The Sustainable Tourism Observatory of Centro de Portugal

Observatório do Turismo Sustentável do Centro de Portugal (OTSCP)

Annual Progress Report 2023

Turismo Centro Portugal
Um país dentro do País

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Centro de Portugal - geography and characteristics

Centro de Portugal is a region located between Portugal's most important urban centers - Lisbon and Porto. Within the Centro region, most inhabitants live in the coastal areas which are more urbanized than the inland areas. The region occupies over 28 000 km² which makes it one of the largest of the seven regions in Portugal, shown in **Figure 1**.


Figure 1: The 7 regions of Portugal (NUTS ll level)

Mainland of Portugal hosts 4 of these regions besides Centro, namely Norte in the north of Centro region, Alentejo in the south and the Area Metropolitana de Lisboa in

the southwest. The Algarve region is the most southern area of Portugal and has no direct border to Centro. Two more Portuguese regions are located in the Atlantic Ocean in the west of Portugal's mainland. Madeira is situated around 1,000 km southwest of Lisbon and about 450 km north of the Canary Islands whereas the archipelago of the Azores is located 1,600 km to the west of the Portuguese mainland. To the east, the Centro region is bordered by Spain. As Centro de Portugal does not have its own airport it is dependent on the two airports in Porto (Aeroporto Francisco Sá Carneiro) and Lisbon (Aeroporto Humberto Delgado Lisboa) for international arrivals.

Centro de Portugal is divided into 8 sub-regions which are namely Região de Aveiro, Beira Baixa, Beiras e Serra da Estrela, Região de Coimbra, Região de Leiria, Médio Tejo, Oeste and Viseu Dão Lafões (**Figure 2**). These sub-regions contain 100 municipalities, about one third of all municipalities in mainland Portugal. A total of 22% of the country's population live in Centro.
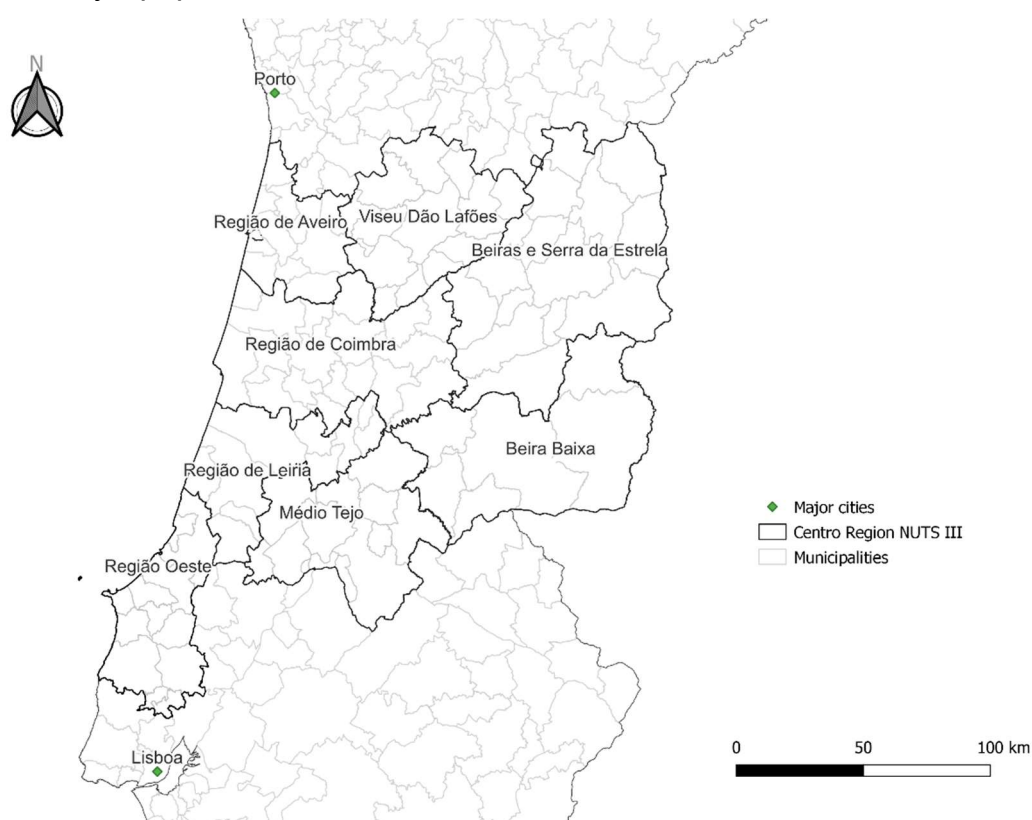
Figure 2: The sub-regions (NUTS III level) and municipalities of Centro de Portugal

Centro de Portugal's landscape is very diverse. From the sea and 279 km of coastline in the west to Serra da Estrela mountains in the inland, the only site in Portugal that provides snow sports regularly, from cities like Coimbra and Leiria which are in contrast to the old schist villages (https://www.aldeiasdoxisto.pt/en/) or the 12 historical villages (https://aldeiashistoricasdeportugal.com/en/). The coastal areas in Centro are not just inviting visitors and inhabitants to enjoy wide beaches and the fresh water of the Atlantic, as there are highlights like the big wave season, from November to March, in Nazaré, among other spectacular experiences that make Centro de Portugal unique. More than 90 river beaches in Centro extend the possibilities for a cool bath during the hot summer in Portugal. Furthermore, world heritage sites classified by UNESCO like the University of Coimbra as well as castles, thermal springs, many viewpoints or amazing nature and forests like Mata Nacional do Buçaco can be found in the Centro region, as well as one of the world's most known religious pilgrimage site, in Fátima.

The gastronomy and wine scene is rich and varied. Five wine regions, namely Dão, Bairrada, Beira Interior, Tejo and Lisbon are part of Centro de Portugal as well. Traditional cheeses, sausages, fish stews or local pastry like Ovos Moles from Aveiro are an important contribution to Centro de Portugal's identity.

Turismo Centro de Portugal (TCP) and the Centro de Portugal Sustainable Tourism Observatory (OTSCP)

The Regional Tourism Entity of Centro de Portugal adopts the name of Turismo Centro de Portugal and the abbreviation of TCP. It is a public legal entity, of an associative nature, with administrative and financial autonomy and with its headquarters in Aveiro. Tourist information offices are located in many locations of the area covered by the territorial scope of the entity. Four main bodies build the organizing framework of TCP. These are the general assembly, the executive committee, the marketing council and the fiscal unit.

TCP's mission is to enhance and develop the tourist potential of the area, to promote the destination to the internal market and the broader internal market, considering spanish border regions. There are different responsibilities for the entity, for example:

a) Collaborate with central and local administration bodies, particularly in the context of developing brands and regional as well as sub-regional tourism products and their promotion in the enlarged internal market;

b) Develope the regional tourism plan in line with the national tourism strategy and promote its implementation;

c) Ensure the implementation of regional and sub-regional tourism offer and its permanent updating;

d) Carry out studies to evaluate the potential of tourism in the respective territory;

e) Organize and distribute tourism information, maintaining and managing a network of tourist offices and tourist information portals;

f) Boost and enhance regional and sub-regional tourist values and resources;

g) Monitor regional and sub-regional tourist activity, contributing to better integrated knowledge of the sector;

h) Ensure the promotion of Centro de Portugal as a tourism destination and with its strategic products in the internal and enlarged internal market.

Turismo Centro de Portugal has created the Observatório do Turismo Sustentável do Centro de Portugal (OTSCP), the Sustainable Tourism Observatory of Central Portugal, which aims to monitor all aspects related to tourism in the Centro region, specifically its economic, environmental and social impacts. OTSCP is integrated in the Investiment Division of Turismo Centro de Portugal, and is developed in collaboration with universities and polytechnic institutes in the region. The observatory thus fulfills the role of sharing information that supports the decision-making of all entrepreneurs and public decision-makers in the tourism sector in Centro de Portugal, through the publication of reports, studies, news and events. It contributes, therefore, to a more efficient and sustainable management of tourism in the Centro region, increasing its competitiveness. The vision of OTSCP is defined as followed:

Becoming a reference in terms of suitability and excellence in collecting information and monitoring tourist activity in the Centro de Portugal region, helping all those involved in the activity to make decisions based on knowledge.

The main goal of INSTO as well as OTSCP is to lead all of their stakeholders to good decisions for their future by gaining and sharing knowledge. Another mutual target is to create partnerships and connections between the involved parties. This allows sharing information between different tourism businesses within the destination and also between the observatories that are part of INSTO. It is likely that, for example, different hotels in one destination experience the same challenges. Then all parties

can benefit from each other's experience and knowledge. When they work together, the whole region profits and the competitiveness might even enhance due to a strong community. This is part of the mission of OTSCP.

The general objectives of OTSCP show the areas in which the observatory wants to close information gaps: profiles, motivations, satisfaction and behaviors of tourists; indicators relating to tourism demand and supply; dynamics of cultural, recreational and leisure services; analysis of the impacts of tourism in the economic, sociocultural and environmental domains.

Aditionally OSTCP Has set as specific objectives:

1. Make information available through regular publications;
2. Monitor the evolution of tourism and the main trends;
3. Maintain a general access database continuously updated;
4. Ensure the reliability, coherence and relevance of the information produced;
5. Monitor the information needs of local tourism actors;
6. Carry out relevant sectoral and sub sectoral studies from the perspective of decision makers;
7. Encourage the decision-making process to be based on the information produced.

As trends happen in non regular timeframes, they can be relevant for years in the tourism industry. Centro de Portugal needs to adapt to them as fast as possible to remain competitive. The task of OTSCP here is to recognize these trends and decide if they can be applied in Centro de Portugal. OTSCP monitors the information needs of local tourism actors in Centro de Portugal. One objective of INSTO is "Stakeholder Empowerment - to actively engage local stakeholders in the measurement of risks, costs, impacts, limits and opportunities through an inclusive and participatory approach.". When OTSCP knows which information or support the local stakeholders need, they can work on providing them. Once some information gaps are closed,

OTSCP can work on motivating their local actors to measure new vital KPIs with the knowledge support gained from the INSTO community.

To monitor tourism and its impact in Centro de Portugal, different data sources are used. One source for information are surveys and studies carried out by the observatory itself, like the annual report *O TURISMO NA REGIÃO CENTRO: A PERSPETIVA DOS RESIDENTES,* a report about the residents' perspective on tourism in the region. For a more detailed insight into the tourist profiles and especially the ones who look for information in the tourism offices in Centro, a three year report was conducted in collaboration with the university of Coimbra and CEGOT, the Center for Geography and Spatial Planning Studies. Moreover, the national institute for statistics in Portugal (INE) delivers many different kinds of tourism data, which is also available in the English language. The tourism statistics contain, among others, data sets about the number of guests and overnight stays, occupancy rates or total income from tourist accommodation. This information is available on different geographical levels and on annual or monthly bases.

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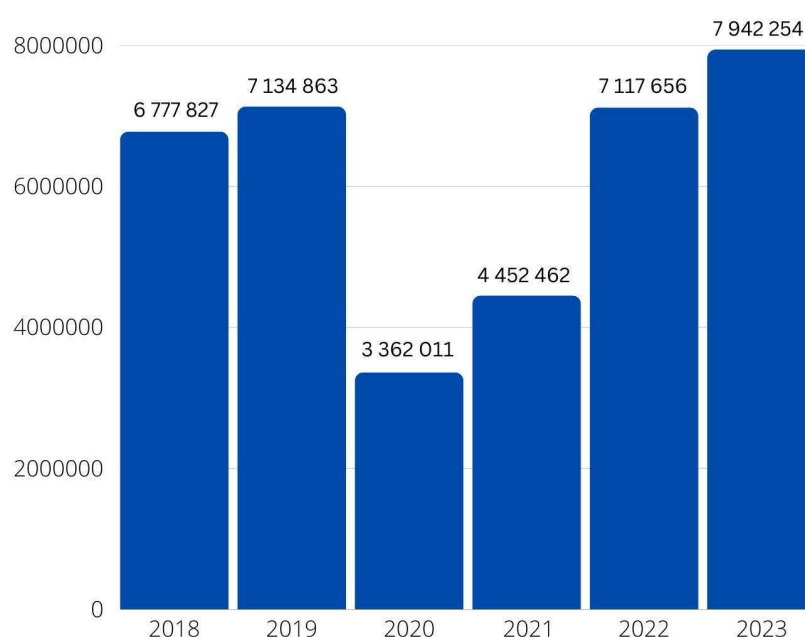
Tourism activity in Centro de Portugal

After the COVID19 pandemic cut the number of overnight stays in Centro de Portugal in half during 2020, shown in **figure 3**, in 2022 the tourism in the region almost reached pre-pandemic levels. For 2023 the number of overnight stays is amplified by 807.391 which equals 11,32% compared to 2019.


Figure 3: Number of overnight stays in Centro de Portugal (2018-2023)

Looking at the eight different sub-regions of Centro de Portugal, depicted in **figure 4**, the Oeste region has the highest number of overnight stays with 20,2%. Região de Coimbra is placed on the second position for this metric with 19,9% and the region of Médio Tejo on third with 18,2%. This Top 3 is placed close together with a difference of only 2%, the fourth and fifth as well as the sixth and seventh positions are even closer regarding the number of overnight stays. By far the sub-region with least overnight stays is Beira Baixa with a share of 3,7%.
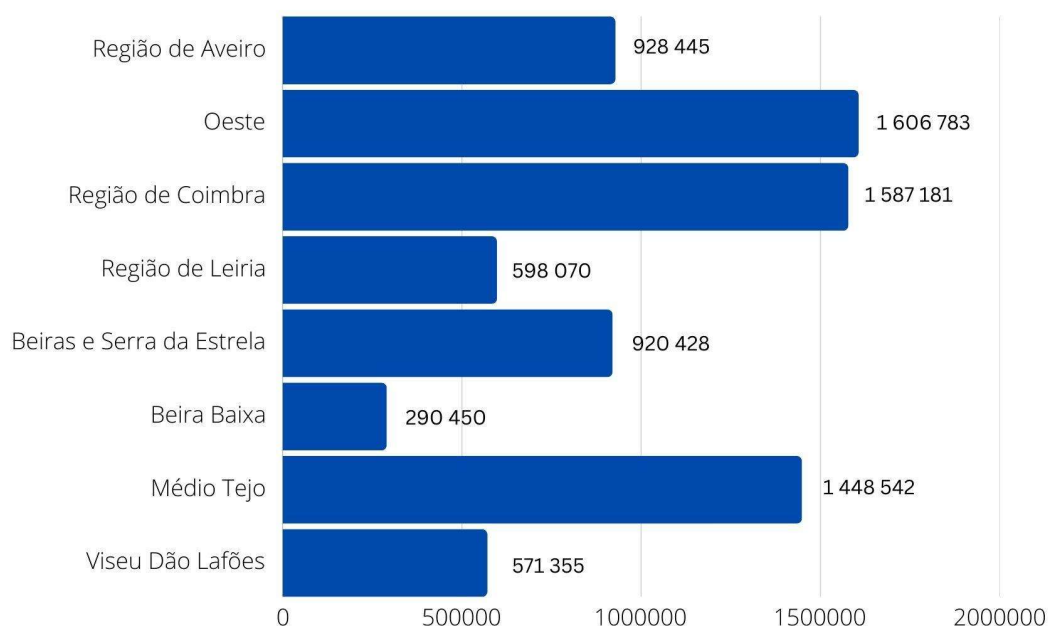
Figure 4: Number of overnight stays in the sub-regions in Centro de Portugal (NUTS III level, 2023)

Between the eight sub-regions of Centro de Portugal, the occupancy rates varied by 16,3% in 2023, which can be seen in **Figure 5**. The highest occupancy with an average of 41,2% in 2023 was measured in the Aveiro region, followed by Oeste region with 37,0% and the region of Leiria with 36,4% as well as Coimbra region with 35,0%. All of these four regions in Centro de Portugal have coastal beaches in the west and therefore attract more tourists for vacations. The lowest occupancy rate in 2023 can be allocated to Viseu Dão Lafões with 24,9%.
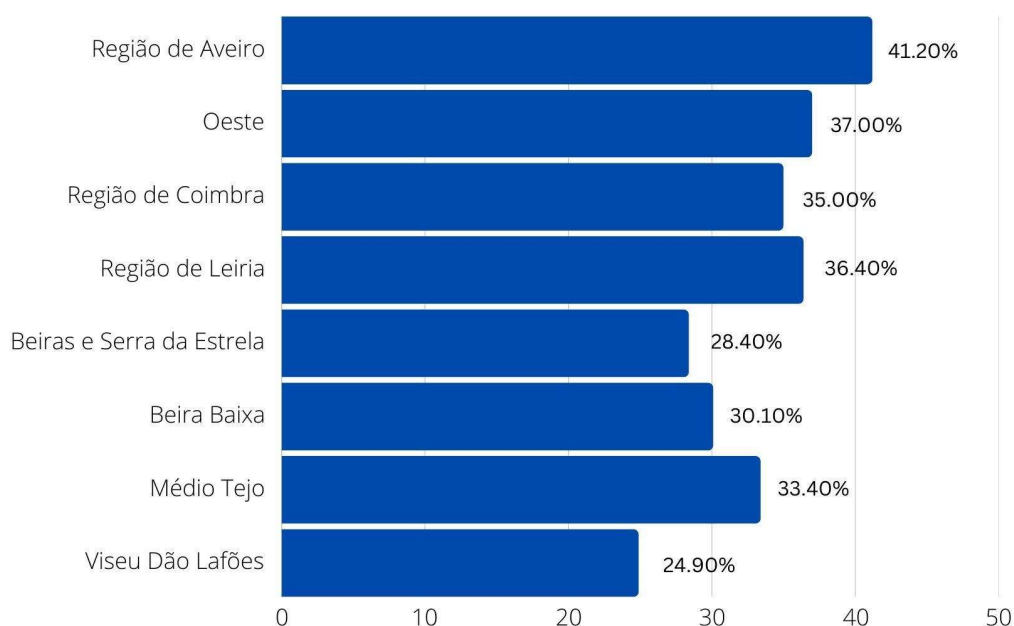
Figure 5: Bed occupancy rate (%) in the sub-regions in Centro de Portugal (NUTS lll level, 2023)

An important indicator to measure the tourism activity in a destination is the number of guests. The monitored numbers from 2018 until 2023 for the Centro region are illustrated in Figure 5. Whereas in 2019 a total of 4.118.656 guests visited Centro de Portugal, in 2023 this indicator grew to 4.443.897 guests, so pre-pandemic values were exceeded. Although Centro is one of the biggest regions in Portugal by square footage, only 14,8% of all tourists traveling to Portugal stay in the region. The most visited NUTS ll region in Portugal is Área Metropolitana de Lisboa, the metropolitan area of Lisbon, followed by the Norte region with the city of Porto.
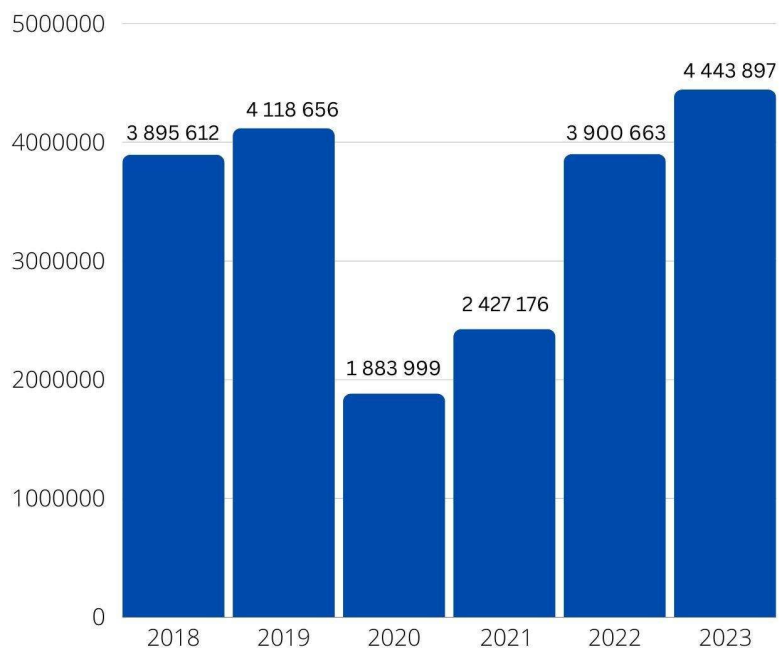
Figure 6: Number of guests in Centro de Portugal (2018-2023)

Having a more detailed look into the guest numbers in the Centro region and dividing the area into its 8 sub-regions (see figure 6 for exact numbers), 20,7% of guests traveling to Centro de Portugal visited Região de Coimbra in 2023, followed by Médio Tejo with 19,9% and Oeste region with 17,9% share of guests.
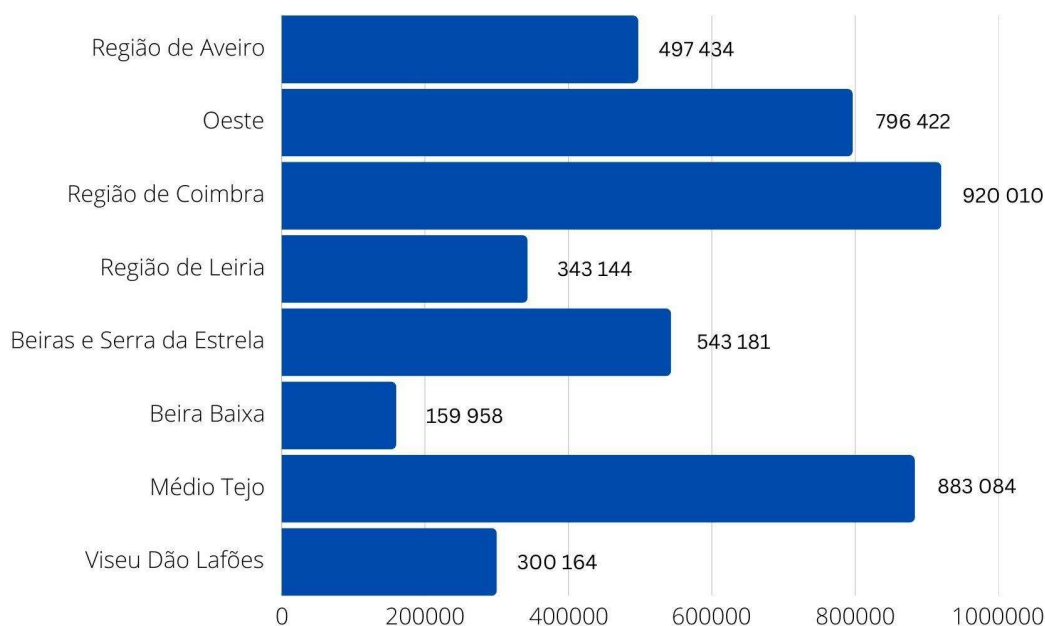
Figure 7: Number of guests in the sub-regions in Centro de Portugal (NUTS lll level, 2023)

Comparing the number of guests with the number of overnight stays from 2023, it can be observed that the order of the regions is different. While the Oeste region holds most overnight stays in Centro de Portugal, Região de Coimbra is the region that welcomes the highest number of guests. A similar trend can be seen looking at the inland area of Beiras e Serra da Estrela and Região de Aveiro. The number of guests is higher in Beiras e Serra da Estrela, but in the Aveiro region the number of overnight stays is higher. From these differences in the two indicators it can be concluded that guests stay longer in Oeste (2,0 days) than in Região de Coimbra (1,7 days) and also longer in Região de Aveiro (1,9 days) than Beiras e Serra da Estrela (1,7 days). Both Oeste and the Aveiro region are located by the ocean so tourists tend to stay longer in the area for a beach vacation.

Out of 4.443.897 guests in 2023 in Centro de Portugal, 63,03% guests were Portuguese residents and 36,97% from foreign countries. This metric is still lower than pre-pandemic numbers in 2023 which can be tracked in **figure 8**. During the year of

2020, the share of foreign guests dropped to 18,86% due to worldwide travel restrictions after having 39,74% of international guests in 2019.
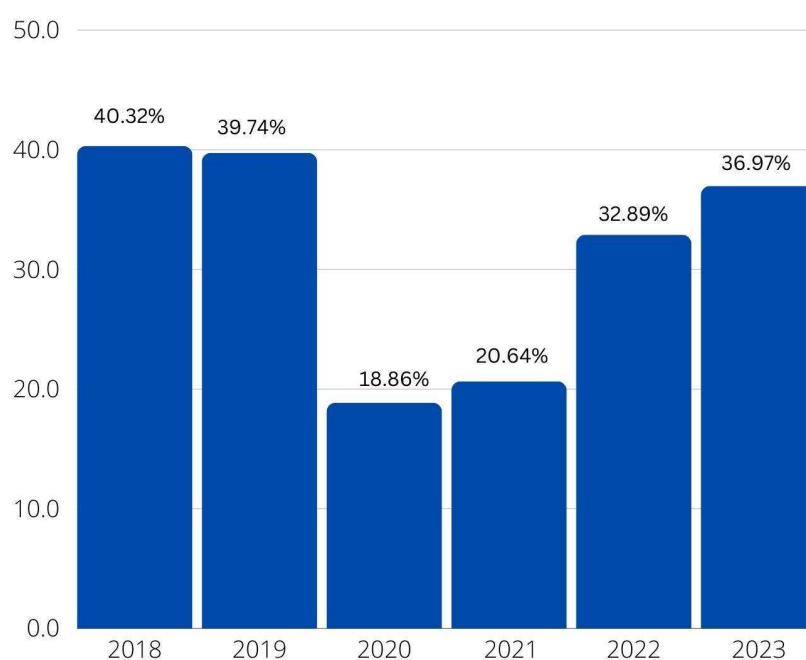
Figure 8: Foreign guests in Centro de Portugal (2018-2023)

The foreign source markets are various. By far, most international tourists are coming to Centro de Portugal from the neighbour country Spain: in 2023 a total of 401.089 Spanish guests were monitored, followed by 153.082 overseas tourists from the United States of America, 152.625 from guests from France and 149.801 from the Portuguese speaking country of Brazil. Two more countries outside of Europe are in the top ten source markets for Centro de Portugal, namely South Korea with 55.289 and Canada with 43.782 guests. These and more source markets can be seen in **figure 9**.
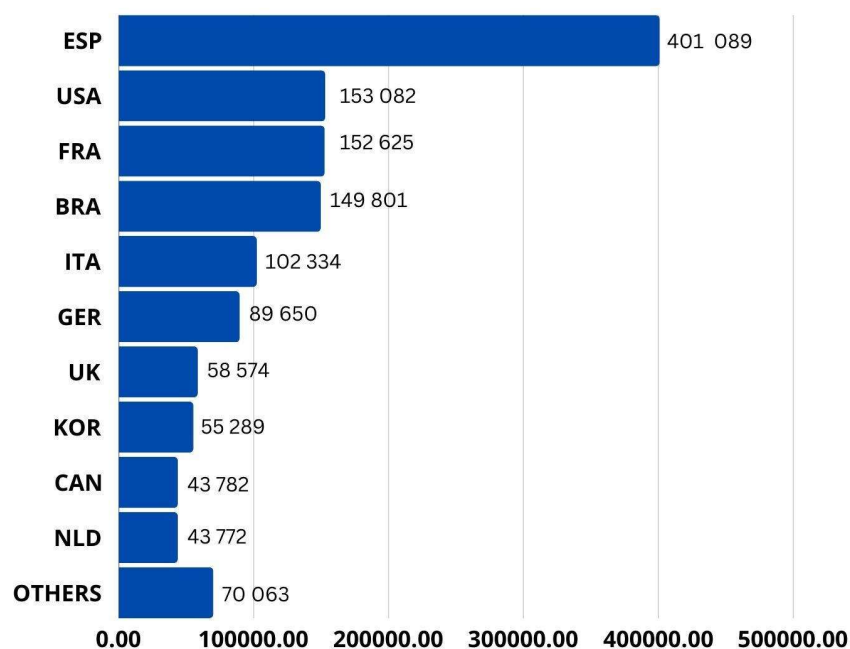
Figure 9: Top 10 source markets for Centro de Portugal in 2023

To summarize the general tourism activity in Centro de Portugal, there is an overall positive trend regarding the numbers of guests and overnight stays. It is worth having a closer look into the sub-regions for a more detailed understanding of tourism in the Centro region. Compared to other regions of mainland Portugal, especially the famous destinations of the Algarve, Lisbon and Oporto, tourist numbers seem rather low, however the recent years have shown a positive evolution regrading Centro region quota of overnight stays (10,29% in 2023 comparing to 9,25% in 2013). Potential for future tourism growth can be achieved by attracting more foreign guests into the region and strengthening marketing strategies as well as developing concepts to prolong the average length of stay.

1 Tourism Seasonality

The majority of tourist destinations, whatever the location or size, have to face seasonality to different extents. Seasons in tourism can be caused by natural climatic reasons in the destination as well as in the source markets or man-induced reasons like school holidays. As these aspects arise in consistent distances of time, seasons appear regularly and can therefore be anticipated (World Tourism Organization, 2004; Corluka, 2018).

To measure the impact of the high season in Centro de Portugal (July, August and September), the seasonality index is depicted in figure 9. The COVID19 pandemic led to an increase of 11,31% of the index, comparing the high season in 2019 and 2020, as travel restrictions were less stringent during the summer months and therefore traveling was easier than in the colder seasons. In 2023, the seasonality index was slightly lower with 36,80% than in the pre pandemic year of 2019 with 36,90%.
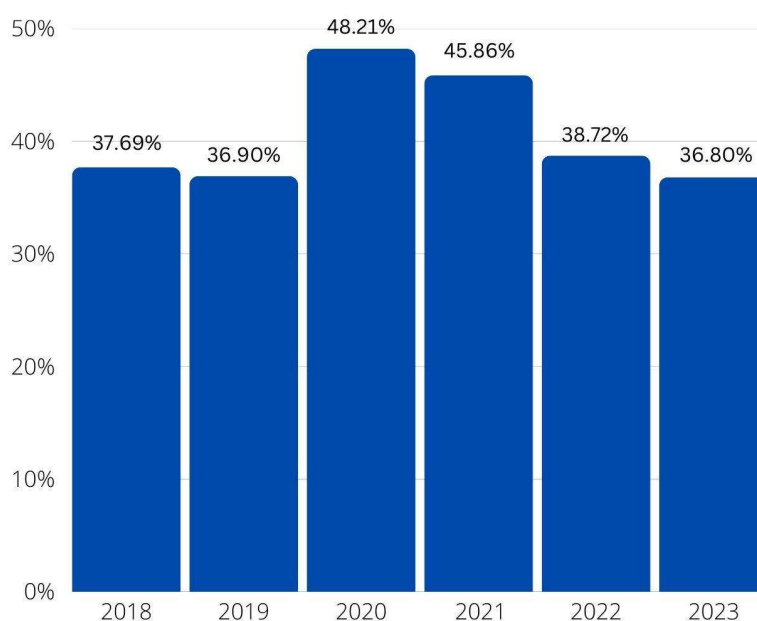

Figure 10: Seasonality index in Centro de Portugal (2018 - 2023)

In 2023 as well as the previous years of 2022, 2021 and 2020, the month of August was the peak month of the year and the third quarter (July, August and September) had the most overnight stays of each year in Centro de Portugal. In 2023, in the peak month of August there were 1.188.556 overnight stays and in the low month of January only 350.718 overnight stays were recorded in the Centro region. During the year 2022, January was also the lowest month, but in 2021 it was February and in 2020 April, when the COVID19 pandemic became a worldwide problem. Due to this massive breakdown in April, the lowest quarter concerning the overnight stays in 2020 was the second quarter (April, May and June).

Whereas the peak month was consistent also in the eight sub-regions in Centro de Portugal in 2023, the low month of that year is not the same for the NUTS III regions. Besides the lowest month being January for six out of the eight sub-regions in Região de Leiria it was February and in Beiras e Serra da Estrela it was November.

The main season of July to September is also clearly visible looking at the occupancy rates in Centro de Portugal. By far, the highest occupancy in 2023 was monitored in August with 65,9% and on average the rate was at 41,5% in this year. **Figure 11** shows that especially between November and March, the occupancy in accommodation establishments in the Centro region was consistently lower than the average of 41,5% during these months.
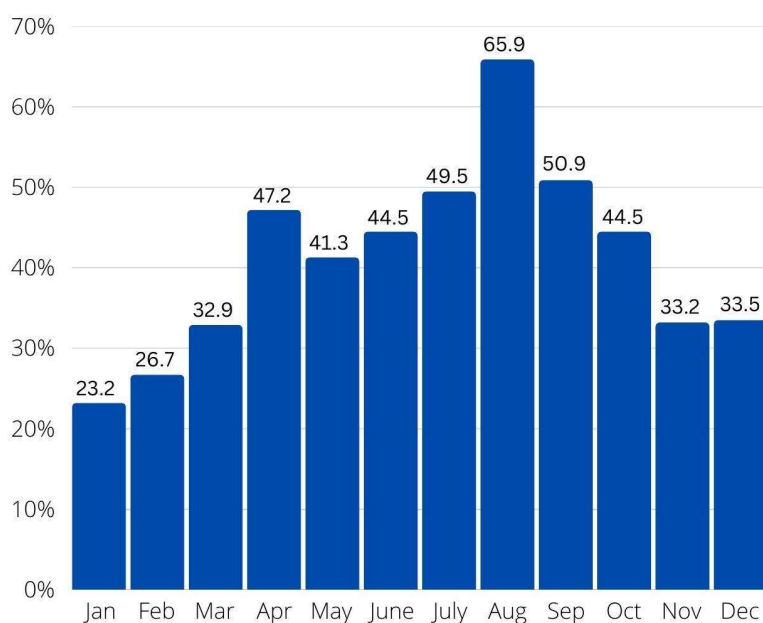
Figure 11: Bed occupancy rate (%) per month in Centro de Portugal in 2023

Comparing figure 11, the monthly occupancy rate, with **figure 12**, the number of overnight stays per month in the Centro region, the diagramme seems almost mirrored. Clearly, in August 2023 there was the peak in the number of overnight stays in Centro de Portugal, followed by July and September. These numbers prove again that the third quarter of 2023 was the peak quarter of the year. The months of January and February have the lowest number of overnight stays which can be reflected again in the occupancy rate during these two months.
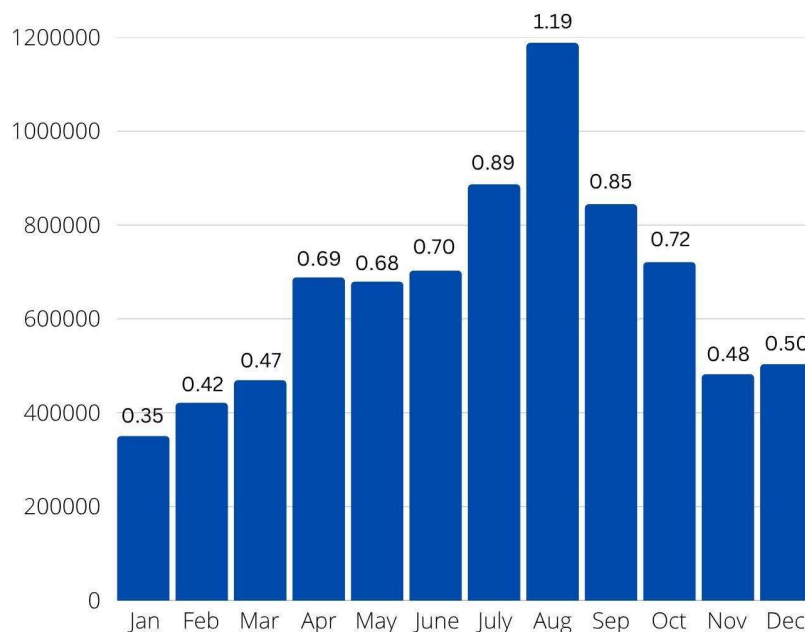
Figure 12: Number of overnight stays per month (in millions) in Centro de Portugal in 2023

Furthermore, this trend can be observed looking at the tourism intensity in the Centro region, an indicator which measures how much a destination is visited by tourists in relation to its resident population. The tourism intensity aligns with the number of overnight stays and in Centro de Portugal in 2023 January was the lowest and August was the most intense month with July and September on the subsequent places.

2 Employment

Tourism is a service industry with face-to-face interactions between the tourist and the provider. Many different hard and soft skills are required through the whole service chain in the tourism sector. Usually, when thinking about the labor market in tourism, hospitality and gastronomy jobs or working as a tour guide come to peoples' minds. However, there are lots of jobs in tourism that are a crucial part of the industry, but do not have direct contact with tourists. For instance, destination managers, marketing professionals and employees in the back offices, but also often cleaning staff of hotels do not interact with tourists (Guibert & Réau, 2023). Compared to other sectors in the broader economy, the gender wage gap in tourism is smaller, but the average wages are also lower for men and women (World Tourism Organization, 2019). As a qualified and motivated workforce is vital for tourism services, employers have to create a safe and well-organized work environment to ensure motivated employees. To keep track of improvements, set goals or needed shifts, monitoring of this INSTO issue area is extremely important.

In Centro de Portugal in 2018 there were 524.000 jobs in tourism and in the following two years, this value stayed in a very similar range, even in 2020 (see **figure 13**). Due to the COVID19 pandemic, many tourism companies had to discharge their employees or even completely close their business, so in 2021 the tourism jobs in the Centro region dropped to 378.000. Unfortunately, the number of tourism jobs in 2023 has not recovered from the pandemic and 418.000 tourism jobs were recorded for 2023.
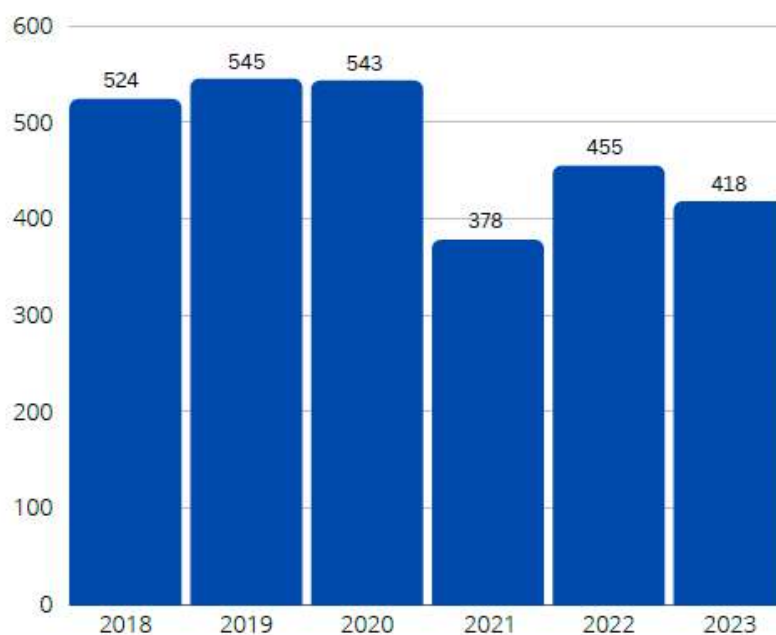
Figure 13: Number of tourism jobs (in thousands) in Centro de Portugal (2018 - 2023)

In Centro de Portugal 6,6% of employees worked in tourism in 2023 (see **figure 14**). The repercussions of COVID19 are clearly visible looking at the percentage of tourism jobs in 2021. Many tourism businesses had to close and their employees lost their line of work and had to move to other sectors which is the reason for the drop to 5,3% in 2021. Since then, the percentage is recovering again to reach pre-pandemic levels and potentially exceed them in the future years.
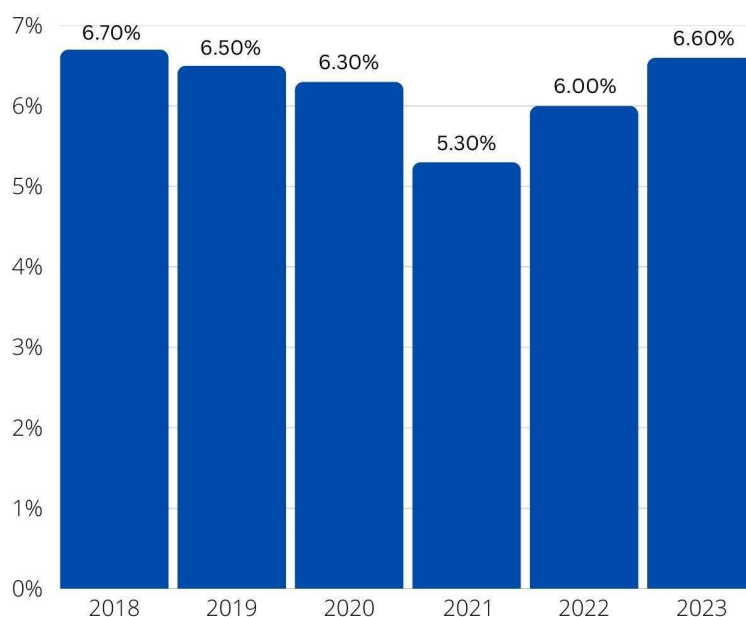
Figure 14: Percentage of tourism jobs compared to overall jobs in Centro de Portugal (2018 - 2023)

While the share of women working in tourism was already at 61,4% in 2018 and 59,9% in 2019, in the last two years women held more than 75% of tourism jobs in the Centro region (see **figure 15**). In 2023, the proportion of female employees in the tourism industry grew to 78,0% while the average for Portugal regarding this indicator was measured at 58,5%.
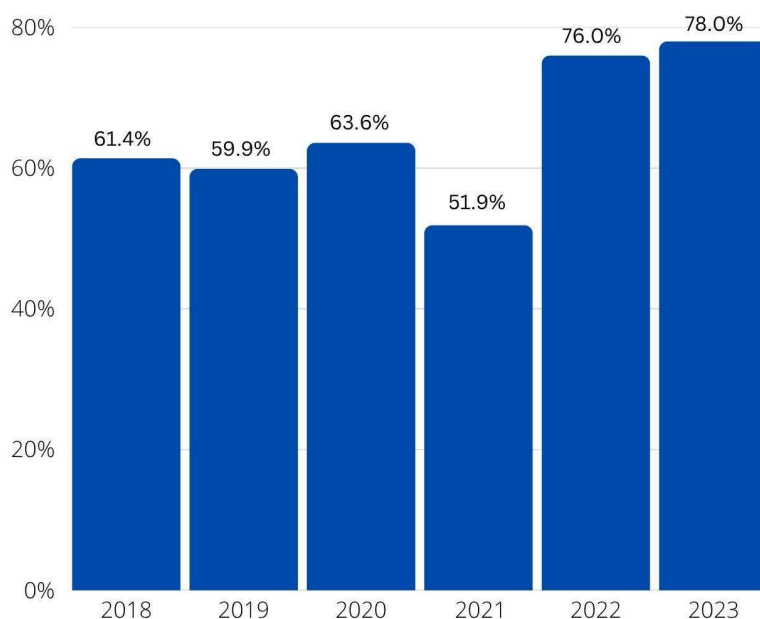
Figure 15: Percentage of women working in tourism in Centro de Portugal (2018 - 2023)

In Centro de Portugal, 44,0% of employees in the tourism sector had a high school or university degree in 2023, a slightly higher share than in the pre-pandemic years of 2018 with 42,9% and 2019 with 41,6% (see **figure 16**). Located in the Centro region, there are two tourism schools from Turismo de Portugal in Coimbra and Caldas da Rainha as well as universities in Coimbra, Aveiro and Covilhã and Polytechnic Institutes in Viseu, Guarda, Tomar, Coimbra and Leiria that offer tourism courses, who have contributed to this increase of skills in the sector.
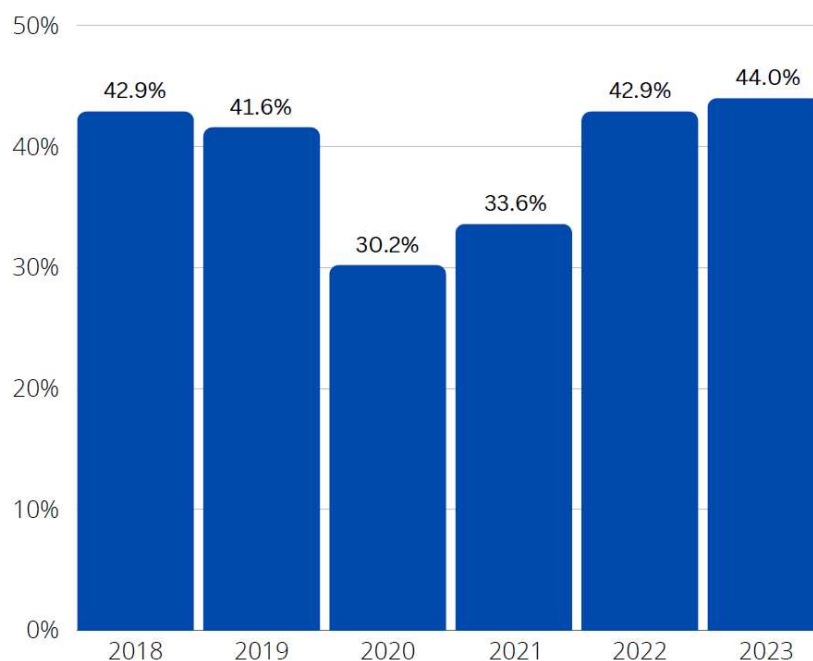
Figure 16: Share of employees in tourism with a high school or university degree in Centro de Portugal (2018-2023)

More than half of tourism employees in the Centro region were younger than 45 years old until 2022, but in 2023 this value fell to 46,6%, shown in **figure 17**. The biggest share in the age group of 15 to 44 years of employees in the tourism industry during the past five years was measured in 2020 with 56,1%, so 43,9% of employees were 45 years old and older. One reason for this shifting trend is the COVID19 pandemic which led to many closings of tourism businesses, therefore less chances for a career in tourism were available.
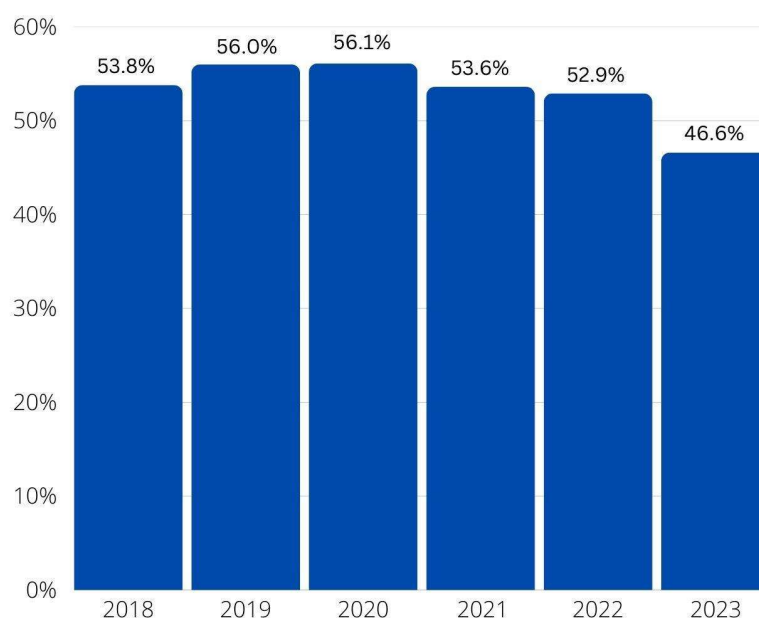
Figure 17: Share of employees in tourism in the age group between 15 and 44 years in Centro de Portugal (2018 - 2023)

3 Destination Economic Benefits

Employment, business investment in tourism, community expenditures, tourism revenue and the changes in cost of living are different effects of tourism on a destination. For example, if many tourism enterprises in the region are run by non-residents and the revenue from these companies is leaving the destination, there is just a small benefit for locals (World Tourism Organization, 2004). For a more comprehensive image of economic effects of tourism, a Tourism Satellite Account (TSA) can be conducted. The focus of TSAs is to monitor the scale of tourism contribution to a national or regional economy, whereas more conventional tourism statistic systems concentrate more on key figures like number of overnight stays (Eurostat, 2023).

To improve overall economic benefits as well as the benefits of local communities in tourism destinations, different methods can be applied like to prolong the stay of tourists in the destination, distribute tourism more in the region, raise the employment of national people and support locally owned tourism enterprises (World Tourism Organization, 2002).

As the TSA is only calculated at a national level in Portugal, other indicators are monitored to understand the economic impacts of tourism in the destination, mainly related to the activity of accomodation enterprises.

The revenue per available room (RevPAR) is a performance indicator used widely in the hospitality industry. It measures the revenue generated per available room. In 2023, this indicator was significantly higher with 31,5€ for Centro de Portugal than in 2018 with 24,4€ (see **figure 18**). Since the COVID19 provoked a drop to 15,4€ in 2020, the trend for the RevPAR is to increase and exceed pre-pandemic numbers. Despite the positive evolution, it was less than half of the national average (64,8€), which should lead to dedicated policies by the regional and local authorities.
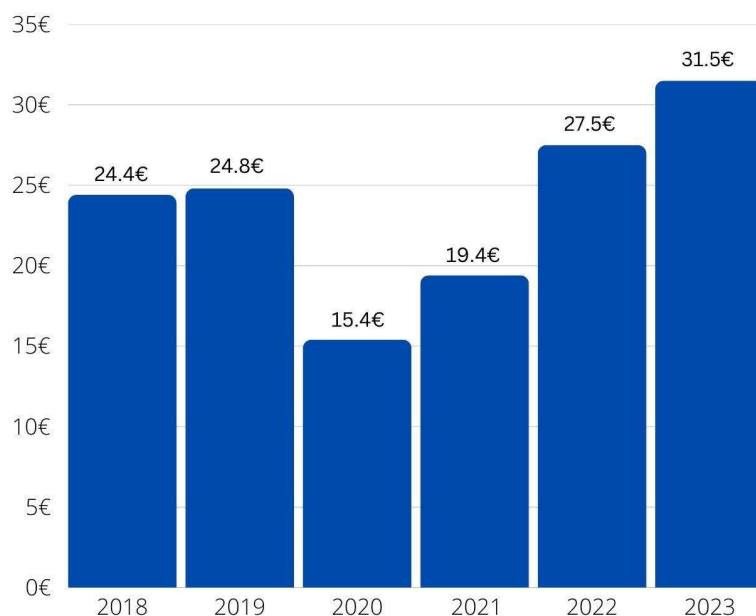
Figure 18: Revenue per available room (RevPAR, in €) in Centro de Portugal (2018 - 2023)

Looking at the RevPAR number in Centro de Portugal more in detail, shown in **figure 19**, and dividing Centro into its 8 sub-regions, only 3 of them were above the average RevPar of 31,5€ in 2023 (Região de Aveiro, Oeste and Região de Coimbra). The RevPAR in the Aveiro region was 41,3€ and considerably higher than in its neighbouring region of Viseu Dão Lafões with 21,4€ in 2023. In Aveiro region, the average RevPAR during the year 2023 was 9,8€ higher while in Viseu Dão Lafões the RevPAR was 10,1€ lower compared to the Centro de Portugal average.
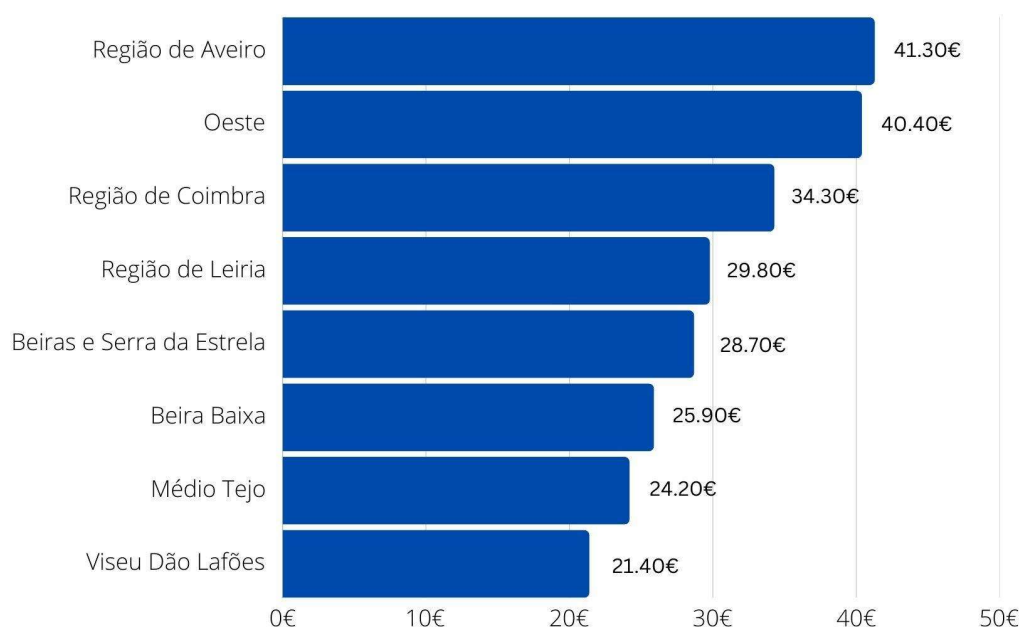
Figure 19: Revenue per available room (RevPAR, in €) in the sub-regions in Centro de Portugal (NUTS III level, 2023)

A similar, positive trend as the increasing revenue per available room can be observed for the total income (in thousands) in tourist accommodation establishments in Centro de Portugal (see **figure 20**). In 2019, this total income (in thousands of euro) was measured at 355.414€. As already shown in other indicators, the COVID19 pandemic also had a massive negative impact on this measurement, leading to an immense decrease to 164.200€ in 2020, a drop of more than half in the income from tourist accommodation. Already in 2022, the value of the income was recovered and even exceeded the pre-pandemic amount by 32.738€ (a total of 388.152€ for 2022). For 2023, an amazing result was monitored. A total income of 464.599€ in tourism accommodation in Centro de Portugal is promising to outperform this indicator in 2024 as well.
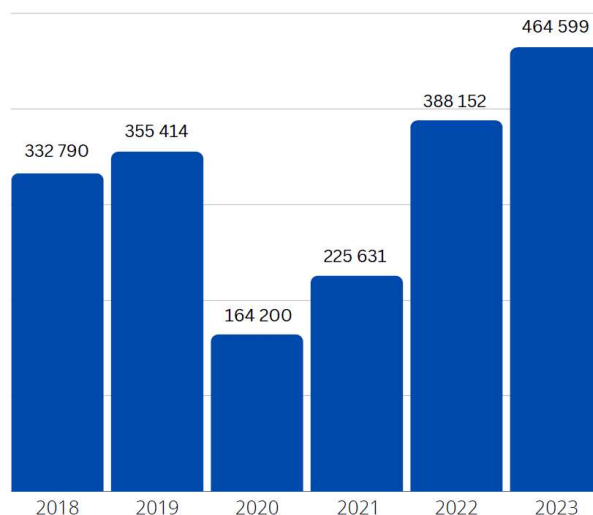
Figure 20: Total income (€, in thousands) in tourist accommodation establishments in Centro de Portugal (2018 - 2023)

Splitting the income from tourist accommodation in the eight sub-regions, shown in **figure 21**, the biggest proportion of income was generated in Oeste region (108.365.000€ / 23,32%), Região de Coimbra (94.459.000€ / 20,33%) and Médio Tejo (72.176.000€ / 15,54%) in 2023, so three out of eight sub regions obtained 59,19% of income from tourist accommodation in the Centro region. Important tourist sights are located within these three regions, such as the Castle of Óbidos, the University of Coimbra or the Sanctuary of Fátima. By far the lowest amount was measured in Beira Baixa with 15.325.000€, which equals a share of 3,3%.
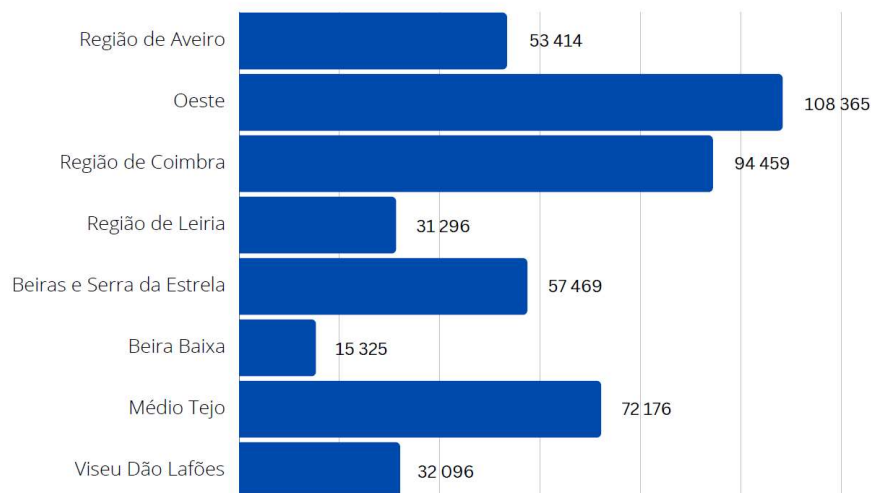
Figure 21: Total income (€, in thousands) in tourist accommodation establishments in the sub-regions in Centro de Portugal (NUTS III level, 2023)

The average daily rate (ADR) is a key performance indicator like the RevPAR, used in the hotel industry to assess the strength of revenue generated. It measures the average rental revenue earned for an occupied room per day. Looking at **figure 22**, it can be seen that even during the COVID19 pandemic years, this indicator did not decrease. Between 2018 and 2023, ADR in Centro de Portugal grew by 14,9€, from 63,1€ in 2018 to 78,0€ in 2023. While the average daily rate did not increase much between 2018 and 2021, the difference is more significant in each 2022 and 2023 compared to the previous year. This overall very positive trend is important for the economic benefits of the region.
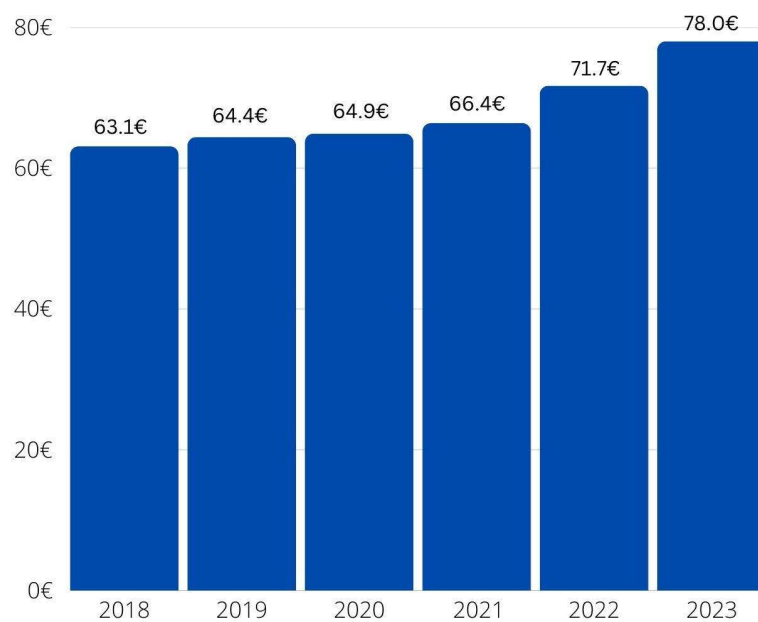
Figure 22: Average Daily Rate (ADR) in tourist accommodation establishments in Centro de Portugal (2018 - 2023)

4 Energy Management

Transportation to, from and at the destination, accommodation, gastronomy and activities are the businesses that consume most energy within the tourism sector. Energy can be produced from different non-renewable sources, like coal or gasoline, and renewable sources, like wind or solar power. Advantages from reducing energy consumption have positive impacts on the tourism enterprises, for instance cost savings. Also, less natural resources are needed and less greenhouse gas is emitted. The focus of energy management is to reduce energy consumption, improve energy efficiency and foster the use of renewable energy sources (World Tourism Organization, 2004).

According to a report from Turismo de Portugal, 62,1% of tourist accommodation establishments in Centro de Portugal managed the energy use efficiently and created measures to optimize their energy consumption in 2023, while in the previous year of 2022 this indicator was monitored at 60,6%. Unfortunately, only a small improvement of less than 5% can be observed since 2015 regarding this indicator, where in the Centro region 58% of accommodation establishments optimized their energy consumption.

According to information provided by DGEG (Energy and Geology General Direction), tourism related entities in Centro de Portugal emitted 71.481,25 tons of CO_2 in 2017 whereas in 2023 that value raised to 134.124,78 tons of CO_2, which constitutes a relevant raise.

5 Water Management

Water is an essential resource and can lead to conflicts in destinations, especially when water is already scarce. When tourists visit a destination in the high season, this water shortage gets more serious. In many destinations water quality and availability are not just needed for drinking, cooking or hygiene purposes, but also for local tourist attractions like lakes or waterfalls (World Tourism Organization, 2004). Optimizing water consumption in tourism facilities, encouraging tourists to minimize the use of water or replace shower heads in accommodation can help to ensure constant availability of freshwater in the destination (Deutsche Gesellschaft für Technische Zusammenarbeit GmbH & UN Environment Programme, 2003).

A more positive trend can be observed in the optimization of water consumption in tourist accommodation in Centro de Portugal, compared to the one previously observed regarding energy management. While in 2015 a bit more than half the establishments (52.2%) managed the water use efficiently, in 2023 this indicator grew to 67%.

Another indicator measured in the issue area of water management is the quality of bathing waters in Centro de Portugal. This indicator includes coastal and river beaches in the destination. In 2020 there were in total 173 beaches of which 165 (this equals 95,4%) were considered as "Good" or "Excellent". In **figure 23**, it can be observed that the destination's water quality in beaches remains with a steady and high percentage. For 2023 a total of 190 beaches could be visited by locals as well as tourists and 179 of those beaches were considered with the two best grades regarding the water quality.
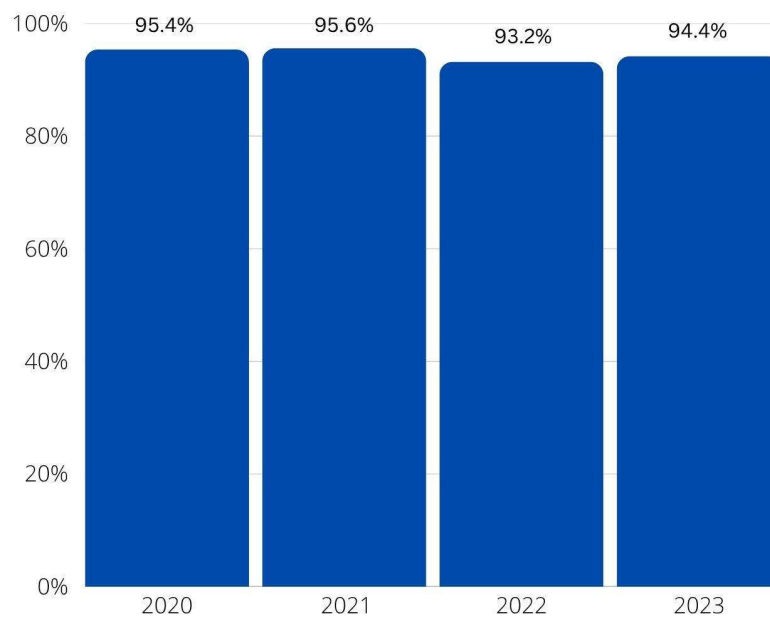
Figure 23: Bathing waters in Centro de Portugal considered good and excellent (2020 - 2023)

This indicator is a perfect example of the good quality of Centro de Portugal as a tourism destination.

6 Waste Water (Sewage) Management

Concomitant with water usage is the emergence of wastewater which needs to be handled properly. Without a treatment before being discharged, sewage can impact a destination's environment as well as its ground water, the health of locals, wildlife and tourists. Wastewater originates from different parts of tourist facilities. The most usual sources are kitchens, restaurants, sanitary installations, housekeeping and laundry.

For the time being there is no indicator being measured in the destination, that can provide solid, accurate and comparable data, an issue to be properly addressed in future reports.

7 Solid Waste Management

Worldwide, an average of 0,74 kilograms of solid waste per person per day are generated. With 44% on average globally, food and green waste make by far the highest share of solid waste, followed by paper and cardboard with 17% and plastic with 12% (Bhada-Tata et al., 2018). During vacations, people are even more prone to consume single-use or disposable products compared to when they are at home. To reduce, reuse and recycle are principles to keep solid waste as low as possible (World Tourism Organization, 2004).

Solid waste separation in Centro de Portugal was monitored in 2015 and back then, 65% of accommodation establishments were carrying out this environmentally friendly practice, but in 2016 the share dropped to 57% and in 2017 to 56%. In 2022, again 57% of tourist accommodation separated solid waste in their facility. Finally, in 2023, this practice is tracked by 64% in the hospitality establishments in the Centro region, almost reaching the value of 2015 again. It might be relevant to understand the level of participation of the tourism enterprises in this Turismo de Portugal's enquiry, as this fluctuating numbers might not be fully representative of the universe under scope, considering that it's not likely that so many hotels abandoned the recycling process.

A negative trend can be seen for the indicator of urban solid waste attributed to tourism (see **figure 24**, in thousands of tons). While in 2019 a total of 679.000 tons of solid waste were measured to be generated by tourism, in 2023 this value was greatly exceeded to 765.000 tons. Of course during the COVID19 pandemic years of 2020 and 2021, as way less guests visited the destination, the solid waste from tourism was way lower at 324.000 tons.
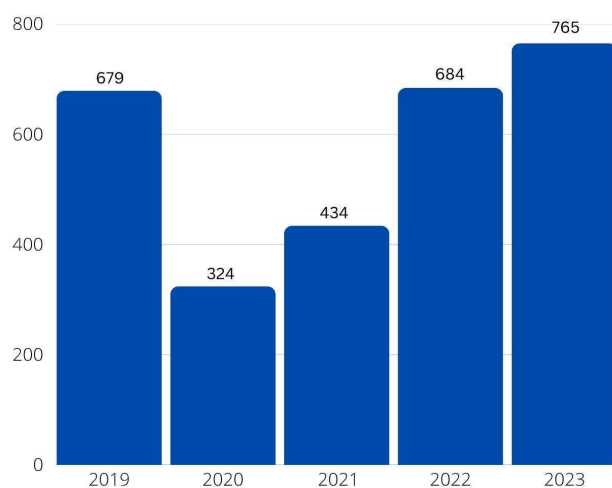
Figure 24: Urban solid waste attributed to tourism (thousands on tons) in Centro de Portugal (2019-2023)

8 Climate Action

The global climate is changing and humans contribute to that on a large scale. Consequences of climate change like the higher occurrence of extreme weather phenomena and natural disasters as well as a shrinking biodiversity can reduce the offer and variety of tourism activities (World Tourism Organization, 2004). Wildfires, drought, flooding and new temperature records are more likely to occur. According to a 2022 report from UN Tourism, 29.7% of destinations have a climate action plan. Climate action plans or sustainable strategies help destinations to set goals and improve their overall sustainability (World Tourism Organization, 2022 and 2023b).

While Centro de Portugal is aiming at an holistic certification process in a near future, the Observatory is focused on monitoring what happens mainly at the enterprises. In Portugal, there are two main ceritification programmes, Green Key, led by ABAAE, integrated in a an international network (https://www.fee.global/programmes) and Biosphere (https://www.biospheretourism.com/en).

The Green Key is a certification programme with a worldwide scale which focuses on environmental sustainability in the tourism industry. Increasing the use of environmentally friendly and sustainable methods as well as raising awareness and creating behavioural changes in guests, staff and suppliers are the main goals of Green Key. Moreover, the Green Key programme is a great support for tourism enterprises to contribute to the success of the 17 Sustainable Development Goals (SDGs) from UN Tourism.

In 2018, a total of 126 tourism businesses were certified with the Green Key in Portugal and 34 were located in the Centro region. While the number of Green Key enterprises grew to 181 in Portugal in 2019, unfortunately no new additions were monitored from Centro de Portugal and also during 2020, the number stagnated at 34. For 2023 a total of 268 tourism companies were certified with Green Key in Portugal, 38 of these in Centro de Portugal.

Biosphere is a certification model with the aim to foster the social and environmental sustainability of tourism businesses or destinations. The Biosphere platform offers the creation of a customized sustainability plan along the 17 SDGs and through uploading the newest sustainable implementations in the enterprise. In the platform, achievements can be monitored in real time and compared with other members. More than 70 countries from around the world have the Biosphere certificated enterprises.

The first tourism enterprise adapting its sustainability according to Biosphere in the Centro region joined in 2018 and in 2019 already 13 companies were part of this programme. As Turismo Centro de Portugal launched a program in 2023 for tourism companies in the destination to get certified by Biosphere, free of charge, the number increased to 141 members in 2023. **Figure 25** shows the progress of Green Key and / or Biosphere certified tourism enterprises in Centro de Portugal.
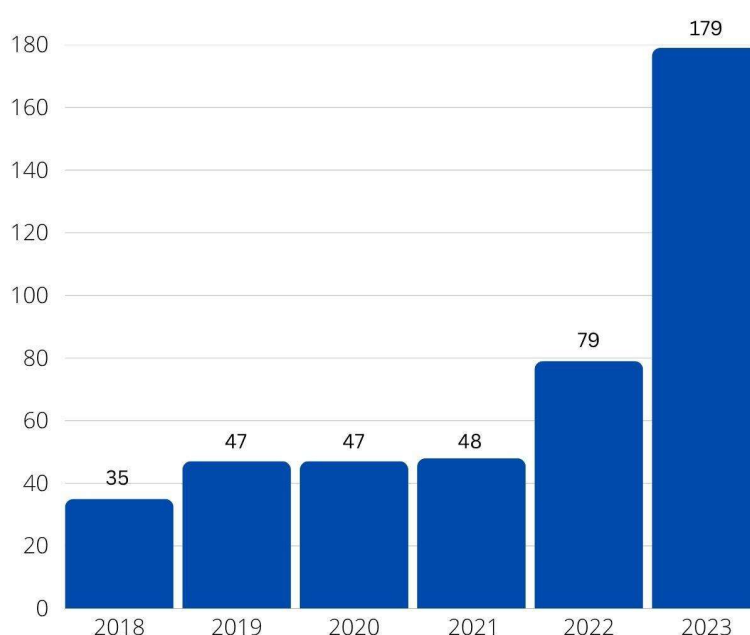
Figure 25: Number of tourism enterprises with the Green Key and/or Biosphere certificate in Centro de Portugal (2018-2023)

Another certification aimed at enterprises that is monitored as part of the Climate Action issue area is the 360º Tourism Companies Programme. This programme has the goal to foster tourism companies towards the sustainable transformation of the sector. Raising the awareness of tourism companies regarding their own sustainability and creating value in the long term are important aims. The focus is not only on their shareholders, but also for their workers, the community, the territory and the environment. Innovation and qualification are seen as the main contributors of growth. The objective is to challenge the companies to actively rethink their environmental, social and governance practices. In 2022, a total of 12 tourism companies were engaged in the 360º Programme in Centro de Portugal while in the whole country 45 companies were engaged. For 2023, the number of tourism enterprises engaged in the 360º Programme in the Centro region grew to 28, while in Portugal 100 tourism companies were engaged in the programme and 61 companies (out of 250 in Portugal) were committed to the 360º Programme.

Another indicator measured in this issue is the approach to the circular economy concept, which is a model to extend the life cycle of products through sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products as long as possible and it implies reducing waste to a minimum. When a product reaches the end of its life, its materials are kept within the economy wherever possible. This practice has many benefits not only for the economy and environment, but also on a social scale. Reusing or recycling materials protects the environment by decelerating the use of natural resources, landscape disruption and limiting biodiversity loss. Moreover, the circular economy helps to decrease the dependency from other countries for raw materials and benefits innovation comprehensively.

According to Turismo de Portugal, in Centro de Portugal, 76,3% of accommodation establishments practice circular economy in their facilities, but a large share of all tourist accommodation is promoting single or multiple measures that support the idea of a circular economy without practicing it fully. For example, 90,8% of all tourist accommodation in the Centro region provide staff training for circular economy, 85,4%

of them purchase new products or equipment in a sustainable way with less packaging and 74,3% consider reusing certain products or equipment.

Besides the private sector, OTSCP is also monitoring the interventions of public institutions, namely the ones whose activities have direct impact in tourism, regarding their missions. Within the ECO XXI programm, the Green Flag is a certification which identifies municipalities with good sustainability practices of territories in Portugal and which therefore comply with a set of sustainability criteria. Diverse indicators are monitored and different measures are implemented in the ECO XXI municipalities, for example the promotion of sustainable development, urban redevelopment, nature conservation including the certainty of biodiversity and geodiversity or the selective collection and recovery of urban waste as well as sustainable mobility in the destination. **Figure 26** shows the evolution of municipalities in Centro de Portugal who are part of the programme, in 2018 a total of 18 out of 100 municipalities participated, whereas in 2023 already 27 municipalities joined the programme.
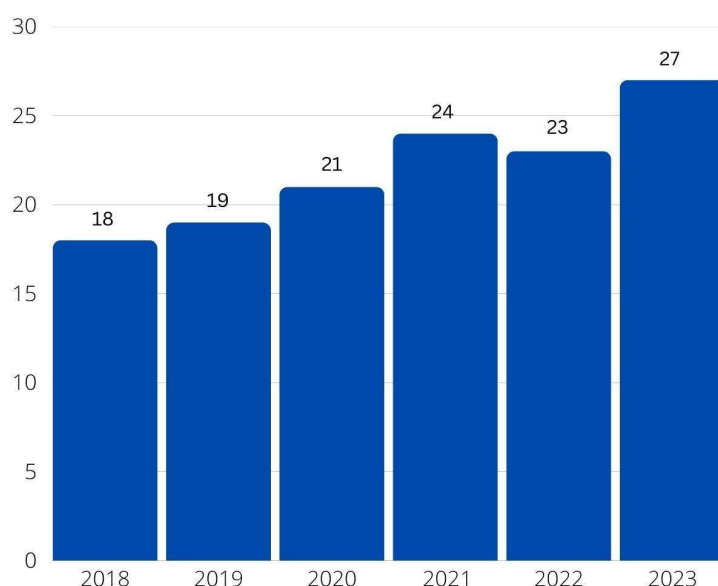
Figure 26: Number of municipalities with the ECO XXI certification in Centro de Portugal (2018-2023)

Blue Flag is a programme to promote sustainability in the tourism sector, especially in freshwater and marine areas. The goal is to set high standards in water quality, environmental management, environmental education and information, safety and services. Blue Flag promotes many sustainability goals, such as the increase of water-use efficiency as well as the capturing and reusing of rainwater, water saving and minimizing the environmental footprint. In 2018, a total of 73 Blue Flag beaches could be found in the Centro region, shown in **figure 27**. This number increased up to 93 in 2021 and 2022. In Centro de Portugal, 89 coastal and inland beaches were part of the Blue Flag in 2023.
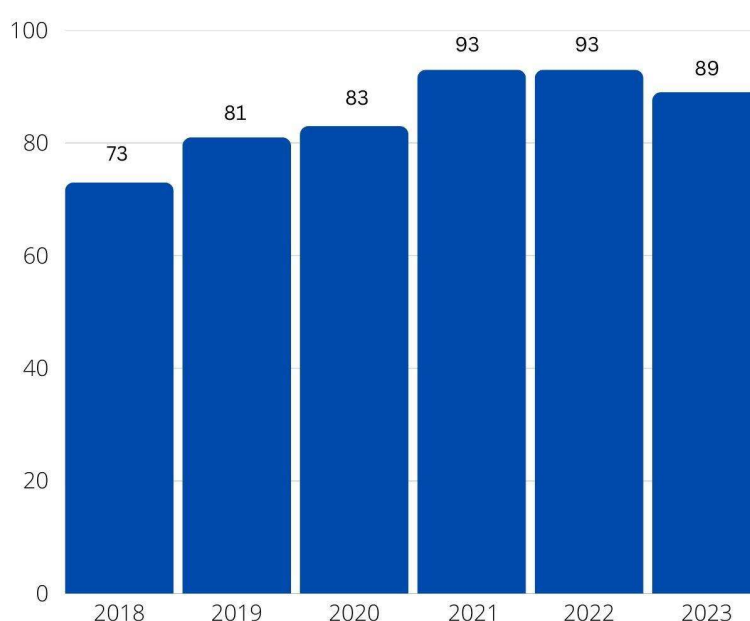
Figure 27: Number of Blue Flag beaches (coastal and inland) in Centro de Portugal (2018-2023)

Another indicator monitored within Climate Action is the dependence on long distance markets. As already mentioned in the introduction, less than 40% of guests in Centro de Portugal are from abroad. This has different reasons, for example the lower popularity compared to other destinations in Portugal, but also the fact that there is no international airport in the Centro region. By far, the biggest share of foreign guests comes from the neighbouring country Spain (401.089 guests in 2023). A very similar

number of guests visited Centro de Portugal from the USA (153.082), France (152.625) and Brazil (149.801) in 2023 and the USA as well as Brazil are categorized as a long distance market for Centro de Portugal. South Korea and Canada also belonged to the Centro regions Top 10 foreign source markets in 2023 and are also long distance markets. From an environmental point of view the goal is to minimize the dependency on these long distance markets as guests who come from countries thousands of kilometres away naturally have to take the airplane to reach the destination. This leads to a much higher carbon footprint of guests from long distance markets compared to visitors from neighbouring country Spain who can reach Centro de Portugal by bus or with their car. As shown in **figure 28**, during the COVID19 pandemic in mainly 2020 and 2021, the dependency on long distance markets in the Centro region dropped to 26,7% and 26,3% due to travel restrictions. In 2023, this dependency increased to 35,1% and with this value exceeded pre-pandemic shares of 30,5% in 2018 and 32,6% in 2019. This should be considered a negative trend for the Centro region's environmental sustainability, but it is a reflex of the growth of the USA market in recent years (+80.000 overnight stays from 2022 to 2023).
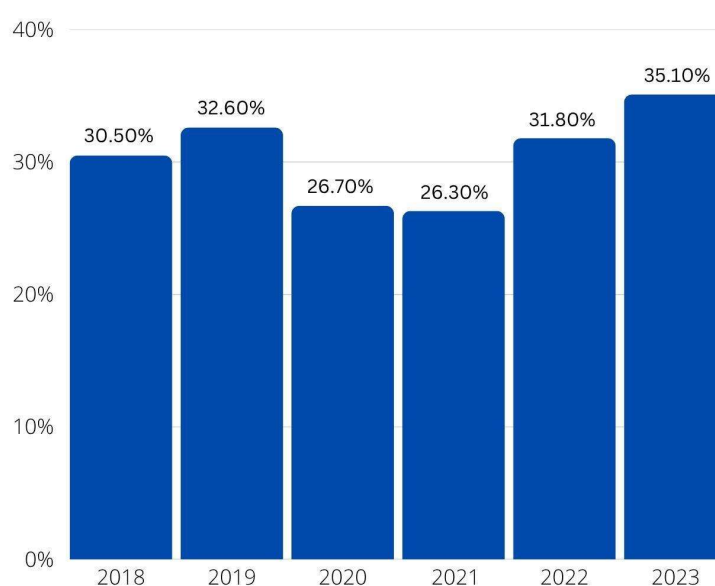
**Figure 28**: Dependency on long distance markets in in Centro de Portugal (2018-2023)

9 Accessibility

The World Health Organization (WHO) estimates that 1,3 billion people in the world – 16% of the population - live with a form of disability (World Health Organization, 2023). Either physical, cognitive or sensory disabilities and a lack of information regarding accessibility exacerbate affected people to fully enjoy tourism. But also, the elderly or young children need special access options (World Tourism Organization, 2004).

As the older part of the population is growing, it is important to adjust tourism facilities and experiences for seniors. Not just the proportion of elderly generations is rising, but they are also becoming 80 years or older more frequently. Globally, the number of persons aged 80 or over is projected to triple by 2050, from 137 million in 2017 to 425 million in 2050 (United Nations, 2017). Following this growth, the demand for touristic offers, that focus or adapt on seniors, will increase a lot in the future. Services like a door-to-door pickup and renovation of viewpoints, lavatories and paths have to be considered (World Tourism Organization, 2004).

Tourist accommodation establishments are an important part in the tourism industry as the accommodation plays a vital part in the tourist experience in the destination. Therefore it should be a priority for every accommodation to offer accessible rooms so a wider range of guests can stay at their establishment. Comparing the number of accessible rooms in the Centro region in 2018 and 2023, a total of 165 new rooms were adapted for guests with special needs (see **figure 29**). This can include for example handrails in the bathroom or wider doors for wheelchair accessibility. In 2023, a total of 905 accessible rooms were monitored for Centro de Portugal and hopefully this positive trend will continue.
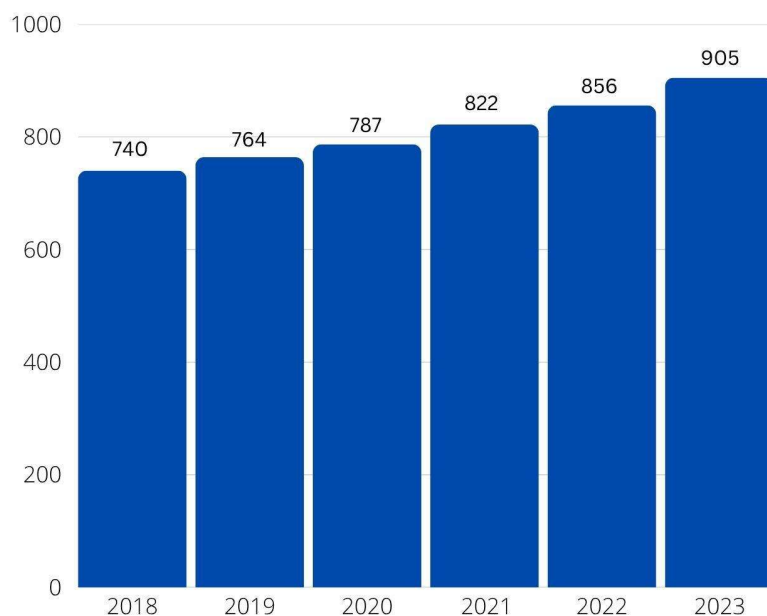
Figure 29: Number of accessible rooms in tourist accommodation in Centro de Portugal (2018-2023)

As the number of rooms in tourist accommodation is immense, but only a minimal share of them is accessible and adapted to accessibility regulations each year, the growth rate in the below **figure 30** is rather small. From 2018 to 2023, only 0.3% of rooms in tourist accommodation in Centro de Portugal were adjusted to be easier accessible by guests with special needs.
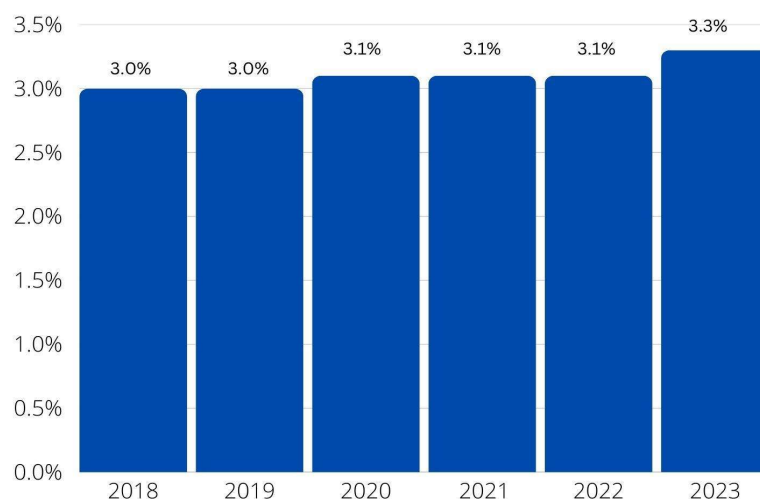
Figure 30: Percentage of accessible rooms in tourist accommodation in Centro de Portugal (2018-2023)

Accessible beaches are also important to minimize inequality and support disabled people to get access to the beach and also the bathing water. This can include for example a map written in braille alphabet to help blind people or a ramps to the sand and to the water for physically disabled people or those in wheelchairs. In 2018, there were 168 coastal and inland beaches with accessibility measures (see **figure 31**). For the following years, a positive trend could be monitored and in 2022, a total of 189 and in 2023 a total of 188 beaches were adapted.
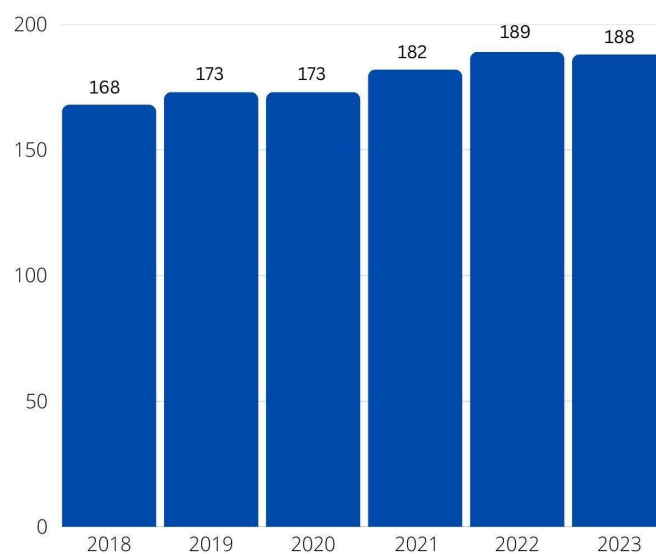
Figure 31: Number of accessible beaches (coastal and inland) in Centro de Portugal (2018-2023)

10 Governance

Referring to a report carried out by the Institute on Governance (IOG), governance can be defined as "the interactions among structures, processes and traditions that determine how power and responsibilities are exercised, how decisions are taken, and how citizens or other stakeholders have their say." (Amos, Graham & Plumptre, 2003). IOG summarizes that governance is about power, decision makers, accountability and relationships (Amos, Graham & Plumptre, 2003). However, in tourism destinations many different stakeholders are involved, including tourism providers as well as locals. Governance systems can help to resolve conflicts between stakeholders and foster their cohesion even if there might be competition. The core of governance should be to involve all stakeholders in creating a vision of the destination and work together for the local tourism development (Islam, Ritchie & Ruhanen, 2017).

To have a bigger growth in the total income from tourist accommodation establishments (light blue) than in the number of overnight stays (dark blue) is one indicator that was set by Turismo de Portugal as an objetive within 2027 Tourism Strategy which is followed in Centro de Portugal and can be seen below in **figure 32**.

The percentage shown compares the value of the previous year with current value. A larger growth in income rather than in the overnight stays supports a healthy tourism economy in the region, generating more value from each overnight stay. The goals are met in the below presented monitoring period of 2018 to 2023. In 2020, an exception is visible due to COVID19. Instead of growing, both numbers decreased significantly whereas the overnight stays performed slightly better than the income. As during 2020 both numbers were so low, in the two following years 2021 and 2022 the growth is much bigger than in pre-pandemic years.
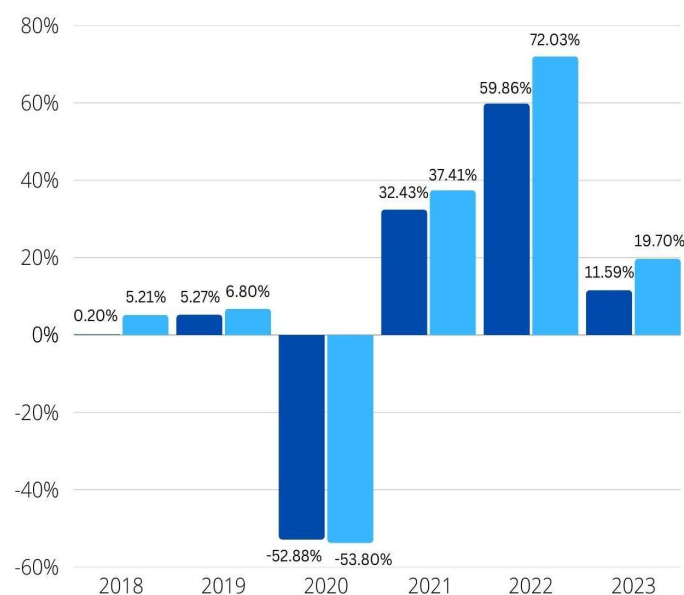
Figure 32: Growth of overnight stays (light blue) vs. growth of income from tourist accommodation (dark blue) in Centro de Portugal (2018-2023)

Compared to 2020, the income in tourist accommodation establishments grew by 37,41% and the number of overnight stays by 32.43% in 2021. For the following year 2022, the recovery of the tourist sector in Centro de Portugal is clearly visible. The income from accommodation prospered by 72,03% and the overnight stays by 59,86 compared to 2021. As both values were already close to pre-pandemic levels in 2022, the growth rate of overnight stays dropped by 48,27% and of the income by 52,33% in 2023, in route to the full recovery to pre-pandemic total levels.

A very interesting result can be seen for the indicator measuring the percentage of income from tourist accommodation in low density territory in the Centro region (from the overall income from tourist accommodation, see **figure 33**). In pre-pandemic years, the share of income from tourist accommodation in the low density regions was very similar with 25,00% in 2018 and 25,25% in 2019 and in 2023 this percentage almost reached this number again with 25,55%. However, in 2020 and 2021, this indicator peaked in the low density territory in Centro de Portugal with 34,32% in 2020

and 32,21% in 2021. In these regions, the tourist accommodation are smaller hotels or local accommodation with only a few rooms and potentially larger surroundings, so it was easier for establishments like this to stay open during the pandemic than big hotel complexes in more urban areas.
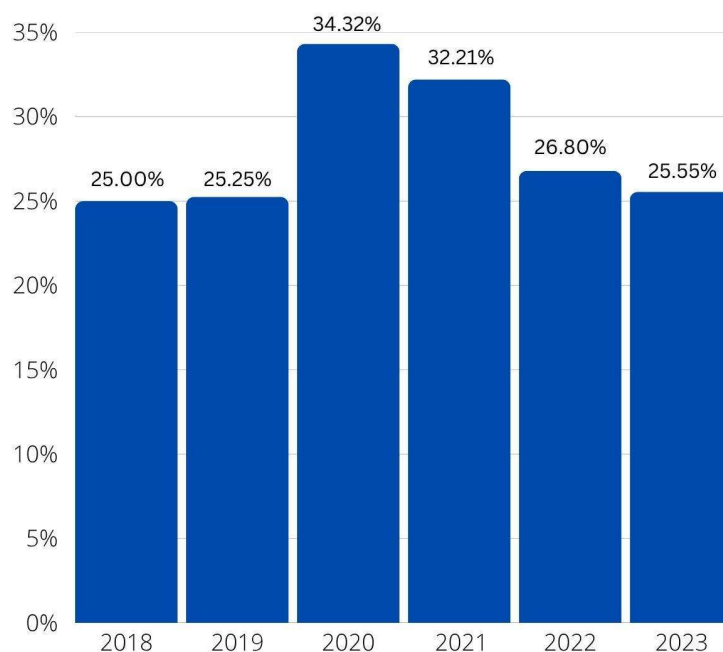

Figure 33: Percentage of the income from tourist accommodation in low density territory in Centro de Portugal (2018-2023)

This also an indicator that integrates a national priority within 2027 Tourism Strategy, which aims for spreading fluxes of tourism to all territory, namely to low density territories (which are defined by a National Territorial Cohesion Plan), that OTSCP is monitoring for the Centro de Portugal territory.

As governance helps to smoothen the relation of different stakeholders, cultural and creative activities are not only important for the tourism industry, but also for the locals. Expenditures in these fields include performing arts like theatre or music concerts, literature, museums and historical sites.

In 2019, a total of 125.985.210€ was spent in Centro de Portugal on cultural and creative activities, while in 2023 this indicator increased by 39.969.053€ to a total of 165.954.263€ (see **figure 34**). This growth can be explained by specific events or programmes, but they show a more broaden investment in such activities in the region.
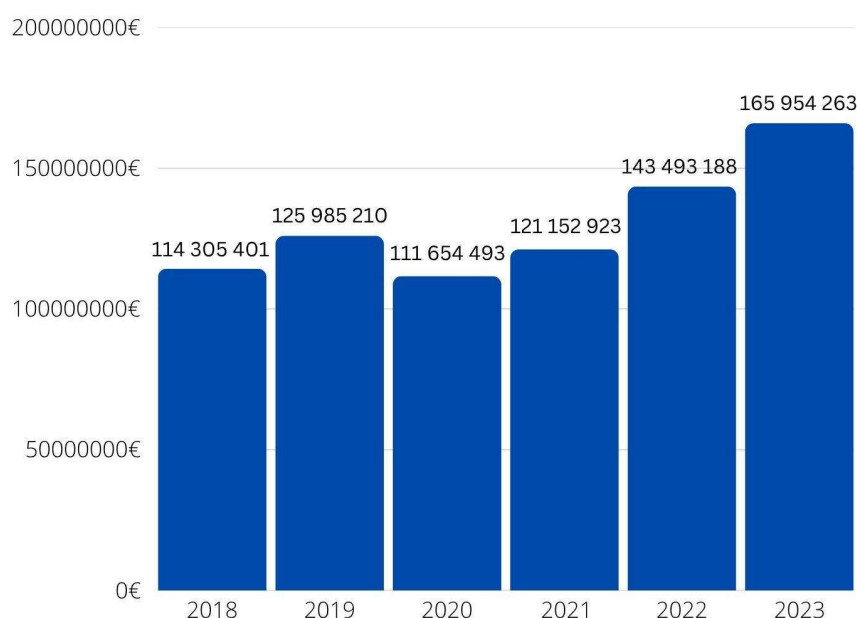
Figure 34: Expenditures on cultural and creative activities (€) in Centro de Portugal (2018-2023)

Huge events like the concerts of Coldplay in May 2023 in the city stadium of Coimbra attract many visitors, also from abroad, and need special organization. This led, among other interventions, to higher expenditures for cultural activities in the Coimbra region in 2023 compared to other subregions of Centro de Portugal which can be seen below in **figure 35**. With expenses of 37.199.994€, Coimbra region spent by far the highest amount on cultural and creative activities in 2023, followed by the Aveiro region with 24.507.845€. The lowest expenditures on these kinds of activities were monitored in the subregions Viseu Dão Lafões (13.447.956€) and Beira Baixa (12.857.304€).
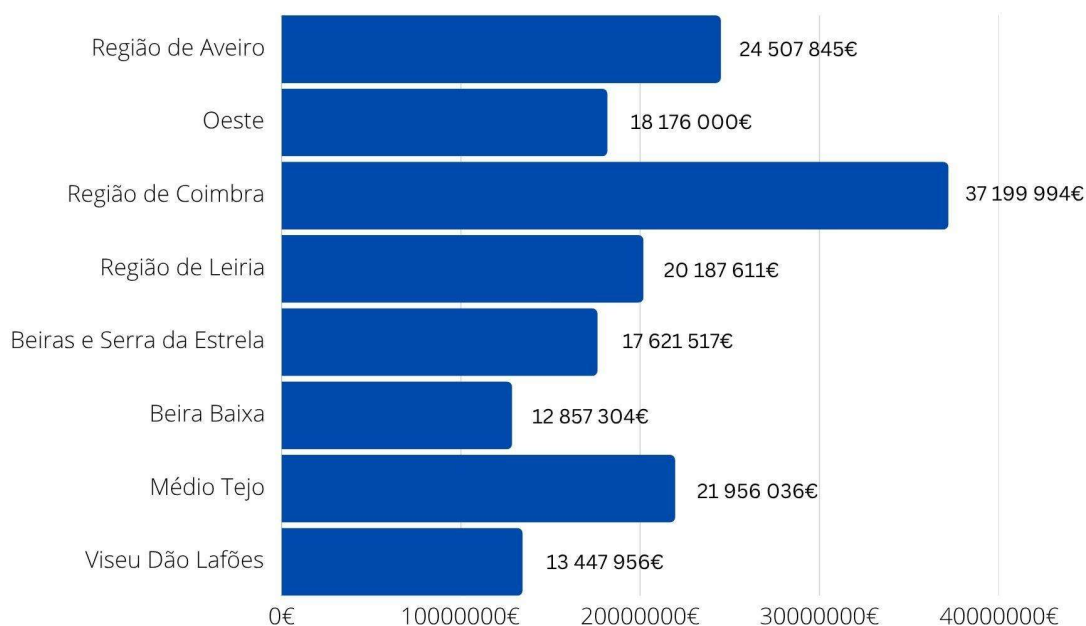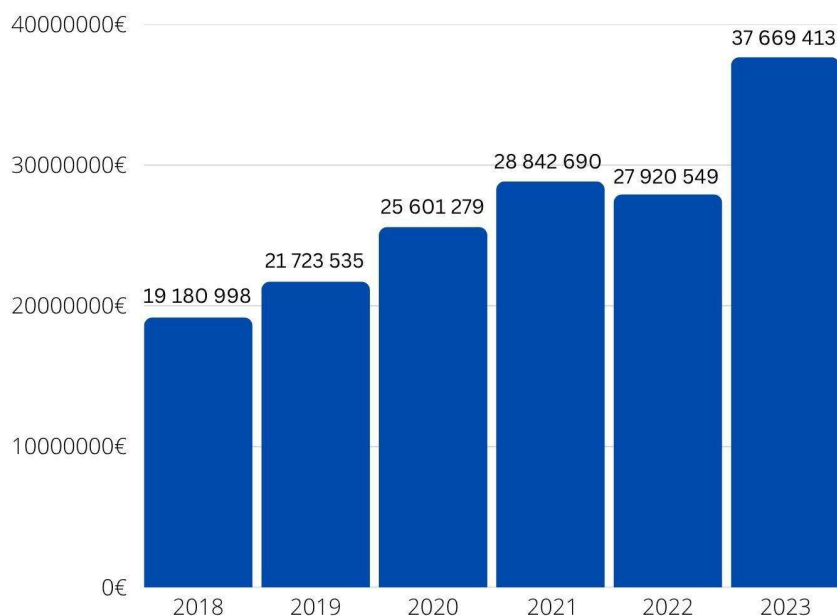
Figure 35: Expenditures on cultural and creative activities (€) in the sub-regions in Centro de Portugal (NUTS III level, 2023)

Besides cultural and creative activities, governance systems also partly organize the expenditures for cultural heritage, which includes tangible as well as intangible heritage. As tangible heritage are defined for example historic building structures, artifacts or also regional specific landscapes whereas in the intangible cultural heritage mostly the language, music, dance and traditional practices and techniques are included.

Comparing the value of expenditures on cultural heritage in Centro de Portugal in 2023 with previous years, the amount spent has strikingly increased, especially compared to pre-pandemic years. While in 2018, a total of 19.180.998€ was spent on cultural heritage, in the two major COVID19 years 2020 and 2021 this amount increased significantly (see **figure 36**). As most tourism activities were shut down during these years, renovations and constructions could take place without disturbing the visitors. For 2023 this indicator grew to expenses of 37.669.413€ in Centro de Portugal. The several UNESCO World Heritage Sites in the Centro region as well as many castles, museums or monasteries need constant maintenance.

Figure 36: Expenditures on cultural heritage (€) in Centro de Portugal (2018-2023)

In Centro de Portugal, 30,79% of the expenditures on cultural heritage were measured in the Coimbra region in 2023, also shown in below **figure 37**. A huge contribution in the total expenses of 11.598.413€ can be addressed to the maintenance work at the UNESCO site of the University of Coimbra. In the region of Leiria, where the second biggest amount with 5.001.267€ and therefore less than half of the Coimbra region value was spent on cultural heritage. As for the expenses on cultural and creative activities, Viseu Dão Lafões (1.977.898€) and Beira Baixa (2.755.223€) also have the lowest share in the expenditures on cultural heritage.
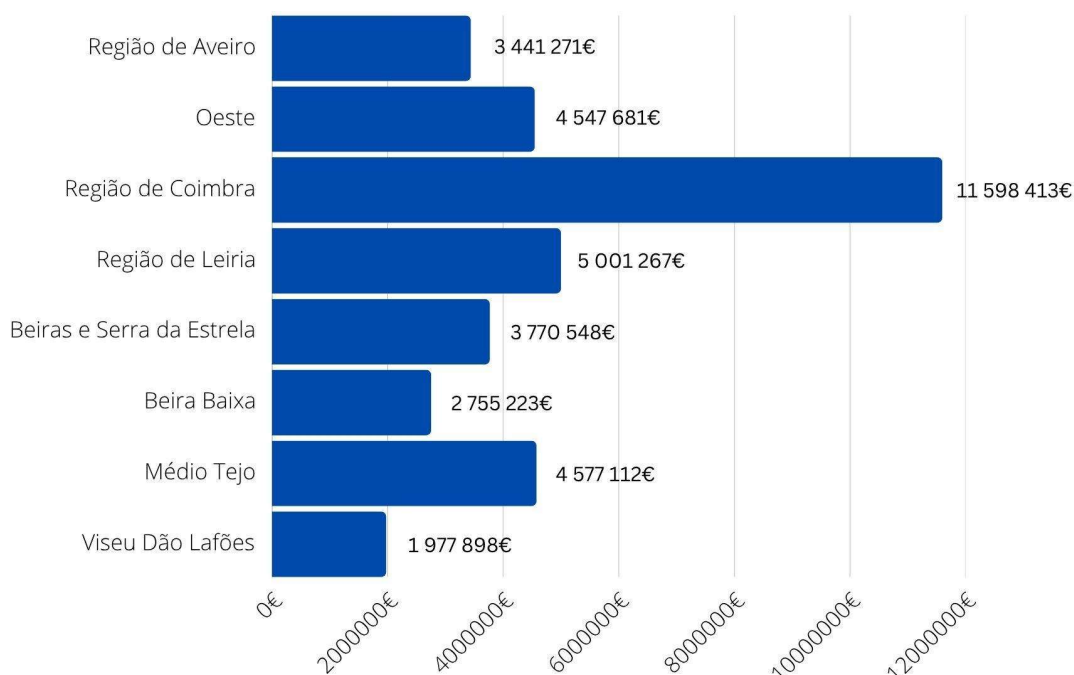
Figure 37: Expenditures on cultural heritage (€) in the sub-regions in Centro de Portugal (NUTS III level, 2023)

Another indicator in the issue area of governance is the dependency of Centro de Portugal on the three main markets. If a destination has a high dependence on their main markets, the tourism economy can be potentially quite vulnerable if one or more of the main markets suddenly drop out. In pre-pandemic years, for example in 2019, the dependency on the three main markets in the Centro region was monitored at 20,51% while in 2020, when the COVID19 pandemic massively impacted the tourism industry, the share decreased to 11,57% (see **figure 38**). For the year of 2023 the dependency was measured at 17,83%, a better value than before the pandemic. Diversifying the source markets is important for a destination to be more independent and economically resilient.
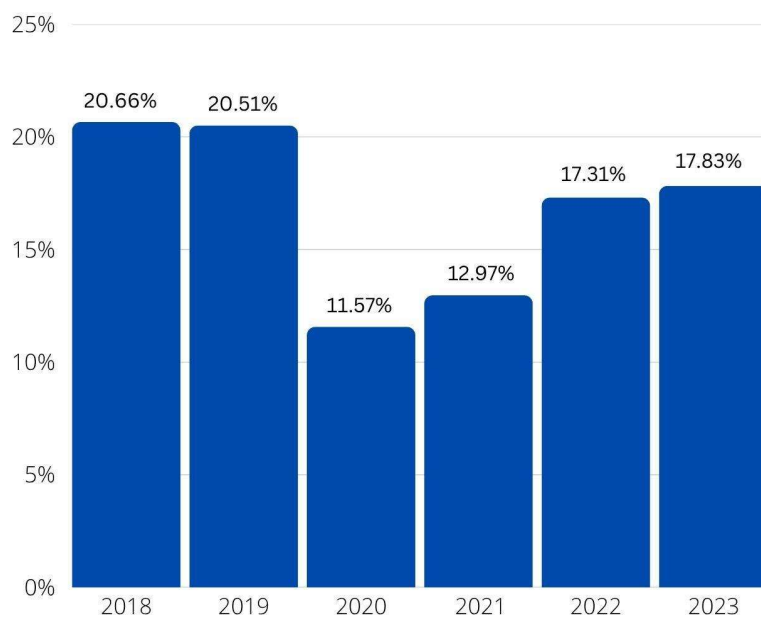
Figure 38: Dependency of Centro de Portugal on the 3 main markets (2018-2023)

11 Local Satisfaction

A local community can benefit or suffer from tourism in their region. New career and job opportunities, better social services and infrastructure are advantageous for locals, but when they have to face overcrowding or shortened resources, negative impacts are dominating (World Tourism Organization, 2004). To guarantee a sustainable tourism development, it is important to include local residents in planning and developing future tourism strategies (Gupta et al. 2021). To ensure this, the Destination Management Organization (DMO) in the region and tourism stakeholders have to act as the mediator between the community and tourists. Having regular talks with locals and giving them a possibility to communicate their concerns regarding tourism in the destination, helps to prevent unhappy locals and, in an extreme case, hostility towards tourists (World Tourism Organization, 2004).

Tourism intensity is an indicator used in the issue area of local satisfaction, calculated by dividing the number of nights spent by the local population. This indicator can help a destination to reveal over tourism when values are very high. On the other hand, low tourism intensity can signal a rather menial tourism activity, due to different possible reasons like less attractiveness or popularity of the destination. Tourism destinations with indicator values around the EU27 average are considered to have a more balanced dependence on tourism.

In Portugal, the average tourism intensity in 2023 was monitored at 7,25 while in the EU 27 states, the average tourism intensity was at 6,54. In the Centro region, the average was measured at 3,45, shown in **figure 39**. This value is exceeding pre-pandemic numbers from 2018 with a tourism intensity of 3,04 and from 2019 with 3,20 in Centro de Portugal.
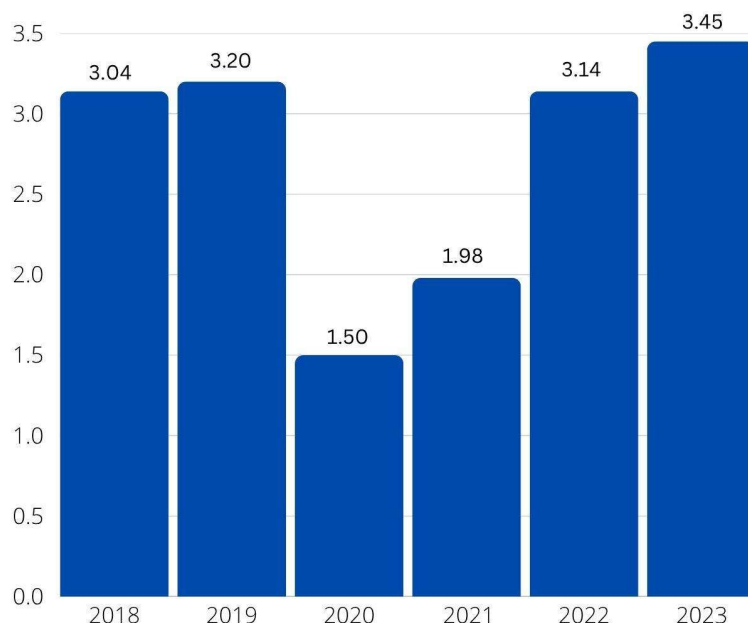
Figure 39: Tourism intensity in Centro de Portugal (2018-2023)

Six municipalities in the Centro region had a higher tourism intensity than the Portuguese average of 7,25 with the highest value of 24,76 at Ourém where the Sanctuary of Fátima is located. This religious site had a specially high number of overnight stays as Pope Francis visited Fátima in August 2023, but it is commonly the most visited municipality in the region. The other municipalities with a high tourism intensity are Manteigas (24,36), Óbidos (22,10), Nazaré (17,43), Peniche (10,12) and São Pedro do Sul (9,30). A link between the high tourism intensity and the local satisfaction can be observed. The sub-regions of Centro de Portugal, which have a municipality with a high tourism intensity, showed less overall satisfaction with the tourism activities in their area, especially during summer.

The Centro de Portugal Sustainable Tourism Observatory conducted three annual residents satisfaction surveys towards tourism activities in 2022, 2023 and 2024. The 2023 survey was conducted by the observatory's partner using a different methodology - Importance-performance analysis (IPA) - which will not be continued,

so in the future OTSCP will go back to the methodology and indicators that were implemented in 2022. In 2022, a total of 937 replies from permanent residents in 90 out of 100 municipalities were collected and 496 out of 937 presented suggestions of improvement. However, in 2023 a total of 626 replies from permanent residents could be collected.

The original 2022 survey had four main sections:
1. Evaluation of the impacts of tourism
2. Degree of concordance to common beliefs of the impacts of tourism
3. Evaluation of satisfaction towards tourism
4. Open suggestion field

In section 1, a 5 point Likert scale was used, being (1 = "very damaging/harmful"; 2 = "damaging/harmful"; 3 = "has no effect"; 4 = "beneficial"; 5 = "very beneficial") for these seven questions/sentences:

a) "Impacts of tourism on the quality of life in your region";
b) "Impacts of tourism on cultural heritage in your region";
c) "Impacts of tourism on nature resources in your region";
d) "Impacts of tourism on regional identity";
e) "Impacts of tourism on regional culture";
f) "Impacts of tourism on environment preservation in your region";
g) "Impacts of tourism on the economy in your region".

In section 2, there were eight sentences enhancing the positive impacts of tourism and five mentioning the harms. The residents were invited to show his/her level of agreement or disagreement with them (from 1 - disagree completely to 5 - agree completely).

The positive impacts:

a) "In this region, tourism is beneficial for the local community";

b) "In this region, tourism is beneficial for me";

c) "In this region, tourism creates job opportunities";

d) "In the region I live in, tourism contributes to make local economy better";

e) "In my region tourism contributes to benefit basic infrastructures (water and sewage, communications, electric, power, public transports)";

f) "In the region I live in, tourism contributes for increasing leisure and cultural experiences options"

g) "In the region I live in, tourism contributes for buildings requalification and urban planning";

h) "In the region I live in, tourism contributes to the preservation of natural resources".

The negative impacts:

a) "In the region I live in, tourism contributes for the increase of the cost of life";

b) "In the region I live in, tourism contributes for the increase of insecurity perception and vandalism";

c) "In the region I live in, tourism contributes for the increase of overcrowding in local places";

d) "In the region I live in, tourism contributes to the increase visual and sound pollution";

e) "In the region I live in, tourism contributes to the increase of waste and garbage production".

In section 3, the main questions that were asked were related with the overall opinion of residents regarding tourism activities in their region, by using the same agreement/disagreement scale as used in section 2, for these five sentences:

a) "I feel generally satisfied with tourism in the region where i live in, in spring";

b) "I feel generally satisfied with tourism in the region where i live in, in summer";

c) "I feel generally satisfied with tourism in the region where i live in, in autumn";

d) "I feel generally satisfied with tourism in the region where i live in, in winter";

e) "I feel generally satisfied with the level of involvement of residents in the decisions taken regarding tourism planning and development".

To get an annual evaluation of satisfaction, the observatory calculated an average of the results of the first four sentences and the result was 3,27. However the level of satisfaction regarding the level of involvement of residents in the decisions taken regarding tourism planning and development was only measured at 2,53.

For 2023, the Observatory adopted the IPA (Importance-Performance analysis) in its annual inquiry. This method allows one to understand the importance given by respondents to a certain issue and, on the other hand, evaluate the actual performance of the destination in that issue.

The 2023 survey had three main sections:

1: Importance of promoting sustainable development in the region

2: Impacts of tourism in Centro de Portugal region

3: Open suggestion field

In section 1, a seven point Likert scale was used (from 1 - totally irrelevant to 7 - extremely relevant), regarding the perception of importance given by the respondent about 35 indicators, divided by four categories (economical, social, cultural and environmental).

For section 2, a seven point Likert scale was used as well (from 1 - extremely negative to 7 - extremely positive), to measure the perception of the respondents about the performance of the destination regarding the same 35 indicators from section 1.

Regarding the average of the replies about the performance of the destination, assuming the same level of relevance to each one of the four given categories, the level of satisfaction was 5,62, which was lower than the evaluation of perception of importance given in all of them (average of 6,09). This value is also higher than the 3,27 (out of 5) evaluation of satisfaction that was obtained in the 2022 survey, however, considering the completely different approach and methodologies used, it's more convenient to make comparisons with the 2024 results, when the original methodology will be applied again.

In section 3, the respondents were invited to answer a closed question (regarding their involvement in tourism) and an open one, regarding their insights on how tourism could improve its impacts. 349 out of 626 presented suggestions of improvement, mainly regarding governance and management issues (43,7%), sustainability of tourism (20,8%), tourism planning (17,5%) or improvement of local infrastructures (14,4%).

Conclusions and future prospects

As it is mandatory for each INSTO member to monitor all eleven issue areas and demonstrate the results of these in the Annual Progress Report, there is clearly room for improvement for OTSCP. The extent of measuring can vary between the issue areas, for some of them only limited to no information is currently available. Some indicators are only available for the whole country and not specifically for the subregions or municipalities. Especially the environmental focused issue areas of energy, water and solid waste management are not monitored sufficiently in Centro de Portugal with only two indicators in each area. For wastewater management, unfortunately no data is available at this point and therefore no indicator could be presented. For the Annual Progress Report of 2024, the monitoring in these issue areas needs to be improved. Different indicators could be measured in the wastewater management, such as the percentage of tourist accommodation that has wastewater treatment facilities onsite or the percentage of tourism enterprises that implemented measures to decrease the generation of wastewater.

Also for the issue area of accessibility, three indicators were shown in this Annual Progress Report for 2023 and for the report for the following year of 2024, the goal is to have at least five indicators for this field. For example, indicators that measure the accessibility in rural accommodation or in cultural sites like museums can be added, but the available data was not sufficient for 2023. Potential for an increasing number of indicators is also predicted for example in the issue area of tourism seasonality. It is planned to add the percentage of tourist accommodation establishments which are open all year around. For the area of climate action, there are also some possibilities for more indicators, for example regarding the carbon footprint of tourism enterprises in or the tourists visiting the Centro region.

Of course, there are also many positive examples, for example regarding the performance of economic indicators. The goal to have bigger growth in the total income from tourist accommodation establishments than in the growth of the number of overnight stays was met in 2023, moreover the RevPAR and ADR are increasing in

Centro de Portugal and exceed values from 2019. Also social indicators like the percentage of women in tourism jobs in the Centro region or the percentage of accessible rooms in tourist accommodation establishments were monitored with highscores.

Different approaches will help OTSCP to grow their number of indicators and quality of monitoring in the future. The INSTO Insights Webinars, organized by UN Tourism, where INSTO members talk about their monitoring efforts in one issue area per webinar are a possible way to get new ideas on how to generate data in the destination. Furthermore, working together with Turismo de Portugal and their tool called TravelBI, which collects data of tourist activity in Portugal as well as using online tools like a carbon footprint calculator are intended for the future. A cooperation with other sustainable tourism observatories in Portugal would be a chance to strengthen sustainable tourism on a national level. Lastly, working together with an external company that is specialized in providing destination wide results for diverse tourism indicators and allows comparison between Centro de Portugal and its competitors is also planned for the future to ensure a wider range of quality indicators.

Another fundamental source of information that will impact on the 2024 annual progress report is the approach conducted by OECD, undertaken at the request of Turismo de Portugal, that aimed to scope the feasibility of developing and implementing indicators to measure and monitor the competitiveness of tourism and to benchmark destinations in Portugal.

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