calls, four priorities for action have been identified in the 2010 Communication on tourism[27]:

1. stimulate competitiveness in the European tourism sector;
2. promote development of sustainable, responsible, high-quality tourism;
3. consolidate Europe's image as a collection of sustainable, high-quality destinations;
4. maximise the potential of EU financial policies for developing tourism.

In this document ("Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe") it is declared that, "*The Commission recognises the substantial importance of maritime and coastal tourism as a catalyst for economic development and intends to carry out actions to encourage its development as part of the EU's integrated maritime policy. Economic diversification into tourism represents a priority for many coastal areas, where the decline in economic activities linked to fisheries and shipbuilding in particular have led to a fall in incomes and increased unemployment. This diversification is supported by the European Fisheries Fund (EFF), as part of local development strategies. Ways of realising the potential of the nautical and pleasure boat industry for the economic*

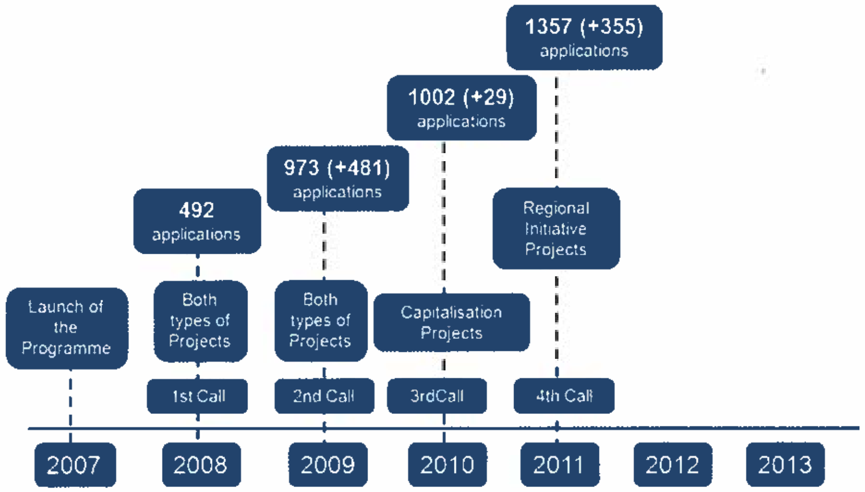
[25] ECC 2012/2013 Report, European Cruise Council (2012).
[26] Blue Growth Opportunities for Marine and Maritime Sustainable Growth. COM(2012) 494 final.
[27] "Europe, the world's No. 1 tourist destination - a new political framework for tourism in Europe" (COM (2010) 352 FINAL).

growth of the islands and coastal and maritime regions will also be explored."
On the website of the EC DG Enterprise and Industry a regularly updated "rolling implementation plan" developed by the European Commission is available for consultation. It outlines the major tourism-related initiatives to be implemented in collaboration with national, regional and local public authorities, tourism associations and other public/private tourism stakeholders.
In order to ensure a successful implementation of the Tourism Communication of 2010[4] the last available rolling plan[28] in section II (Promote the development of sustainable, responsible and high-quality tourism) includes Action 16. This Action focuses on proposing a strategy for sustainable coastal and marine tourism, *"marine and coastal tourism and related sectors represent a vast potential for development and a substantial source of growth. In order to further enhance this potential and, at the same time, tackle important challenges with which coastal tourism is confronted, the Commission envisages working on a Strategy for sustainable coastal and marine tourism"*.
Three main steps are highlighted in this document: (1) the Tourism Unit started preparatory works, co-led with the DG Maritime Affairs and Fisheries (DG MARE), in 2011, (2) an open public consultation was carried out between 14 May and 6 August, presented in the context of the European Tourism Day on 27 September 2012[29], and in 2013 we expect (3) a proposal of a Commission Communication in line with the work programme of DG MARE.
With regard to point 2, in the introduction of the Summary Report of the Public Consultation about Challenges and Opportunities for Maritime and Coastal Tourism in the EU it is stated that "*coastal and maritime tourism constitutes one of the most important touristic thematic sub-sectors in Europe. With more than 2.36 million people employed, coastal and maritime tourism represents 1.1% of the total EU employment. Moreover, around 51% of bed capacity in hotels across Europe is concentrated in regions with a sea border, highly contributing to the economy of these regions. With perspectives for growth in the coming years, coastal and maritime tourism full potential is yet to be unveiled*".
The third step (point n. 3) means that the European Commission is currently developing a strategy to provide Europe with complementary tools to foster a smarter, more sustainable and inclusive coastal and maritime tourism in Europe. It will be based both on the implementation of the already cited Communication of 2010 and as part of its strategy on Integrated Maritime Policy (Communication, "An Integrated Maritime Policy for the European Union", 2007). The general framework is the Europe 2020 Strategy and in particular the Blue Growth concept (sustainable growth for oceans, seas and coasts); coastal and maritime tourism will have an important role to play, requiring a thorough analysis and involvement of all interested parties. This Communication on the "Challenges and Opportunities for Maritime and Coastal Tourism in the EU" affirms the importance of promoting dedicated sea-basin approaches and synergies between regions and across borders, thus possible initiatives and actions dedicated to the Adriatic Sea.
To close this section we consider it useful to call the attention of the reader to some key concepts related to the commitment of Europe, which could prompt future possibilities for the benefit of an area like the Adriatic, which respect the parameters that guide the investment choices and support of the EU.
In fact, Europe works to support job creation, competitiveness, economic growth, improved

[28] Last update of the *Rolling implementation plan*, 22.10.2012.
[29] Last European Tourism Day (27 September 2012 in Brussels) had been dedicated to "seasonality and coastal and maritime tourism".

quality of life and sustainable development, with special solidarity with less developed countries and regions, concentrating funds on the areas and sectors where they can make the most difference. These investments made by the EU should aim to support the delivery of the Europe 2020 strategy[30]. Given that the Adriatic Sea is at central point for both EU countries and member candidates, it is interested in focusing on future opportunities.
The funding helps, for example, to encourage small and medium-sized enterprises in disadvantaged areas to invest in innovation, developing new products and production methods. On the EC DG Regio website it is declared that since 2008 regional policy has adapted to changing needs and harsher financial conditions. Each programme country had seen the co-financing rates increased by 10%, which means that the national contribution, at a time of budget constraints, is reduced.
Nevertheless, it should be noted that the planning and presentation of projects within the EU programmes seem to attract increasing numbers of candidates, only part of which, obviously, see their proposals accepted. One of the better-known programmes is the Interregional Cooperation Programme INTERREG (of which edition IV was implemented between 2007 and 2012) within Objective 3 of the Cohesion Policy- European Territorial Cooperation. This programme edition saw more than 14,000 applicant partners with 4 calls for proposals. Only 2,276 of them were approved for 204 projects.
The INTERREG programme, as other European projects, currently finds itself at a very interesting crossroads between the present and the future. Moreover, after some initial discussions at member State level, 2013 will be a crucial year in the preparation of the new programming period. Current regional funding programmes will run until this year. Options for cohesion policy after 2014 are already being discussed.

Fig 3.1] *Project applications for the INTERREG IVC programme (4 calls for proposal)*



Source INTERREGIVC Programme website

[30] Europe 2020 is the EU's strategy to promote smart, sustainable and inclusive growth. The EU has set ambitious objectives to be reached by 2020 in five main areas: Employment (75% of the population aged 20-64 should be employed), Innovation - 3% of the EU's GDP should be invested in Research & Development, Climate change, and Poverty. Cohesion Policy provides the necessary investment framework and delivery system to deliver the Europe 2020 objectives.

According to DG Regio this discussion is linked to the broader context of the EU budget and the Europe 2020 Strategy. Among the priority themes for EU cohesion funding support projects, the main fields of activity should include Transport[31] and Tourism. Among the regional Development Programmes 2007-2013 one of the main ones relevant to the Adriatic area is the Instrument for Pre-accession Assistance (IPA). The next section is dedicated to this tool that helps non-EU countries that aspire to join the Union to prepare their societies and economies for membership.

Fig 3.2] *The Adriatic Ionian Euroregion*

Source: the EU Regional Policy website.

3.2 IPA ADRIATIC CBC PROGRAMME[32]

Within the context of what it has been possible to do and what it will be possible to do thanks to the funds of the European Union, together with their guidelines, ad hoc space should be given to one of the programmes that seems to be going in the direction of allowing the entire Adriatic system, and in particular the phenomenon of maritime tourism that concerns it, to find new impetus and new conditions of growth: Instrument of Pre-accession Assistance (IPA) Adriatic Cross-border Cooperation Programme.

The Adriatic Sea links the territories of seven countries: three EU Member States (Greece, Italy and Slovenia), one acceding country (Croatia), one candidate country (Montenegro) and two potential candidate countries (Albania, and Bosnia and Herzegovina). Serbia, also a candidate country, is one of the eight members of the Adriatic and Ionian Initiative, an initiative for regional cooperation launched by the Ancona Declaration in 2000. Serbia became an All member succeeding to the State Union of Serbia and Montenegro. Other countries in the area also have a political and economic interest in maritime activities in the Adriatic Sea (an area that is often connected with the Ionian sea, as a single space). *The European Community recognises*[33]*how the countries of the Adriatic and Ionian area have decided to step up their cooperation starting from the sea, defined as their main common natural asset.* It is interesting to notice that in this document it is affirmed how maritime strategy might constitute the first component of such an EU macro-regional strategy covering additional fields. Thus the Adriatic Sea is at the very centre of the operation.

Since 1990, the need to establish closer cooperation at European level has led countries bordering the Adriatic Sea to form an Adriatic "macro-region" leading to the launch of the European Commission's INTERREG I initiative. The main purposes were to promote

[31] Transport infrastructure is one of the most visible examples of what can be achieved, with aid from the EU Structural and Cohesion Funds, such as covering trans-European transport networks (TEN-T) for enhancing accessibility even if more attention is due to road and rail infrastructure.
[32] The main source used for this paragraph is the official website of the Adriatic IPA Cross-border Cooperation Programme.
[33] EC COMMUNICATION (2012) 713 final of 30th November 2012.

economic development for border countries, to overcome their development problems and at the same time to promote the integration of countries through cross-border network promotion within the European Union (member States) and outside the Union with Central and Eastern European countries (within the boundaries of the candidate countries and the countries of the European Union). Initially, the CBC (Cross-border Cooperation) was the only one supported by the INTERREG (1990-1993). Transnational cooperation was introduced by the INTERREG II Programme (1994-1999), and confirmed by the INTERREG III (2000-2006) at a later stage. Its main goal was to promote socio-economic development and cooperation between the countries of the Adriatic area, about to create an Adriatic Euroregion transformed in early 2013 into the Adriatic Ionian Euroregion.

The IPA Adriatic Cross-border Programme represents the continuation of the INTERREG III 2000-2006, with initiatives related to three priority areas: economic, social and institutional cooperation; natural and cultural resources and risk prevention; accessibility and networks. The IPA Adriatic Cross-border Programme is co-financed by the European Commission through the Instrument of Pre-accession Assistance (IPA), adopted with the EC Decision.

The Programme provides financial resources for the entire permissible Adriatic area (ERDF and IPA funds). The IPA Adriatic Cross-border Programme aims at "strengthening the sustainable development capacity of the Adriatic Region through an agreed strategy of actions among the partners of the eligible territories".

The eligible area of the Programme consists of the territories facing the Adriatic Sea. These are identified as three Member States (Italy, Greece and Slovenia), two candidate countries (Croatia and Montenegro) and three potential candidate countries (Albania, Bosnia and Herzegovina, and Serbia). Three IPA cross-border co-operation programmes 2007-2013 were developed involving the Adriatic Sea:

- Adriatic IPA CBCP, between three EU Member States (Greece, Italy, Slovenia), and four candidate/potential candidate countries (Croatia, Albania, Bosnia and Herzegovina, Montenegro). Community funding for the programme over the period 2007-2011 is worth around €245.6 million, supplemented in turn by about €43.3 million of national funding from the participating countries. The Programme's total value therefore is approximately €298 million.
- Greece-Albania IPA CBCP, involving Community support for eight Greek and Albanian regions that lie along their common border: the Greek regions of Kerkyra, Thesprotia, Ioannina, Kastoria and Florina and the Albanian regions Vlorë, Gjirokastër and Korçë.
- Slovenia-Croatia IPA CBCP, involving Community support for 14 Slovenian and Croatian regions that lie along their common border (in Slovenia: Pomurska, Podravska, Savinjska, Spodnjeposavska, Jugovzhodna Slovenija, Notranjsko-kraška and Obalno-kraška; in Croatia: Međimurje, Varaždin, Krapina-Zagorje, Zagreb, Karlovac, Primorje-Gorski Kotar and Istria).

The countries involved in the IPA Adriatic Cross-border Programme appointed the Italian Region Abruzzo as the Managing Authority responsible for managing and implementing the Programme in accordance with the Programme and European Regulations.

Within the Programme an ordinary project must not exceed 36 months and the minimum partnership for an IPA Adriatic CBC project must involve at least 2 beneficiaries (an EU member State and a candidate or potential candidate country). A maximum number of partners has not been established, but all projects need to consider that a large number of partners may have negative implications on the economic efficiency of the project. For these reasons, in order to optimize project management, it is recommended to build a partnership with no more than 15 beneficiaries (including the lead beneficiary).

Any institution with a legal personality can be involved in a project proposal as a final beneficiary. In order to be eligible final beneficiaries must be nationals of one of the participating countries of the programme and be classified as one of the following: public bodies, bodies governed by public law and private organisations, including private companies.

Among all the selected projects of interest for the IPA Adriatic CBC Programme (2007-2013) two can be highlighted as related to maritime traffic and tourism:

- ADRIMOB (Sustainable coast MOBility in the ADRIatic area) aimed at favouring the development of sustainable transport systems along and between the Adriatic coasts, as well as inland. The ADRIMOB Project involves the main ports of the cross-border area (Venice, Ravenna, Rimini, Cesenatico, Pesaro-Urbino, Pescara, Brindisi, Bari, Rovinj, Rab, Split, Durres, Bar, Igoumenitsa) and the Slovenian ports;
- Cluster Club (Adriatic Economic Cluster Club): focuses on the nautical and shipbuilding sectors including the supply chain of plastic, rubber, metal, wood and textiles. The main aim of the project is to accelerate the reinforcement of the cluster system as well as the creation of new clusters with particular attention to the building of a small and medium enterprises (SMEs) network involving public administration, institutes of research and associations. Countries involved: Italy, Greece, Croatia, Bosnia and Herzegovina, Serbia, Albania.

Three additional projects should be mentioned: AdriaticMoS (development of Motorways of Sea system in Adriatic region), S.T.A.R. (Statistical networks in Tourism sector of Adriatic Regions), and ARCHEO.S. (System of the Archaeological Sites of the Adriatic Sea). The following table shows an extract of all the selected IPA Adriatic projects regarding the tourism sector. These projects show a range from 1.7 million euro to over 4 million euro of total budget. The European Union monetary contribution ranges from 40% to 85%. Each final beneficiary had to participate with a minimum of 100,000 euro and could not receive more than 60% of the total project budget. It should be noted that if the partner's budget does not respect the minimum and maximum thresholds the project will be rejected.

Table 3.1] *Budget and financing for some Adriatic IPA CBC projects*

PROJECT	Total Project Budget €	IPA CONTRIBUTION €	IPA CONTRIBUTION %
TUR.GRATE 2	2,500,000	2,125,000	85.0
SHAPE	4,139,170	3,518,295	85.0
ARCHEO.S.	2,995,000	2,545,750	85.0
ADRISTORICAL LANDS	3,900,000	3,900,000	100
S.T.A.R	1,843,583	752,400	40.8
APC	2,557,000	2,173,450	85.0
AdriaMuse	1,762,671	1,476,595	83.8
ADRIMOB	2,881,770	2,449,505	85.0
AdriaticMos	1,790,770	1,522,155	85.0
A3-NET	4,418,600	3,755,810	85.0
YOUTH ADRINET	3,640,321	3,094,273	85.0
CLUSTER CLUB	2,629,695	2,235,241	85.0

Source: elaboration based on Adriatic IPA CBC single projects.

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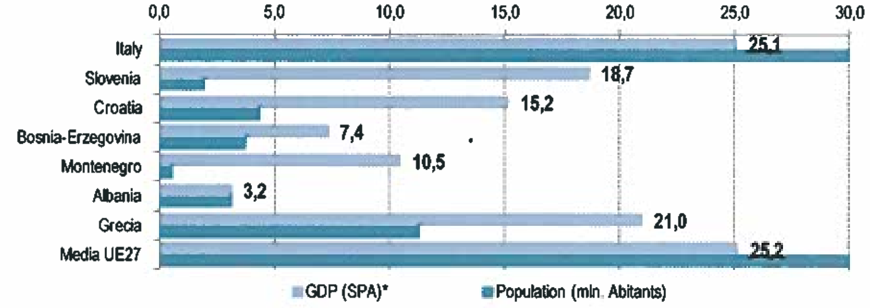
At present the EU is dealing with 5 candidate countries (among them, bordering the Adriatic Sea, Croatia, which is set to become the 28th member state of the European Union on 1 July 2013, and Montenegro) and 4 potential candidates, two of them Adriatic countries (Albania, Bosnia and Herzegovina). For these reasons many of the co-operation programmes have turned, or will turn in the near future, their attention and the focus of various funding opportunities to projects among these countries. The Adriatic presents a rather different scenario in terms of macro variables that distinguish the countries bordering its sea. The following graph shows those relative to population and GDP.

Graph 3.1] *GDP and Population of Adriatic countries*

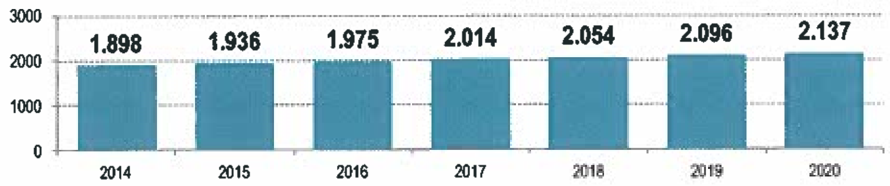


Source: Eurostat, data 2011 (Montenegro with GDP 2010). Note (*): GDP (SPA) is the unit of measure that represents purchasing power independent of price levels.

In a Communication of 2011[34] some details of the new pre-accession instrument are provided (IPA II) within the proposal regulation of the European Parliament and within the budgetary framework for EU external action instruments. In that communication it is stated that *"the investments of Europe target actual low level of socio-economic development that calls for substantial investments to bring these countries closer to EU standards and allow them to take on board the obligations of membership and to withstand the competitive pressures of the single market. Technical and financial assistance to the Enlargement countries is currently provided through the Instrument for Pre-accession Assistance (IPA). According to the Council Regulation 1085/2006 of 17 July 2006, this instrument will expire at the end of 2013. With a view to future accessions, the EU should continue to offer candidate countries and potential candidates technical and financial assistance to overcome their difficult situation and develop sustainably. The new pre-accession instrument should continue to focus on delivering on the Enlargement Policy, which is one of the core priorities of EU External Action, thus helping to promote stability, security and prosperity in Europe".* According to a European Communication of June 2011, "A Budget for Europe 2020", the European Commission proposed to allocate an amount of 14,110 million euro (prices of 2011) to the new Instrument for Pre-accession Assistance for the period 2014-2020. The indicative yearly budget commitments presented in 2011 are given in the following graph and open new opportunities for the coming years and the need to pay attention to the future evolutions and calls of these programmes. Maritime tourism, as already seen, could be a useful key to the area's development.

[34] COM (2011) 838 final 2011/0404 (COD), Brussels, 7.12.2011.

Graph 3.2] *Instrument for Pre-accession 2014-2020 (millions of euro, prices of 2011)*



Source: COM (2011) 838 final 2011/0404 (COD).

3.3 OTHER PROGRAMMES AND PROJECTS RELATED TO MARITIME TOURISM

Apart from the Pre-accession Assistance described in the previous section, there are many other EU programmes and funds that aim to support – either directly or indirectly (mediated by entities or national, regional or local agencies) – production, entrepreneurship, learning, and involve to some extent the various activities relating to the macro industry of tourism.

This section presents to the reader – conscious of the limited space available for this chapter – an initial review of some of the programmes and projects, with a series of references for further insights.

The large number of subjects and programmes to which reference can be made in preparing funding proposals opens space for diverse opportunities both for marine tourism and for the Adriatic area, for which there are no ad hoc dedicated programmes, but there are possibilities in the numerous calls. It is a case of finding the right interpretation in designing a plan capable of building added value for Europe.

In addition to the presentation of some programmes, space is given to a platform of collaboration between various actors: from partnerships of the European Cultural Routes to actors which are part of the Adriatic-Ionian area at the centre of the new Maritime Strategy launched by the European Commission. It is fundamental to know about existing projects, and those already proposed, in addition to the information contained in the main European communications in that, as mentioned in the preceding section, the competition in European project management is becoming increasingly strong.

The European Commission Directorate-General for Enterprise and Industry (DG ENTR) provides a list of financial supports:

- European Regional Development Fund (ERDF) – supporting more sustainable patterns of tourism to enhance cultural and natural heritage, etc. Environment and transport are also financed by the Cohesion Fund.
- European Social Fund (ESF) – co-financing projects to enhance productivity and quality of employment and services in the tourism sector through education and training. Targeted training and small start-up premiums for tourism micro-enterprises.
- European programmes for life-long learning and Erasmus for young entrepreneurs – enabling people to travel abroad to learn or train, for example in the tourism sector.
- European Agricultural Fund for Rural Development (EAFRD) – support for improving the quality of agricultural products and the rural environment, and encouraging tourism as a way to diversify the rural economy.
- European Fisheries Fund (EFF) – encouraging diversification of fishery dependent areas through alternatives such as eco tourism.

- Competitiveness and Innovation Framework Programme – supporting the competitiveness of EU businesses, especially SMEs.
- Research supported under the 7th EU framework programme for research & technological development (ICT, satellite applications, cultural heritage, land use) may help the tourism sector.

The so-called preparatory actions are in addition to these support activities. For tourism there are - for example - EDEN (European Destinations of Excellence, a project promoting sustainable tourism development models across the European Union), Calypso (for social tourism) and Iron Curtain Trail (sustainable tourism).

There are many other platforms within which it is possible to propose projects, often by responding to periodic calls for applications for funding.

Within the Adriatic and Ionian Initiative, Regional Cooperation Programme (call for proposals 2012), for example, some approved proposals are related to tourism, such as the "*Innovative skills and competences for entrepreneurs in order to promote a new sustainable tourism in the Adriatic and Ionian Area*" proposed by the The Forum of the Adriatic and Ionian Chambers.

As has already been highlighted, Europe is committed to achieving the common good by focusing on co-operation. For this reason, widely cross-sector programmes are developed that, even if not entirely dedicated to tourism, allow space for projects related to this sector. The following two are examples:

- the MED programme is a transnational programme of European territorial cooperation. Drawing up the list of eligible regions and areas for the transnational strands of the European territorial cooperation objective, the MED programme covers, among others, the following areas: Greece (the entire country), Italy (Abruzzo, Apulia, Emilia-Romagna, Friuli-Venezia Giulia, Marche, Molise, Veneto) and Slovenia (the entire country). The programme has also invited Mediterranean candidates or potential candidate countries for the European Union to join. The cooperation space has since welcomed Albania, Croatia, Bosnia and Herzegovina, and Montenegro.
- MAREMED is developed within the framework of the creation of an integrated Mediterranean maritime policy. The main aim of the project is to strengthen the coordination of regional maritime policies between themselves and also with those in force at national, European and Mediterranean levels. The project focuses on those constituents of maritime policy with a strong transnational dimension, namely Integrated Coastal Zone Management, pollution (including small and medium-scale accidental coastal pollution), adaptation to climate change in coastal areas, fisheries and coastal and maritime data management.

In analysing European investment funds and programmes in order to recognise opportunities for support and funding within them, the search for themes and subjects should not be limited to those strictly related to one's area of interest. An example of this concept can be seen in cultural tourism, the sense of vocation that Europe puts at the centre of its transnational projects, and that, with a bit of imagination and an open vision, could be applied to the development of marine tourism. The Adriatic area, rich in destinations with an enormous potential for cultural tourism, could represent an ideal framework within which to set possible projects with these characteristics, combining cultural and marine tourism. Transnational cultural tourism products represent both common European shared values and heritage, and chances to present and promote

Europe as a "unique tourism destination", perfectly fitting European aims. "European Cultural Routes" crossing several regions or countries is one of the best examples and – according to the European Community - a strong tourism potential, still mostly unexplored. With the active role of the Council of Europe and other bodies such as the European Travel Commission, the UN World Tourism Organization and other international partners, the EC is further developing new Pan-European thematic tourism routes[35]. The European Commission publishes annually a call for proposals to support initiatives promoting and giving more visibility to transnational cultural-tourism products[36]. In 2011, five projects were selected for funding, among them TECH–TOUR, Technology and tourism: augmented reality for the promotion of the Roman and Byzantine itineraries that involve several Adriatic regions.
Another recent call of the EU Directorate-General for Enterprise and Industry for the support of transnational thematic tourism products as a means of enhancing competitiveness and sustainability of European tourism[37] saw some projects approved and awarded, among them VeRoTour, whose partners are mainly located in the coastal Adriatic area[38]. The description of the project states that VeRoTour aims to enhance and implement a transnational thematic cultural route following the extraordinary and complex system of maritime routes, settlements, defense fortifications and cultural heritage left by the Venetians under the rule of the Republic of Venice (the so-called Serenissima) since 1300 and throughout almost five centuries. The project states that during the 18 months of duration a high number of SMEs should be directly involved in the project thanks to a strong participation of Adriatic and Ionian chambers of commerce with the aim of increasing professionalism of SMEs and thus competitiveness in the context of the new economy.
Continuing our focus on the Adriatic area, it is of interest to note that the new EC maritime policies take into account the fact that each sea region is unique and deserves a tailor-made strategy.
As recognised in one of the latest European Commission communications, *"there is already extensive cooperation between the coastal states of the Adriatic and Ionian Seas, stemming partly from European programmes, such as the cited IPA Cross-border Cooperation Adriatic Programme and future programmes covering the area, and partly from other initiatives, such as the Adriatic Ionian Initiative"*[39]. More recently, among the conclusions of the European Council of 13 and 14 December 2012[40], point 26 reads, within the regional strategies, that the European Council looks forward to the presentation by the Commission of a new EU Strategy for the Adriatic and Ionian region before the end of 2014.
As regards future opportunities, projects such as AdriGov[41]should be followed and taken into consideration as it aims to enable Adriatic-Ionian Euroregion partners, and macro-area regions and cities, to debate and to share a common position on the more

[35] The Cultural Routes programme was launched by the Council of Europe in 1987.
[36] To further the study of European Cultural Routes see also "Impact of European Cultural Routes on SMEs' innovation and competitiveness", (2012) by Kseniya Khovanova-Rubicondo et al., Council of Europe.
[37] ACTION N°: 43/G/ENT/CIP/12/B/N/02S022.
[38] Venetian routes: Enhancing a shared European multi-cultural sustainable tourism. Partnership of the project: Lead Partner: Veneto Region. Partners: Marco Polo System GEIE; Creta Region; UNWTO - United Nations World Tourism Organization; Art Kontakt; Municipality of Palmanova; Forum of Adriatic and Ionian Chambers of Commerce; Venice International University; University of Bilkent; Mocha Tours; Amatori Tour Operator; Albanian Tourist Service Office; Tourism Office Pula; Fondacioni Europa.
[39] Ref: EC COMMUNICATION (2012) 713 final of 30th November 2012.
[40] Ref: EUCO 205/12 Brussels, 14th December 2012.
[41] Financed in the framework of the IPA CBC 2007/2013.

innovative tools and aspects related to the macro-regional strategy. This should lead the Adriatic area to dedicated policies and communications. It is in this context that the premises for marine tourism projects could take place.
This was recognised in the Maritime Strategy for the Adriatic and Ionian Seas, released last year. Four pillars compose the agenda for a smart, sustainable and inclusive growth from the sea. The first one[42] is devoted to maximise the potential of the blue economy[43].
It is interesting to notice a couple of examples from the North Adriatic: Ditenave, in the Friuli-Venezia Giulia region, is cited as a good example of a maritime cluster bringing together high-tech industry, universities and regional authorities. Also the logistical platform NAPA[44] is cited for its importance for several Central European and landlocked countries that depend heavily on the northern Adriatic ports for their imports.
An interesting passage of the Maritime Strategy affirms that, *"ports play a crucial role in ensuring territorial continuity and social cohesion. However, sea connections for freight and passengers among Adriatic and Ionian countries are rarely the preferred choice. Given the large number of countries and towns around the Adriatic and Ionian seas and the relatively short distances between them by sea, the potential for development of short sea shipping is strong. The Adriatic Motorway of the Sea*[45] *exemplifies efforts to provide a viable and reliable transport service through a trans-European multimodal transport system. Cross-border ferry connectivity is particularly important given the high number of islands off the Croatian and Greek coasts"*. For these reasons Trans-European transport networks[46] actions will favour some issues but as they are more trade related the reader is invited to find more detail in the full EC Communication 713 (2012).
An entire section (1.2.2.) of the Maritime Strategy for the Adriatic and Ionian Seas, released three months ago, is dedicated to coastal and maritime tourism, with mention of the growing cruise industry: *"Tourism is economically significant as one of the main and fast-growing maritime activities. It strongly benefits the regional economy by creating jobs and promoting the conservation of coastal and maritime cultural heritage"*.
In the same Strategy some issues are listed as priority areas to develop:

- supporting the sustainable development of coastal and maritime tourism, encouraging innovation and common marketing strategies and products;
- guaranteeing the sustainability of the sector by limiting its environmental footprint, taking into consideration the impact of a changing climate;
- promoting the sustainable development of cruise tourism;
- enhancing the value and appreciation of cultural heritage.

These points must be considered when designing new projects, in particular those concerned with common marketing and branding for the promotion of tourism in the region. An initiative carried out in the Adriatic area that is cited in the Maritime Strategy for the Adriatic and Ionian Seas as an example of good practice is "AdrIon"; the trademark (Adr+Ion) was developed by the Forum of Adriatic and Ionian Chambers of

[42] The other three are (2) Healthier marine environment (3) A safer and more secure maritime space and (4) Sustainable and responsible fishing activities.
[43] In the Communication, *Blue Growth: Opportunities for Marine and Maritime Sustainable Growth*, (COM (2012) 494 final, 13 September 2012) the Commission provided a picture of Europe's blue economy.
[44] NAPA, North Adriatic Ports Association constituted in March 2010 among the Port Authorities of Ravenna, Venice, Trieste and the Port of Koper. Ravenna left the association in 2012 so now 4 ports are NAPA members.
[45] ADRIAMOS, the Adriatic Motorways of the Sea (2011-EU-21001-M).
[46] See section 3.3.

Commerce. The intention of the Forum, which owns the trademark and the logo, according to their website will be to: help private tourism operators obtain more strength and support from institutions when they propose international circuit destinations; support the weaker tourist areas in their ambition to grow, through connection with other areas that have a stronger tourism tradition; give consumers/tourists immediate identification with the services and products in the area.

The Maritime Strategy for the Adriatic and Ionian Seas will be elaborated in more detail in an Action Plan. This Action Plan should be delivered in the second half of 2013 and it will obviously set clear targets that will be in line with those of the Europe 2020 Strategy. All the stakeholders in the region should undertake these actions, not only public bodies but also businesses, researchers and non-governmental organisations. This means being ready to follow, in the next months rather than the next years, this upcoming Action Plan.

3.4 PLANNING 2014-2020 FOR THE ADRIATIC AREA

At the time of publication of this Report the stalemate that had characterized the complex debate on the 2014-2020 Community programming and its assignment of funds appears to be being overcome with the approval of the draft EU multiannual budget for 2014-2020 by the Council of Europe, which is now under consideration by the European Parliament for the final go-head. The discussion is on going. The question is crucial in that the methods of definition of the planning are tied to it, establishing the long-term orientation and objectives of the European Union and defining the areas in which interventions will be concentrated so as to adopt the multiannual financial framework (MFF) and start the operative phase and the launch of the new programmes.

The stalemate was determined by the complex legislative procedure for the approval of the MFF that foresees, as established by the Treaty of Lisbon, that the Council of Europe shall act unanimously after consulting the European Parliament, that in order to express itself must have a majority of its members in favour. Therefore it is not difficult to understand that this convergence of views and orientations, about the dynamics of aid and European interventions, are not always shared by the Member States, especially in an historical period such as the present one with very different national contexts within the European Union in terms of economic fundamentals.

Independently of the form – direct or indirect – smart, sustainable and inclusive growth will be at the basis of the new programming. According to some interpretations the objective of the Commission for the next European budget will be to spend differently, with a greater focus on results and efficiency, concentrating on the implementation of the Europe 2020[47] general strategy. The 2014-2020 cycle will be particularly crucial: the EU resources available will be fewer with respect to previous cycles; the economic crisis has reduced the capacity of countries and regions to intervene in terms of co-financing and actions taken through their own policies. Good programming of funds is therefore fundamental to support an end to the crisis. The path traced by the EU to reach individual regional programmes, with respect to the past, assigns a more important role on a national level and renders it necessary for regions capable of negotiating strategic contents, which will be fixed in the partnership contract between the country and the EU, in a knowledgeable way.

The Commission intends, in the next period, to co-ordinate better the programmes that

[47] See note 29 on page 65 of this chapter.

are directly[48] managed by the Cohesion Policy, that is programmes managed directly by the member States and the regions. This approach presumes that each area contributes, having more clearly defined its specialization in the European area. The European Commission has presented regulations for the proposals for each individual fund, plus a general regulation. A necessary condition for the EU proposal is the focussing of the funds with respect to some key priorities in the allocation of expenditure. For small and medium enterprises[49] (98% of the European enterprises) a recent guide, "panoramic of main opportunities of financing European SMEs", describes the four categories into which the opportunities for funding for SMEs can be divided: thematic funds (of which the Framework Programme), structural funds (including ERDF and ESF), financial instruments and support programmes for the internationalisation of SMEs[50].

In the Adriatic area many companies operating are of the size that the European Community defines as small or medium, and on which it has decided to focus its attention. For this reason it seems to be useful to present to the reader of this Report a new programme about to be implemented. COSME is the new Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises. It will run from 2014 to 2020, with a planned budget of €2.5bn (current prices). Among its objectives:

- facilitating access to finance for Small and Medium-sized Enterprises (SMEs);
- creating an environment favourable to business creation and growth;
- encouraging an entrepreneurial culture in Europe;
- increasing the sustainable competitiveness of EU companies;
- helping small businesses operate outside their home countries and improving their access to markets.

The Commission's proposal will be discussed by the European Parliament and the Council, which has to agree e to adopt it. COSME should start on 1 January 2014.

Even if not directly related to maritime tourism, the LeaderSHIP 2020[51] project should be mentioned. It is focused on the EU shipbuilding industry. It is designed to address all issues that are important for the future competitiveness of this industrial sector. In the future all projects will be bound to ensure that EU investment is targeted to Europe's long-term goals for growth and jobs (the aforementioned strategy "Europe 2020"). Of the areas to which it appears that various funds will be dedicated, in addition to the environment, there is transport: funds will be destined to the improvement of railways (above all high speed) but also to sea ports.

The Cohesion Policy will continue to promote the territorial dimensions of co-operation (cross-border, transnational and interregional), including external cross-border co-operation. In the future more space in European policy could be given to supra-regional strategies. The Adriatic Ionian Euroregion is an example of consolidated experience of this type, founded in 2006 started by the President of the Region of Istria in Croatia and financed by the European Union as with the Adri.Eur.O.P. Project, it represents a model of co-operation that includes transnational and interregional co-operation between regions of the Adriatic coastline.

The Adriatic Ionian Euroregion is the institutional framework for jointly defining and

[48] An example from Horizon 2020, the European programme for research and innovation, launched in November 2011.
[49] European Union defines SME as enterprises of less than 250 employees, annual turnover up to 50 million euro and total budget not more than 43 million euro.
[50] See the network Enterprise Europe and the portal "Europa" for more details.
[51] The Sea, New Opportunities for the Future (2013), LeaderSHIP 2020 'Final Report'.

solving important issues in the Adriatic area[52]. Among the specific objectives is the one to manage and co-ordinate the activities of co-operation of the countries involved, in the area of six strategic sectors for socio-economic-environmental development: tourism and culture, productive activities, environment and sustainable development, fishing, welfare, infrastructure and transport. The Adriatic Ionian Euroregion is particularly active in this period elaborating the new IPA II projects.
As to new opportunities, the Adriatic and Ionian Macro-Region will be an important actor in the next transnational co-operation. The determination issued at the end of 2012 by the Council of Europe formally gave the mandate to the European Commission to start the operational strategy in 2014 to create the Adriatic-Ionian Macro-Region[53]. With its creation, new projects to be funded will be identified for the period 2014-2020. In the course of this year the European Commission will develop, together with the regions, the so-called Plan of Action to be approved in 2014. The common objective will be that of balanced and sustainable development. It will be a functional area consisting of national, regional and local bodies that jointly address a number of common problems of interest to the territories of Albania, Bosnia and Herzegovina, Croatia, Greece, Italy, Montenegro, Serbia e Slovenia. The task of the Adriatic-Ionian Macro-Region is essentially to connect the territories that make it up to promote sustainable development and, at the same time, to protect the fragile marine, coastal and inland environment.
Among the operative sectors priorities, it should be noted with interest for the tourism industry the improvement of accessibility (coastal motorways, security of navigation and ports) in addition to connection projects between Spain and the Balkans, using the strategic ports of Ancona and Ravenna for the Adriatic side, Civitavecchia and Livorno for the Tyrrhenian side, transforming central Italy into a sort of connecting platform between East and West Europe.
In order to close this paragraph it is important to consider the EC commitment to tourism. As recently confirmed by Vice-President Antonio Tajani in the weeks of the preparation of this Report, "tourism is at the centre of the industrial policy and recovery for Europe. By giving it the importance it deserves and working actively to strengthen it, tourism can become the catalyst for the third industrial revolution". The Vice-President defined some priorities to increase the competitiveness of European Tourism: simplifying and modernising the issuing of visas, elaborating strategies to offset seasonality in tourism, encouraging the tourism of seniors and promoting better coordination of European quality labels for tourism services.
Planning relative to marine tourism in the Adriatic will have to find the key to the interpretation in order to enter into the above-mentioned priorities consistent with what Europe wants. The months to come will be crucial in discovering and studying the instruments with which the European programmes will be implemented, and the Adriatic Sea Tourism Report, published annually and presented each year at the Adriatic Sea Forum, will provide insights and updates on these themes in the next editions.

[52] The Adriatic Euroregion consists of 26 members: regional and local governments from Italy, Slovenia, Croatia, Bosnia and Herzegovina, Montenegro, Albania and Greece.
[53] For further details and to retrace the path that led to the present state of affairs please see the Declaration of Ancona (2010) signed by the ministries of foreign affairs of 8 member States subsequent to Bruxelles (2011) and Beograde (2012). See also the conclusions of the meeting of the Council of Europe of June 2011, with the unanimous approval of the *"Parere d'Iniziativa del Comitato delle Regioni"* (Opinion of the Initiative of the Committee of the Regions) proposed by the Marche Region (2011), with the approval of the European Parliament of the resolution of the macro-regional strategy of the UE (2012) and with the meeting of the European Commissioner Hahn with the Ministers of Foreign Affairs of the relative to the Adriatic-Ionian macro regional strategy.