



PROGRESS REPORT – MARITIME TOURISM

EVENT DETAILS:

1. Title: *The Entrepreneurial Discovery Process in Albania: Partnership with the quadruple helix Actors for developing the country “Smart Specialization Strategy” – The Maritime Tourism*

2. Location and Venue: In accordance with the calendar of activities defined by the inter-institutional working group for the Entrepreneurial Discovery Process in the Republic of Albania, the marine tourism roundtable was held on *November 9th, 2022*, at the premises of Hotel Mondial.

3. Panel Members and A Brief Description of Their Professional Commitments

- ✓ **Mr. Arben Shkodra:** Secretary General of Albania Manufacturing Union (AMU), Member of the Inter - Institutional Working Group for the smart specialization strategy and moderator of the event.
- ✓ **Mr. Ledion Lako:** Executive Director of the National Coastline Agency
- ✓ **Mrs. Matilda Naco:** Executive Director of the Albanian Tourism Association (ATA)
- ✓ **Mrs. Albana Tole:** Deputy Minister for Education and Sports and Head Member of the Inter-Institutional Working Group the Smart Specialization Strategy.

4. Event Organizers:

With the support of the European Commission's Joint Research Center (JRC) and the Policy Answer Project (Horizon Europe GA 10105887), Future Center organized this activity in collaboration with Inter-Institution Working Group, particularly Mrs. Albania Tole, who has played a pivotal role in identifying and engaging strategic actors from the public sector and academia; and the Albanian Tourism Associations (ATA) which was selected by Future Center to assist in reviewing the contact lists prepared for the business helix and to urge the representatives from this helix to participate at the event.

5. Event Participants

For the Maritime Tourism Event there were 15 representatives from the business helix including the “Albanian Tourism Association”, “Albanian Association of Touristic Restaurants”, “Albanian Manufacturing Union” as well as business units operating within this sector. On the other hand, we had 9 representatives from academia, including 5 from Tirana universities such as "University Barleti," "Agriculture University of Tirana," "University of Tirana," and "Medical University of Tirana", 3 from the university of “Aleksander Moisiu Durres”, and one from "Ismail Qemali University Vlore". As from the government helix, there were representatives from the Municipality of Durres (Deputy Mayor, Director of Tourism Department), Ministry of Tourism and Environment (Director of National Coast Agency), Ministry of Education and Sports (Deputy Minister and others), Instat as well as Aida.

As for the civil society, no representatives were present at the event. The only dimension of the quadruple helix that has no representative in this event was the civil society.

Businesses: 15 Participants; Academia: 9 Participants; Government :5 Participants; Civil Society: 1 Participant



ACTIVITIES & OUTPUT

1. *Planning*

Future Center began the planning phase of this activity by identifying relevant stakeholders, representative of all dimensions of the quadruple helix that are directly or indirectly involved in the maritime tourism sector. Regarding the business helix, given that there exist a significant number of active enterprises in this sector in the Republic of Albania, which also indicates the importance that this sector represents for the country's smart specialization, in accordance with the criteria established by the international working group for country's EDP, our research was primarily focused on large to medium-sized enterprises that have demonstrated the ability to provide meaningful insight on previous roundtables organized for this sector. With the identification of relevant stakeholder to be invited in this event, we then proceed with the preparation of the moderation and logistics coordination methodology for the activity, the graphic design and content structure of the promotional materials as well as the identification of a leading organization in the country for the tourism sector to be invited to support in the organization of this activity.

More specifically, during the planning phase, numerous meetings were organized between Mrs. Matilda Naco and representatives of Future Center, throughout which it was discussed the scope of this initiative and a potential collaboration with Mrs. Naco for the organization of the EDP tourism related activities. During the planning phase, we also determined the date for the organization of the maritime roundtable, which unfortunately changed several times in the absence of the minister's order for the formation of the new EDP working group, the approximate number of participants in the event, and the primary topics to be addressed throughout the maritime tourism roundtable.

2. *Coordination & Promotion*

With the completion of the planning phase and the issuance of the minister's order for the formation of the EDP working group, the contact list for the maritime roundtable was revised once more with the assistance of Mrs. Albana Tole, deputy minister of education and sports and head of the interinstitutional working group for the monitoring of the EDP process, which contributed to the expansion of the database with strategic actors from the academia and government helix, as well as Mrs. Matilda Naco, Executive Director of the Albanian Tourism Association, who provided some suggestions on the most strategic actors from the business helix part that could be invited in this event. On the other hand, Future Center booked the conference room, catering service, room equipment, printed the promotional materials as well as communicated the invitations to the selected quadruple helix actors for this event, confirmed their availability to participate as well as sent a final reminder with the activity details.

3. *Execution*

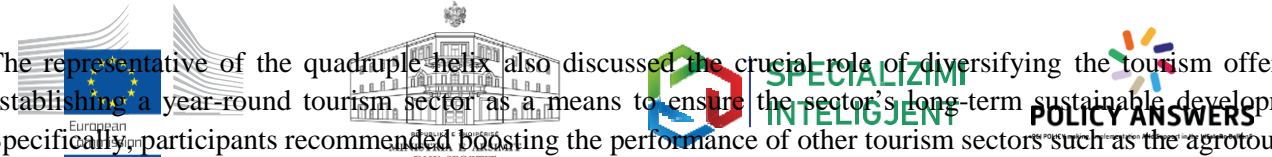
Throughout the meeting, Future Centre covered all aspects pertaining to the logistics coordination of the attendees and service providers as well as the facilitation/moderation of the discussions among the participants. which according to the moderation methodology of the activity included an initial presentation on the EDP initiative, a brief greeting from the panel members, and two discussion panels on the following topics:

- A. The opportunities, obstacles, progress, and development prospects of the Albanian Maritime Tourism Sector.
- B. The identification of strategic objectives and relevant measures for boosting this sector's performance from innovation and scientific research point of view.



4. *Summary of Comments and Suggestions*

- According to the quadruple helix actors, during the past few years there has been a significant growth not just in the country's maritime tourism, but also the national culture tourism, agrotourism, and mountain tourism, which is also reflected in the growth of investment in these sectors. In addition, they note that the growth of maritime tourism in Albania has served as one of the primary factors for the expansion of other pillars of the country's tourism sector. As advantages of Albanian tourism to those of other countries, the participants highlight the natural beauty, the cuisine, the hospitality, the competitive prices as well as the proximity to the EU. Last but not least, the quadruple helix was highly optimistic for this sector's future growth, portraying it as one of the most vital sectors of the Albanian economy that should be given top priority in the country's smart specialization initiative.
- Despite the potential and many positive aspects that this sector represents, representatives from civil society and business helix pointed out that there are many weaknesses that must be addressed, such as academia's limited contribution to this sector's development, which they attribute primarily to their lack of collaboration with the private sector. As a mean to address the weak role that the academia has, throughout the meeting the quadruple helix actors emphasized the necessity to establish research centers, to design a profitable business model for them by encouraging the diversification of their market offer with training programs, the creation of a one-year professional master's program for the coastal protection/sustainable development of the tourism sector, the introduction of more opportunities for students to participate in internship programs during their university studies as well as the freedom for the university departments to control their own research budgets.
- Another problem highlighted was the lack of data, studies, and reports on the progress of the tourism sector, including aspects such as the number of tourists who have visited Albania, the impact of sea pollution on the sustainable development of maritime tourism, the number of accommodation structures needed to sustain the growth of this sector, and other aspects required to make smarter public and private investments. In addition, the business helix expressed skepticism regarding the veracity of the data published by the Albanian government, citing the fact that, according to their data, Albania is the region with the highest number of tourists in the region, whereas the revenue generated by each tourist who has visited the country is roughly half the amount generated in other countries, which, in their opinion, indicates that there are some inconsistencies. In particular, they note that one of the primary elements that may have contributed to this finding is the inclusion of "transitional" tourists in Albania.
- As a solution to the shortage of workers, especially seasonal workers, which was identified as a fundamental barrier to the sustainable development of this sector, the private sector representatives also advocated establishing mandatory "tips" in the range of 10-15% of the entire bill value. They also pointed out that for the system to be equitable, it is crucial that this amount not be factored into the calculation of the company taxable income but instead be automatically allocated to the account of the service providers.
- Representatives from the government proposed a mandatory, again within the scope of the labor force, proposed the introduction of a three-month training program run by the national Coastal Agency to alter the service provider culture and retain the level of "hospitality" that is widely recognized as a one of the country key traits. On the other hand, representatives from the private sector stated that, due to the shortage of workers in this sector, this measure would only be beneficial if the country subsidized the seasonal workers in the same way that is done in other countries within the region, such as Greece; otherwise, it would have the opposite of the desired effect.

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- The representative of the quadruple helix also discussed the crucial role of diversifying the tourism offer and establishing a year-round tourism sector as a means to ensure the sector's long-term sustainable development. Specifically, participants recommended boosting the performance of other tourism sectors such as the agrotourism, cultural tourism etc in order to spread out tourism visits throughout the year and make Albania more appealing to

foreign tourists. In other words, if a tourist comes to spend some time by the sea, he/she should also be able to experience cultural tourism, agrotourism etc.

- Another identified barrier to the development of this sector was also the lack of information regarding the transport lines in Albania as well as the main tourist attractions, for which the following suggestions were made:
 1. The enrichment of "Google Maps" data with information on the various types of transportation available in the country, as well as their respective locations and prices, as implemented in other EU and beyond.
 2. The creation of a website/app that is not only informative but also promotes Albanian tourism, in which tourists can find information not only on the available transport lines and their respective prices, but also on the major tourist attractions sites in each city. Concerning the strategy to be implemented to market this platform, a representative from business helix suggested broadcasting a telephone message with the entry of tourists in the Republic of Albania that carries the platform's respective link. Another proposal was for this concept to begin its implementation for Tirana and then extend throughout the rest of the country.
- The quadruple helix actors also presented the following proposals form an innovation point of view of the sector:
 1. The use of technology to ensure a better tourist experience by encouraging the establishment of internal hotel management systems and the utilization of existing platforms that enable online reservations, sales trend monitoring, etc.
 2. The digitalization of the data management systems of the Albanian government institutions and the guarantee of greater coordination between them, with the ultimate goal of simplifying and eliminating any duplication of procedures required for the Albanian business to conduct. (Ex: manual record keeping by the municipality of Tirana)
- Additional recommendations for enhancing the performance of the hospitality industry in Albania were as follows:
 1. Guarantee the effective implementation of the law for categorization of Albanian "accommodation structures"
 2. Present a method for the self-declaration of stars, as is the case of Serbia. Regarding this point, in order to ensure the integrity of the process of star self-declaration, civil society identified the need to collaborate with foreign certified agencies
 3. The planning and execution of cultural and artistic events in key locations for the advancement of the country's maritime tourism, as well as the advance notification of key actors in these sectors regarding the dates on which these events will take place, with the ultimate purpose of ensuring that they are properly mobilized to welcome and take advantage of the increased number of tourists,
 4. Stop tax evasion, which has been highlighted as one of the major obstacles to the development of this industry, through the creation of online portals for reporting cases of misuse and the implementation of other suitable measures.
 5. Enhancing both land-based (ex: Durres Promenade) and water-based transportation networks
 6. Encourage Albanian immigrants to return and invest in this sector
 7. Reduce by half the value-added tax on food and drink products (a measure that has already been implemented in other countries in the region) and introduce programs that encourage major actors in this industry to attend international trade fairs.