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# Tourism Development and Competition in the Mediterranean Region

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## ABSTRACT

*The Mediterranean is the world's most popular tourist destination, attracting a high concentration of tourists in absolute numbers since the 1950s. However, in terms of international arrivals, the share of Mediterranean tourism as a percentage of world tourism has been declining over time, due to the emergence of new destinations in other regions of the world that have competitive advantages. In the current socio-economic context, the challenge facing the Mediterranean tourism market is intense competition and the health, climate, and energy crisis. In this regard, upgrading, enriching, and diversifying the quality of the tourism product is an urgent necessity and is the strategic objective of all those involved in the tourism industry in order to turn the health, climate and energy crisis into a source of opportunities. This entails the development of a Mediterranean tourism policy framework that mobilizes the forces of tourism supply and demand in a safe way to overcome the current crisis and make the transition to the new normality. The aim of this paper is to examine in general terms the competitiveness of tourism activity among Mediterranean countries, as well as the impact of the health, climate, and energy crises on the Mediterranean tourism sector.*

**Keywords**: Mediterranean tourism, Tourism policy, Tourism development, Competitiveness, Health crisis

## 1. Introduction

Competitiveness in tourism is a crucial economic and social factor. Places that can optimize their attractiveness to residents and visitors, offer quality, innovative, and attractive tourism services, and gain shares in the domestic and global tourism market while ensuring the efficient and

  

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sustainable use of resources available to support tourism, are the ones that succeed (Dupeyras, & MacCallum, 2013:7).

Various indicators and models have been developed by international organizations and researchers to address specific aspects of the competitiveness of tourist destinations. One key indicator is the Travel and Tourism Competitiveness Index (TTCI), which consists of four secondary indicators comprising a total of 14 pillars defined by 90 individual indicators (Marti, & Puertas, 2017:133).

The Travel and Tourism Competitiveness Index is a strategic tool used to measure the factors and policies that enable the sustainable development of the travel and tourism sector. This, in turn, contributes to the growth and competitiveness of a country (Henriques, 2017).

For example, the empirical research conducted by Marti and Puertas (2017) to determine the competitiveness of the Mediterranean countries concluded that Spain, France, and Italy have the highest ranking in the Travel and Tourism Competitiveness Index (TTCI), while Cyprus, Croatia, Slovenia, Greece, Malta, Montenegro, and Turkey have the lowest ranking.

This paper aims to examine the competitiveness of tourism activity among Mediterranean countries and the effects of health, climate, and energy crises on the Mediterranean tourism sector in a nuanced and balanced manner. The paper focuses on the North Mediterranean countries, as they hold diverse positions in the international competitiveness ranking and have unique characteristics in their coastal regions, which offer a variety of tourist destinations. It is noted that the region is moving away from price-based competition between tourist destinations and towards continuous improvement in the quality of tourist services.

To address the above, the impact of Covid-19 on tourism is first briefly explored. The development of tourism in the northern Mediterranean countries is then outlined, and finally policy recommendations are presented, and conclusions are drawn..

## 2. Tourism and pandemic COVID-19

The COVID-19 pandemic has caused major disruptions to global political, social, and economic structures, and efforts to manage this complex crisis continue. The tourism industry in particular has been severely affected by this unprecedented shock (Gousiou, Poulaki, & Lagou, 2021). Table 1 shows the impact of the pandemic on the main activities of the global and European tourism industry.

  

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**Table 1. The impact of pandemic Covid-19 on tourism activity**

| Geographical sections | Aviation traffic | International tourist arrivals | Tourism Revenue (Receipts) | Tourist employment | Contribution of tourism to GDP |
|---|---|---|---|---|---|
| **At the global level** | -65.9% (1) | -72.78% (2) | -64% (2) | -18.5% (3) | -49,1% (3) |
| **At the European level** | -69.7% (2) | - 68.40% (2) | -71.18% (2) | -9.3% (3) | -51,4% (3) |

Source: (1) IATA (2021), (2) UNWTO (2021), (3) WTTC (2021)

According to Table 1, it can be observed that the Covid-19 pandemic had an impact on all tourism activity indicators worldwide and in Europe, leading to a stagnation of the global tourism and travel economy.

Between 2020 and 2023, the global community has made efforts to address the negative impact on the climate and restore normality to the tourism industry. Despite global uncertainties, such as high inflation, the war in Ukraine and Gaza, the subsequent energy crisis, and declining disposable income due to inflationary pressures, there are promising signs for the future of global tourism.

In the Mediterranean countries, tourism is one of the sectors that have been and continue to be of significant investment interest. Due to the wide dispersion of tourist destinations across the country, tourism plays a catalytic role in shaping income in many regions of each country. On the other hand, tourism is highly seasonal, as Sun & Sea holidays - the largest Mediterranean product market - are the main tourism product in each country (Fosse, 2022; Pivčević, Petrić, & Mandić, 2020).

The current health, energy, and climate crisis exacerbates the issue of decreased productivity and low efficiency and competitiveness within the tourism industry. This raises concerns about the direction of tourism and its role in the economies of different countries worldwide, particularly in the Mediterranean.

In a Mediterranean environment of high uncertainty, both due to geopolitical tensions and financial changes, there is an increased risk of limited investment initiatives and reforms that could derail the recovery and prevent the development of sustainable and resilient economies. Therefore, Mediterranean countries must work even harder to maintain high growth rates and ensure sustainable income growth.

  

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Considering the above, it is believed that creating a Strategic Plan to manage the current multifaceted crisis is now more necessary than ever. Such a plan can provide guidance for all Mediterranean countries to adjust to the new normal.

This section describes how to prepare each part of the final manuscript more specifically. Your manuscript should be typed double-spaced in two-column format on one side of a sheet only, with margins of about 1.5 cm on left and right side and 2.5 cm on top and bottom side, respectively, of each page. The suggested length of a regular paper would be 5~10 pages in this style. The subsequent headings, so called the subsections, may as well not exceed further than one-step lower level. In other words, the headings like '**2.1.2 two-step lower level**' are not recommended while '**2. Section**' and '**2.1 Subsection**' would be validated. As for the fonts and the sizes of the headings, this manuscript in itself constitutes a good example. The paper should be written in A4 (210mm by 297mm) size. All fonts are Times New Roman.

## 3. The development of tourism in mediterranean countries

Since the 1950s, the Mediterranean has been at the forefront of mass tourism development due to various factors, including the use of airplanes for transatlantic travel, paid leave policies introduced by France and Great Britain, reduced travel costs, and holiday packages based on chartered flights (Lagos, 2016:32-33).

The Mediterranean receives approximately 20% of global tourism and has over time been an important source of income, employment, and wealth. According to the World Travel and Tourism Council (WTTC, 2019), tourism in the Mediterranean contributed 12% to GDP, generated 13.3% of total employment, and had an average growth rate of 5.7% in 2019.

Tourism in North African Mediterranean countries has been negatively impacted since 2011, when the Arab Spring began (Klarić, 2017; Petrakos, Beneki, & Panousi, 2020:38). The growth of tourism in the Mediterranean has resulted in the phenomenon of 'overtourism' in certain areas. This has led to the overexploitation of natural and cultural resources, resulting in diminishing returns on the tourism product. Examples of this can be seen in cities such as Venice in Italy and Barcelona in Spain, which have exceeded their carrying capacity for tourism development, disrupting the experience that visitors take with them. The Balearic Islands (Spain), the Tunisian and Algerian coasts, and the Dalmatian coast (Croatia) are among the areas in the Mediterranean that are particularly threatened by over-tourism. Immediate measures, such as a ban on the expansion of tourist facilities, are needed to address this issue. Greece, Turkey, and Morocco are also considered threatened areas (Lagos, 2022).

  

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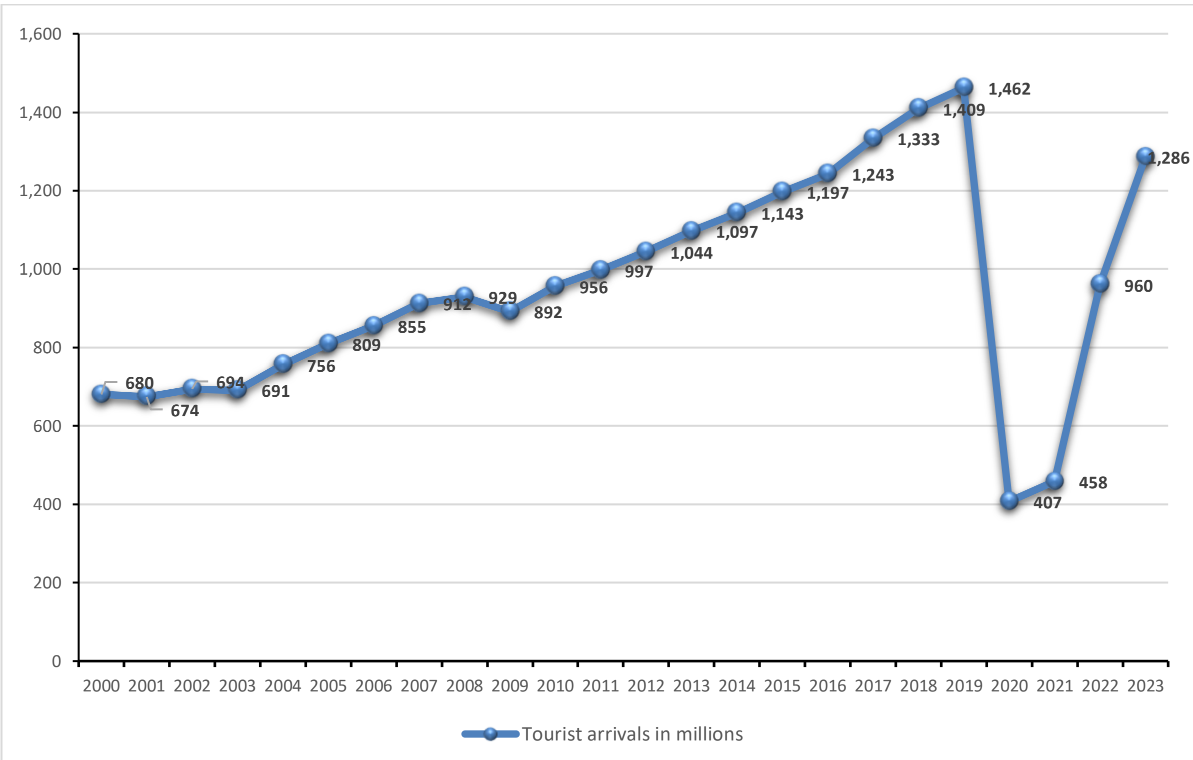
The number of tourist arrivals worldwide between 2000 and 2023 is shown in Figure 1. The data reveals a significant decline in tourist arrivals in 2020, with a decrease of 72.78% compared to 2019, marking the worst peacetime decline in the global economy.

**Figure 1. The evolution of global tourist arrivals between 2000 and 2023**




(**Source:** UNWTO (2018), UNWTO (2020), UNWTO (2021) UNWTO (2023)
Data for 2023 are provisional estimates)

Moreover, Figures 1 and 2 show that during the global economic crisis of 2009, tourist arrivals and receipts decreased by 4%. Similarly, during the SARS epidemic of 2003, arrivals and receipts decreased by 0.4% and 2%, respectively. Finally, in 2020, with the onset of the Covid-19 pandemic, there was a significant decrease in both arrivals (72%) and receipts (63%).

Table 2 presents data showing that the year 2019 marked a record number of global tourist arrivals, reaching 1,462 million tourists, an increase of 3.7% compared to the year 2018, when 1,409 million tourists arrived. However, due to the coronavirus pandemic, global tourism arrivals in 2020 plummeted to 407 million, a 72.2% decline. The European Continent played a significant role in the growth of international tourism in 2019, with a 3.5% increase in

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international arrivals, reaching 742.4 million tourists. This accounts for 50.77% of all tourist arrivals worldwide. However, in 2020, there was a sharp decline in arrivals, with a decrease of 67.8% compared to 2019. In 2021, the decrease was 59.4%, and in 2022, it was 20.1%. However, in 2023, the difference narrowed even further to just 5.7%.

**Table 2. World tourist arrivals by region 2000-2023 (in millions)**

| Geographical sections | 2000 | 2005 | 2010 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023* | Share (%) 2023* | Change (%) 20/19 | Change (%) 21/20 | Change (%) 22/21 | Change (%) 23*/22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total** | **680** | **809** | **956** | **1,333** | **1,409** | **1,462** | **407** | **458** | **960** | **1,286** | **100** | **-72.2** | **12.5** | **109.9** | **33.9** |
| **Europe** | **392.9** | **452.7** | **490.6** | **677** | **716.4** | **742.4** | **239.7** | **301.3** | **596.8** | **700.4** | **54.5** | **-67.8** | **25.7** | **98.1** | **17.4** |
| Northern Europe | 44.8 | 54.7 | 57.0 | 79.1 | 78.7 | 82.1 | 23.8 | 21.9 | 67.5 | 80.8 | 6.3 | -71.7 | -7.8 | 207.8 | 19.7 |
| Western Europe | 139.7 | 141.7 | 154.4 | 192.7 | 200.2 | 205.1 | 83.5 | 87.6 | 169.5 | 199.3 | 15.5 | -59.3 | 4.9 | 93.5 | 17.6 |
| Central/Eastern Europe | 69.6 | 95.3 | 102.2 | 137.3 | 148.9 | 150.9 | 44.1 | 52.9 | 94.2 | 112.9 | 8.8 | -70.8 | 20.1 | 78.0 | 19.9 |
| Southern/Mediterranean Europe | 139.0 | 161.1 | 177.1 | 267.9 | 288.6 | 304.2 | 88.4 | 138.9 | 265.7 | 307.4 | 23.9 | -71.0 | 57.1 | 91.3 | 15.7 |
| -of which EU-28 (up to 2018) and then EU 27 | 336.8 | 367.5 | 385.9 | 540.9 | 562.9 | 539.2 | 182.8 | 222.3 | 441.7 | 519.6 | 40.4 | -66.1 | 21.6 | 98.6 | 17.6 |
| **Asia & Pacific** | **110.4** | **154.1** | **208.2** | **324.1** | **347.7** | **360.1** | **59.1** | **24.6** | **91.5** | **233.4** | **18.2** | **-83.6** | **-58.4** | **272.0** | **155.1** |
| North-East Asia | 58.4 | 85.9 | 111.5 | 159.5 | 169.2 | 170.3 | 20.3 | 10.9 | 20.5 | 93.5 | 7.3 | -88.1 | -46.4 | 88.9 | 356.3 |
| South-East Asia | 36.3 | 49.0 | 70.5 | 120.6 | 128.6 | 138.6 | 25.5 | 3.0 | 41.6 | 97.6 | 7.6 | -81.6 | -88.2 | | 134.5 |
| Oceania | 9.6 | 10.9 | 11.5 | 16.6 | 17.0 | 17.5 | 3.6 | 0.8 | 6.8 | 12.9 | 1.0 | -79.2 | -79.1 | 790.2 | 31.2 |
| South Asia | 6.1 | 8.3 | 14.7 | 27.5 | 32.8 | 33.8 | 9.8 | 10.0 | 27.7 | 29.4 | 2.3 | -77.1 | 2.1 | 127.0 | 29.7 |
| **America** | **128.2** | **133.3** | **150.3** | **210.8** | **215.9** | **219.3** | **69.6** | **81.8** | **156.6** | **198.3** | **15.4** | **-68.2** | **17.4** | **91.5** | **26.6** |
| North America | 91.5 | 89.9 | 99.5 | 137.4 | 142.2 | 146.6 | 46.5 | 57.2 | 102.0 | 126.9 | 9.9 | -68.3 | 23.1 | 78.3 | 24.4 |
| Caribbean | 17.1 | 18.8 | 19.5 | 25.8 | 25.8 | 26.1 | 10.3 | 14.5 | 22.9 | 26.5 | 2.1 | -60.6 | 40.7 | 57.7 | 15.9 |
| Central America | 4.3 | 6.3 | 7.8 | 11.1 | 10.8 | 10.9 | 3.1 | 4.7 | 9.3 | 11.5 | 0.9 | -71.6 | 51.1 | 97.6 | 24.3 |
| South America | 15.3 | 18.3 | 23.5 | 36.6 | 37.1 | 35.6 | 9.8 | 5.4 | 22.5 | 33.4 | 2.6 | -72.6 | -45.1 | 318.1 | 48.8 |
| **Africa** | **26.2** | **34.8** | **50.4** | **63.3** | **68.7** | **69.1** | **18.7** | **19.7** | **47.5** | **66.4** | **5.2** | **-72.9** | **5.0** | **141.5** | **39.8** |
| North Africa | 10.2 | 13.9 | 19.7 | 21.7 | 24.1 | 25.6 | 5.6 | 6.6 | 19.1 | 26.8 | 2.1 | -78.2 | 17.9 | 190.8 | 40.3 |
| Sub-Saharan Africa | 16.0 | 20.9 | 30.7 | 41.7 | 44.6 | 43.5 | 13.2 | 13.1 | 28.4 | 39.6 | 3.1 | -69.8 | -0.5 | 116.8 | 39.5 |
| **Middle East** | **22.4** | **33.7** | **56.1** | **57.6** | **60.1** | **71.3** | **19.4** | **30.2** | **67.8** | **87.1** | **6.8** | **-72.8** | **55.9** | **124.5** | **28.5** |

***Sources:*** *UNWTO (2018), UNWTO (2020), UNWTO (2024)*

** Provisional data*

  

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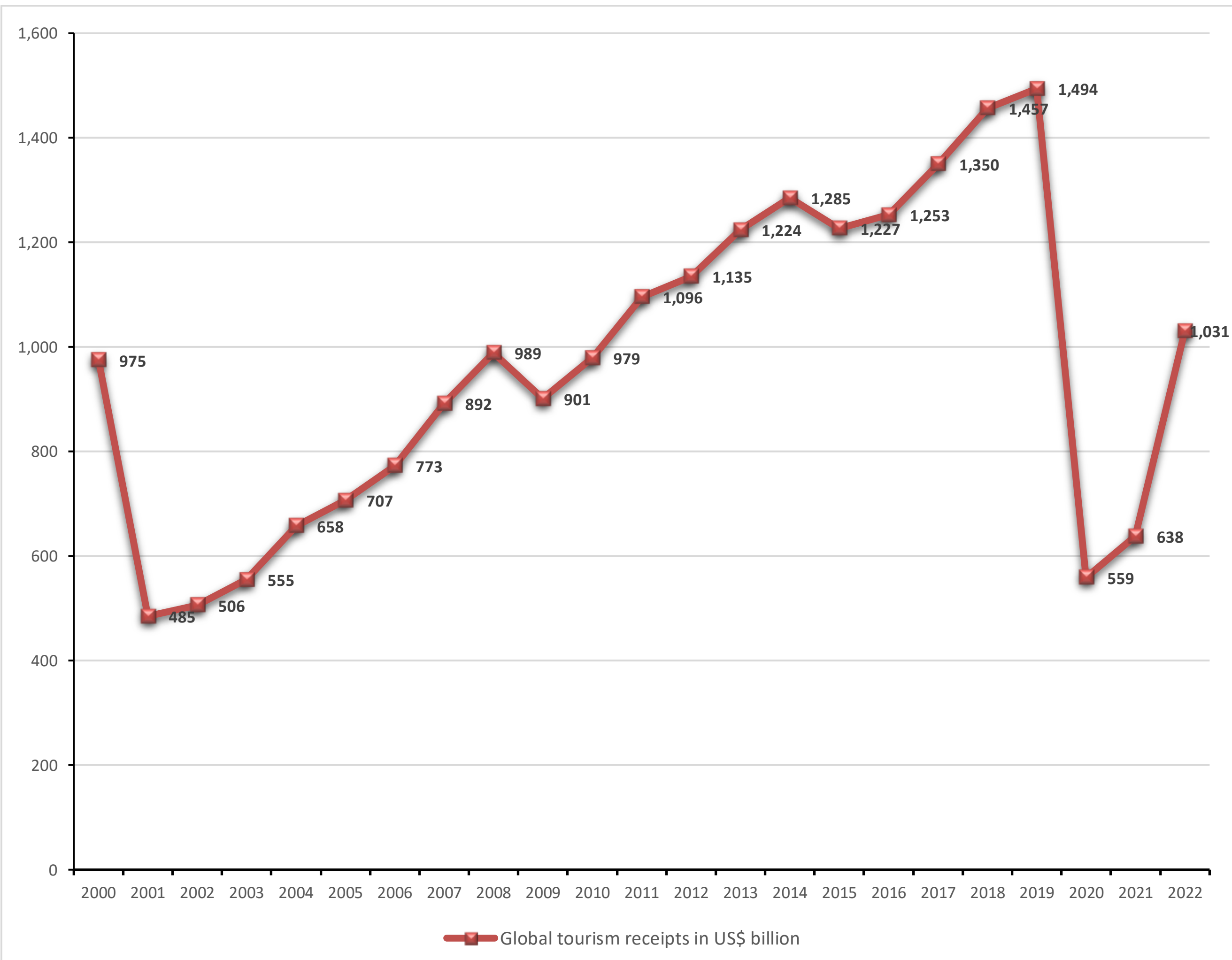
Table 2 illustrates that Europe experienced the largest increase in global arrivals in 2023, with a share of 54.5%, followed by developing tourist regions such as Asia and the Pacific countries with 18.2% and the American countries with 15.4%.

Figure 2 displays the trend in global tourism receipts (revenues) from 2000 to 2022. It is worth noting that during the Covid-19 health crisis, tourism receipts decreased by US$1,050 billion. Similarly, during the global financial crisis of 2009, they fell by US$88 billion, and during the SARS epidemic of 2003, they fell by US$49 billion.

**Figure 2. Evolution of global tourism receipts 2000-2022**




(Source: UNWTO (2020); UNWTO (2023). Data for 2020-2022 are provisional estimates).

Table 3 presents the global tourism receipts by geographical region from 2010 to 2022.

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**Table 3. Global tourism receipts by region 2010-2022 (USD billion)**

| Geographical sections | 2010 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022* | Share (%) Year 2022* | Change (%) 20/19 | Change (%) 21/19 | Change (%) 22/19 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total** | **975** | **1,350** | **1,457** | **1,487** | **558** | **638** | **1,120** | **100** | **-62.7** | **-59.3** | **-25.1** |
| **Europe** | **422.8** | **520.3** | **569.2** | **584.1** | **249.3** | **329.3** | **555.1** | **49.6** | **-58.1** | **-47.0** | **-3.2** |
| Northern Europe | 60.6 | 87.6 | 90.9 | 95.1 | 41.1 | 50.6 | 103.0 | 9.2 | -57.3 | -51.4 | -11.9 |
| Western Europe | 152.4 | 164.7 | 180.8 | 179.1 | 99.0 | 107.1 | 156.9 | 14.0 | -46.3 | -43.6 | -9.0 |
| Central/Eastern Europe | 48.3 | 60.7 | 69.1 | 69.0 | 28.6 | 34.7 | 56.3 | 5.0 | -58.4 | -52.7 | -21.9 |
| Southern/Mediterranean Europe | 161.5 | 207.2 | 228.4 | 240.9 | 80.6 | 136.9 | 239.0 | 21.3 | -67.1 | -46.2 | 0.5 |
| -of which EU-28 (up to 2018) and then EU 27 | 354.9 | 439.1 | 479.7 | 423.2 | 182.3 | 234.1 | 386.3 | 34.5 | -57.8 | -47.9 | -5.5 |
| **Asia & Pacific** | **254.4** | **396.1** | **436.4** | **441.2** | **126.3** | **90.6** | **155.8** | **13.9** | **-71.5** | **-80.4** | **-64.0** |
| North-East Asia | 123.0 | 168.1 | 193.3 | 187.2 | 44.9 | 44.9 | 44.8 | 4.0 | -76.4 | -76.7 | -74.6 |
| South-East Asia | 68.5 | 130.7 | 138.4 | 146.9 | 31.2 | 11.0 | 49.7 | 4.4 | -78.6 | -92.6 | -66.0 |
| Oceania | 42.8 | 57.4 | 61.1 | 61.4 | 32.7 | 20.3 | 30.8 | 2.7 | -46.7 | -70.5 | -49.1 |
| South Asia | 20.1 | 39.9 | 43.6 | 45.7 | 17.5 | 14.3 | 30.5 | 2.7 | -62.1 | -69.7 | -33.9 |
| **America** | **215.5** | **329.1** | **338.2** | **330.5** | **125.4** | **142.5** | **261.2** | **23.3** | **-61.7** | **-59.2** | **-26.2** |
| North America | 164.8 | 257.1 | 263.6 | 253.4 | 97.3 | 106.5 | 192.9 | 17.2 | -61.6 | -60.6 | -29.0 |
| Caribbean | 23.3 | 31.8 | 32.7 | 35.0 | 14.3 | 20.9 | 33.0 | 2.9 | -58.7 | -42.5 | -12.8 |
| Central America | 6.9 | 11.2 | 12.3 | 12.6 | 4.0 | 6.3 | 12.6 | 1.1 | -68.2 | -50.8 | -4.5 |
| South America | 20.5 | 29.0 | 29.7 | 29.5 | 9.8 | 8.8 | 22.7 | 2.0 | -63.3 | -70.6 | -27.0 |
| **Africa** | **36.4** | **36.4** | **38.4** | **39.1** | **14.9** | **17.8** | **32.7** | **2.9** | **-61.5** | **-57.3** | **-17.1** |
| North Africa | 9.7 | 9.9 | 10.7 | 11.2 | 5.4 | 6.0 | 11.9 | 1.1 | -53.0 | -49.9 | -10.1 |
| Sub-Saharan Africa | 20.8 | 26.4 | 27.6 | 27.9 | 9.5 | 11.9 | 20.8 | 1.9 | -64.9 | -60.3 | -28.1 |
| **Middle East** | **68.4** | **68.4** | **74.5** | **91.7** | **41.9** | **58.0** | **115.3** | **10.3** | **-54.3** | **-37.2** | **23.1** |

***Source:*** *UNWTO (2018), UNWTO (2020), UNWTO (2024)*

* *Provisional data*

Table 3 shows that in 2019, the European Continent recorded a 3% increase in receipts, reaching US$584.1 billion, which corresponds to 39.2% of the total worldwide tourism receipts. In 2019, the Southern/Mediterranean Basin recorded 304.2 million arrivals, accounting for 20.8% of global tourism traffic and 40.9% of all European tourism traffic. This generated US$240.9 billion

  

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in revenue, which is 41.2% of Europe's tourism receipts, confirming the leading position of Mediterranean tourism in the global market. The share of world tourism in the year 2022 for Europe was 49.6% and for Mediterranean tourism was 21.3%.

Table 4 shows the international tourist arrivals in 17 Mediterranean countries from 2010 to 2022.

**Table 4. International tourist arrivals in Mediterranean countries 2010-2022 (in thousands of arrivals)**

| Countries | 2010 | 2017 | 2018 | 2019 | 2020 | 2021** | 2022** | Change 20/19 | Change 21/19 | Change 22/19 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total** | **177,062** | **267,892** | **288,610** | **304,141** | **88,400** | **138,870** | **266,726** | **-70.9** | **-54.3** | **-12.3** |
| Albania | 2,191 | 4,643 | 5,142 | 6,128 | 2,604 | 5,515 | 6,738 | -57.5 | -10.0 | 9.9 |
| Andorra | 1,808 | 3,003 | 3,042 | 3,090 | 1,872 | 1,949 | 3,555 | -39.4 | -36,9 | 15.1 |
| Bosnia & Herzegovina | 365 | 923 | 1,053 | 1,198 | 197 | 502 | 908 | -83.6 | -58.1 | -24.3 |
| Croatia | 8,967 | 15,593 | 16,645 | 17,353 | 5,545 | 10,641 | 15,324 | -68.0 | -38.7 | -11.7 |
| Cyprus | 2,173 | 3,652 | 3,939 | 3,977 | 632 | 1,937 | 3,201 | -84.1 | -51.3 | -19.5 |
| **Greece** | **15,007*** | **27,194*** | **30,123*** | **31,348*** | **7,374*** | **14,705*** | **14,705*** | **-76.5** | **-53.1** | **-11.2** |
| Israel | 2,803 | 3,613 | 4,121 | 4,552 | 831 | 397 | 2,675 | -81.7 | -91.3 | -41.2 |
| Italy | 43,626 | 58,253 | 61,567 | 64,513 | 25,150 | 26,888 | 49,811 | -61.0 | -58.3 | -22.8 |
| Malta | 1,339 | 2,274 | 2,599 | 2,753 | 659 | 968 | 2,268 | -76.1 | -64.8 | -17.6 |
| Montenegro | 1,088 | 1,877 | 2,077 | 2,510 | 351 | 1,554 | 2,036 | -86.0 | -38.1 | -18.9 |
| North Macedonia | 262 | 631 | 707 | 758 | 118 | 294 | 537 | -84.4 | -61.2 | -29.1 |
| Portugal | 6,832 | 21,200 | 22,800 | 24,600 | 6,480 | 9,617 | - | -73.7 | -60.9 | - |
| San Marino | 60 | 78 | 84 | 111 | 58 | 94 | 110 | -47.7 | -15.5 | -1.5 |
| Serbia | 683 | 1,497 | 1,171 | 1,847 | 446 | 871 | 1,773 | -75.9 | -52.8 | -4.0 |
| Slovenia | 2,049 | 3,991 | 4,425 | 4,702 | 1,216 | 1,832 | 3,936 | -74.1 | -61.0 | -16.3 |
| Spain | 52,677 | 81,869 | 82,808 | 83,509 | 18,933 | 31,181 | 71,659 | -77.3 | -62.7 | -14.2 |
| Turkey | 31,364 | 37,601 | 45,768 | 51,192 | 15,894 | 29,925 | 50,453 | -69.0 | -41.5 | -1.4 |

***Source***: *UNWTO (2020), UNWTO (2023)*

** Not including tourist arrivals from cruises.*
*** Provisional data*

Table 4 shows that Spain, Italy, and Turkey are the top three tourist destinations for both 2019 and 2022, followed by Croatia and Greece.

  

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An analysis of the Mediterranean countries' environment reveals that despite the Mediterranean tourism market being enriched by new markets, the countries bordering the Mediterranean are still experiencing significant and growing tourism. France, Italy, and Spain continue to hold the top positions in Mediterranean tourism over time. Table 5 displays the tourism revenue of 17 Mediterranean countries.

**Table 5. Tourism receipts in Mediterranean countries 2010-2022 (in $US billion)**

| Countries | 2010 | 2017 | 2018 | 2019 | 2020 | 2021* | 2022* | Change 20/19 | Change 21/19 | Change 22/19 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total** | **164,921** | **206,665** | **228,351** | **240,980** | **80,632** | **136,651** | **236,612** | | | |
| Albania | 1,628 | 1,929 | 2,193 | 2,332 | 1,129 | 2,262 | 2,990 | -52.6 | -8.2 | 36.3 |
| Andorra | - | - | - | 1,897 | 1,345 | - | - | -29.1 | - | - |
| Bosnia & Herzegovina | 0,594 | 0,921 | 1,034 | 1,175 | 0,431 | 0,973 | 1,426 | -64.0 | -21.7 | 29.2 |
| Croatia | 7,231 | 10,320 | 11,127 | 11,753 | 5,493 | 10,773 | 13,445 | -55.0 | -13.2 | 21.6 |
| Cyprus | 2,137 | 3,231 | 3,472 | 3,260 | 0,728 | 2,108 | 2,888 | -78.1 | -38.8 | -5.8 |
| **Greece** | 12,742 | 16,528 | 18,998 | 20,351 | 4,933 | 12,422 | 18,613 | -76.2 | -42.2 | -2.8 |
| Israel | 4,903 | 6,834 | 7,225 | 7,620 | 2,500 | 2,217 | 5,474 | -67.2 | -70.9 | -28.2 |
| Italy | 38,786 | 44,233 | 49,262 | 49,596 | 19,797 | 25,151 | 44,312 | -60.9 | -52.0 | -5.0 |
| Malta | 1,079 | 1,727 | 1,859 | 1,901 | 0,392 | 0,780 | 1,612 | -79.8 | -61.2 | -9.9 |
| Montenegro | 0,732 | 1,041 | 1,182 | 1,230 | 0,165 | 0,896 | 1,111 | -86.8 | -31.0 | -4.0 |
| North Macedonia | 0,197 | 0,327 | 0,382 | 0.396 | 0,252 | 0,385 | 0,386 | -38.1 | -7.8 | 3.9 |
| Portugal | 10,077 | 17,567 | 20,140 | 20,457 | 8,814 | 11,903 | 22,226 | -57.8 | -45.0 | 15.4 |
| San Marino | - | - | - | 0,227 | 0,155 | 0,225 | - | -31.7 | -0.9 | - |
| Serbia | 0,764 | 1,346 | 1,547 | 1,606 | 1,249 | 1,882 | 2,592 | -24.5 | 10.9 | 71.6 |
| Slovenia | 2,639 | 2,851 | 3,194 | 3,183 | 1,413 | 1,992 | 3,067 | -56.5 | -40.8 | 2.4 |
| Spain | 58,829 | 75,332 | 81,517 | 79,670 | 18,507 | 34,541 | 72,889 | -77.2 | -59.0 | -2.7 |
| Turkey | 22,585 | 22,478 | 25,220 | 34,305 | 13,330 | 26,634 | 41,176 | -81.1 | -22.4 | 20.0 |

***Source:*** *UNWTO (2020), UNWTO (2023)*

**Current data*

*Revenue for Greece does not include cruise revenues.*

  

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Table 5 displays the top tourist revenue destinations for 2022, which are Spain, Italy, and Turkey, followed by Portugal, Greece, and Croatia.

Table 6 illustrates the per capita tourism expenditure of the Mediterranean countries, indicating a decline in tourism expenditure over time for most countries. This pattern of mass organized tourism, competitive prices, the arrival of a smaller number of high-income visitors, short length of stay, quality of tourism services, and reduced expenditure per night has contributed to the current situation.

However, among the main countries competing for tourism revenue in 2022 (Spain, Italy, Turkey, Portugal, Greece), only Spain, Italy, and Greece exceed the average receipts of all countries (see Table 6). Israel holds the top position, with Serbia and Bosnia & Herzegovina following closely at twice the average.

**Table 6 Tourism expenditure per capita in Mediterranean countries (in US$)**

| Countries | 2010 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|
| **Total** | **931.43** | **771.45** | **791.21** | **770.8** | **912.13** | **984.02** | **887.10** |
| Albania | 743.04 | 415.46 | 426.49 | 393.99 | 433.56 | 410.15 | 443.75 |
| Andorra | - | - | - | 613.92 | 718.48 | - | - |
| Bosnia & Herzegovina | 1,627.40 | 997.83 | 981.96 | 1,114.36 | 2,187.82 | 1,938.25 | 1,570.48 |
| Croatia | 806.4 | 661.84 | 668.49 | 677.29 | 990.62 | 1,012.40 | 877.38 |
| Cyprus | 983.43 | 884.72 | 881.44 | 819.71 | 1,151.90 | 1,088.28 | 902.22 |
| Greece | 849.07 | 607.78 | 630.68 | 649.2 | 668.97 | 844.75 | 1,265.76 |
| Israel | 1,749.20 | 1,891.50 | 1,753.22 | 1,669.82 | 3,008.42 | 5,584.38 | 2,046.36 |
| Italy | 889.06 | 759.33 | 800.14 | 768.78 | 787.16 | 935.40 | 889.60 |
| Malta | 805.83 | 759.45 | 715.28 | 690.52 | 594.84 | 805.79 | 710.76 |
| Montenegro | 672.79 | 554.61 | 569.09 | 490.04 | 470.09 | 576.58 | 545.68 |
| North Macedonia | 751.91 | 518.23 | 540.31 | 522.43 | 2,135.59 | 1,309.52 | 718.81 |
| Portugal | 1,474.97 | 828.63 | 883.33 | 838.74 | 1,360.19 | 1,237.70 | - |
| San Marino | - | - | - | 2,045.05 | 2,672.41 | 2,393.62 | - |

  

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Serbia | 1,118.59 | 899.13 | 132.1 | 869.52 | 2,800.45 | 2,160.73 | 1,461.93 |
| Slovenia | 1,287.95 | 714.36 | 721.81 | 655.47 | 1,162.01 | 1,087.34 | 779.22 |
| Spain | 1,116.79 | 920.15 | 984.41 | 952.37 | 977.50 | 1,107.76 | 1,017.16 |
| Turkey | 720.09 | 597.8 | 551.04 | 582.69 | 838.68 | 890.03 | 816.13 |

***Source:*** *Table 4 and Table 5.*

Finally, Table 7 presents the ranking of the Competitiveness Index for the year 2021 for each Northern Mediterranean country.

**Table 7. Competitiveness Indicators year 2021 in Northern Mediterranean countries**

| Countries | Competitiveness Index ranking among 177 countries |
|---|---|
| Albania | 72 |
| Andorra | - |
| Bosnia & Herzegovina | 95 |
| Croatia | 46 |
| Cyprus | 31 |
| Greece | 28 |
| Israel | 47 |
| Italy | 10 |
| Malta | 35 |
| Montenegro | 67 |
| North Macedonia | 87 |
| Portugal | 16 |
| San Marino | - |
| Serbia | 70 |
| Slovenia | 39 |
| Spain | 3 |
| Turkey | 45 |

*Source: World Economic Forum (2021:13)*

As regards the Competitiveness of Northern Mediterranean countries, Table 7 shows the rankings of Spain, Italy, Portugal, and Greece, which are in the 3rd, 10th, 16th, and 28th positions, respectively.

  

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## 4. TOURISM POLICY RECOMMENDATIONS

Based on the above, it seems that the emerging model of tourism development is based on quality services at a reasonable price (value for money). Therefore, there is a need to redesign the tourism model and create a coherent tourism policy linked to the Mediterranean context.

The proposed framework for Mediterranean tourism policy aims to diversify and enrich the tourism product while ensuring the efficient functioning of the tourism industry in the context of sustainable tourism development.

The recovery after the pandemic slowed down due to disruptions in the supply chain and energy market, compounded by geopolitical instability, resulting in a significant slowdown in many Mediterranean countries. Therefore, to improve the competitiveness of Mediterranean tourist destinations, specific initiatives are required to address critical issues. These include:

***Environment:***

- The formulation of a strategic plan for the protection of the marine space of the Mediterranean basin.
- The preservation of natural and human-made resources to address the effects of climate change.
- The formulation of a policy to address water pollution, waste production, and marine litter.
- Taking measures to limit the over-consumption of scarce natural resources (water, etc.), especially during seasonal periods (summer).
- Taking measures to reduce greenhouse gas emissions due to poor energy management.
- The formulation of a policy on land degradation, loss of biodiversity and reduction in the aesthetic value of landscapes.

***Tourism Businesses***

- Policy formulation to improve the level of competitiveness, resilience, and innovation in tourism activity.
- The formulation and implementation of an integrated strategy for the revitalization of tourism demand and supply.

  

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- Taking measures against the phenomena of over-tourism in order to achieve decongestion of destinations during the high demand months.

***Infrastructure***

- Strengthening public health infrastructure to address potential outbreaks of coronavirus by travelers and to create a climate of safety and confidence that is expected to stimulate tourism demand.

***Tourism crisis management***

- The establishment of a special body in each country, composed of specialized staff, which will deal with the management of tourism crises.

- The drawing up of specific action plans for dealing with emergency situations by all tourism businesses.

- The provision of training to employees of tourism enterprises on issues related to the management of emergency situations.

The proposed policy framework for Mediterranean tourism should prioritize high international competitiveness by qualitatively reconstructing (i.e. diversifying and enriching) the tourism product and ensuring the efficient operation of the tourism industry within the context of endogenous, integrated, and sustainable tourism development. This framework will enable the creation of a new brand identity and tourism image based on a fresh narrative and approach to Mediterranean tourism, which will establish a value chain.

## 5. Conclusion

The tourism industry in the Mediterranean is confronted with several challenges that impact its long-term growth and success. These challenges include managing globalization and changing markets, assessing the economic impact of tourism, addressing climate change and sustainability, harnessing the knowledge economy, enhancing human capital, and managing the impact of political changes in the region.

The Covid-19 pandemic has exposed weaknesses and issues in the Mediterranean tourism industry, especially in the food service sector and the mass organized tourism model. This model measures success based on the number of arrivals with a low profit margin and relies on low-cost packages and tickets. It should be gradually abandoned. The one-dimensional 'sun and sea' tourism product that has developed has reached the end of its life cycle and is now in decline.

  

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New policies and development models should be created to promote economic growth while incorporating sustainable development practices.

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