Alentejo Sustainable Tourism Observatory (ASTO)

1ˢᵗ Annual Progress Report

Focal Area: Alentejo NUTS II Region | Portugal

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1. Executive summary

The Alentejo Sustainable Tourism Observatory (ASTO) is a platform that aims to measure and monitor tourism sustainability development in Alentejo territory. ASTO has been a member of INSTO-UNWTO since 2018 and it is hosted by the University of Évora, which is in charge of the scientific coordination of present and future monitoring, studies and reports. ASTO is a platform managed and shared by a number of regional stakeholders, such as the Regional Tourism Board of Alentejo and Ribatejo (Turismo do Alentejo e Ribatejo, ert); the Regional Higher Education System (University of Évora; Polytechnic Institute of Portalegre and Polytechnic Institute of Santarém) and also the National Tourism authority (Turismo de Portugal).

The purpose of this first Annual Progress Reports is to provide an overview of the monitoring activities for each issue area, the operations, performance and lessons identified by ASTO during its first year of implementation, according to the Rules for the Operation and Management of the UNWTO International Network of Sustainable Tourism Observatories (INSTO).

In order to pursue the objectives, the document begins with an update of the destination profile. Then, an overall description of the current monitoring process is presented, divided into 8 mandatory issue areas: Tourism Seasonality, Employment, Destination Economic Benefits, Local Satisfaction, Energy Management, Water Management, Waste Water (Sewage) Management, and Solid Waste Management. The available tourism-related data is described to enable stakeholders to evaluate the sector's performance. The last section intends to identify ongoing activities which are currently being implemented and also forthcoming activities that may be implemented next year.

2. Destination Profile of Alentejo Region

Table 1 describes the updated main destination profile indicators for tourism activity in the Alentejo region (NUT II).

Table 1 │ Destination Profile of Alentejo Region

1	Is/Are there Tourism Satellite Account/s (TSA) in the destination country/ies, measuring the economic dimensions of tourism at national level?	☒YES ☐ Last time national TSA was conducted: 2016 NO
2	Sector relevance: Contribution of (a) tourism and (b) other economic sectors to the national (and if available local) GDP (%) – latest figures	a) Contribution of tourism to the National GDP (2018): 8.2%. b) National (2018 preliminary results): Trade, vehicle repair, accommodation and food services (20.2%); Financial activities, insurance industry and real estate activities (17.1%); Industry (14.7%); Transport and storage, activities of information and communication (8.3%); Energy, water and sanitation (3.8%); Agriculture, forestry and fishing (2.3%); Construction (4.1%); Other activities and services (29.7%). c) Regional (2016 results): Mining and quarrying, manufacturing, electricity, gas, steam and air conditioning supply, water abstraction, purification and supply, sewerage, waste management and remediation activities (22.8%); Wholesale and retail trade, repair of motor vehicles and motorcycles, transportation and storages, accommodation and food service activities (21.9%); Public administration and defence, compulsory social security, education, human health and social work activities (20.8%); Real estate activities (11.8%); Agriculture, livestock production, hunting, forestry and fishing (9.9%); Construction (3.5%); Professional, scientific technical and similar activities, administrative and support service activities (3.5%); Financial and insurance activities (2.4%); Arts, entertainment and recreation, repair of household goods and other services (2.3%); Information and communication activities (1.2%).
3	Arrivals of inbound (non-resident) visitors for last three years – Thousands	Overnight: 683.787 (2018); 634.624 (2017); 540.860 (2016) Same-day visitors: -- Total: --
3.1	% of total annual arrivals of inbound (non-resident) visitors occurring in peak month and in peak quarter (indicate which month and quarter)	August (peak month): 14.9% / Peak quarter (3rd): 39%
4	Trips of domestic visitors for the last three years (Thousands)	Overnight: 1,180.604 (2018); 1,165.693 (2017); 1,042.831 (2016) Same-day visitors: -- Total: --
4.1	% of total annual trips of domestic visitors occurring in peak month and in peak quarter (indicate which month and quarter)	August (peak month): 17% / Peak quarter (3rd): 40%
5	Tourism industries: accommodation for visitors in hotel and similar establishments (Units)	Number of establishments (2018): 146 Total rooms: 6,404 Total bed-places: 13,927
6	Current top 5 primary source markets for the destination	Portugal, Spain, Brazil, France, USA (2018)
7	Please describe the destination's experience with other monitoring initiatives/systems	Click here to enter text.
8	Are there strategies in place for sustainable development of the destination?	☒YES Name of those of relevance: Turismo do Alentejo ERT, the destination's tourism board, is carrying out a sustainability certification process [Biosphere Certification], which has started with the process of Sustainable Tourism Certification for Accommodation for hotels (over 30 hotels in certification process at the moment) and will reach the whole chain of tourism services with the final goal of sustainable certification for the destination. Also is supporting some actions related with UNESCO Intangible Cultural Heritage classification.
9	Please specify if there are any other initiatives/projects of relevance for the Observatory in the destination (and which)?	Castro Verde Biosphere Reserve; Paul do Boquilobo Biosphere Reserve; Biosphere Certification; Alqueva Tourism Destination Starlight; Vicentina Route and Grande and Rota do Montado.
11	DMO(s) in monitoring area: Yes/No and year of establishment	☒YES Year of establishment:2008

The NUT II Alentejo integrates 5 NUT III: Lezíria do Tejo; Alto Alentejo; Alentejo Central; Baixo Alentejo and Alentejo Litoral. Figure 1 summarizes the main indicators for these territorial units, highlighting the proportion each NUT III represents in the NUT II Alentejo.

Figure 1 │ Proportion of NUT III regions in relation to Alentejo NUT II in Guests, Overnight Stays, Available Beds and Tourism Establishments (2017)
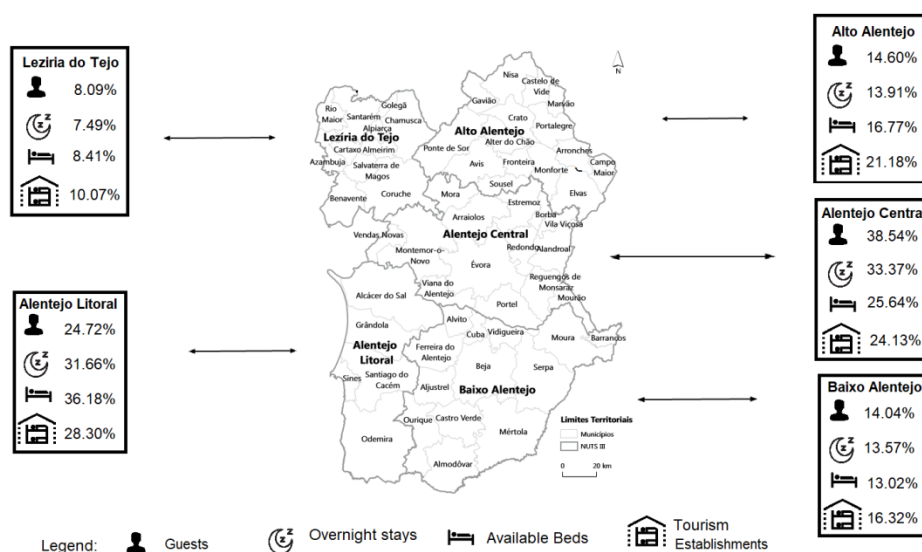
Source: Own elaboration, INE (2019)

As illustrated in Figure 1, in 2017, Alentejo Central had the highest tourism demand concentrating with 38.54% of guests and 33.37% of overnight stays in the Alentejo region. Alentejo Litoral was the region with the highest tourism accommodation capacity with 36.18% of available beds and 28.30% of tourism establishments. Furthermore, Lezíria do Tejo has the lowest tourism demand and accommodation capacity, with 8.09% of the total guests in the region NUT II, 7.49% of overnight stays, 8.41% of available beds and 10.07% of tourism establishments.

Since the preliminary report, which was submitted in November 2017, some indicators have evidenced some changes. The following table intends to update the main indicators for the Alentejo region.

Table 2 │ Evolution since Preliminary Report (November 2017) until Current Report (May 2019)

Indicator	2017 Report	2019 Report
Contribution of tourism to the national GDP	6.9% (2016)	8.2% (2018)
Arrivals of inbound (non-resident) visitors for the last 3 years	540.9 (2016) 400.9 (2015) 335.4 (2014)	683.8 (2018) 463.6 (2017) 540.9 (2016)
Trips by domestic visitors for the last three years	1,039.8 (2016) 949.6 (2015) 840.2 (2014)	1,180.6 (2018) 1,165.7 (2017) 1,042.8 (2016)
Current top 5 primary source markets for the destination	Portugal, Spain, France, Brazil, Germany, USA (2016)	Portugal, Spain, Brazil, France, USA (2018)

Source: Turismo de Portugal (2019)

As it can be observed in Table 2, in the last two years the contribution of tourism to the national GDP grew from 6.9% (2016) to 8.2% (2018). This growth tendency can also be identified in the arrivals of inbound (non-resident) visitors, indicator with a growth of 49.1% from 2016 to 2018, while trips by domestic visitors registered a growth of 13.2% in this period.

In terms of the top 5 primary source markets for the destination, Portugal is still the leading market; the German market lost its place in the top 5 and the Brazilian market has increased its representation and has become the 3rd biggest consumer in the region.

3. Process of Monitoring Issues

To accomplish its objective of monitoring sustainability in the 8 areas, ASTO team searched for data available at the official entities data bases and found several indicators with different level of geographic desegregation. The collected data is organized and analysed in the following sections.

3.1. Economic Value

Tourism is an important economic activity with an important impact in Portugal, with a contribution of national GDP (8.2%) (Table 3).

Table 3 | Destination Economic Benefits

Sustainability Indicator	Year	Destination Economic Benefits		
Relative contribution of tourism to the destination's economy (% GDP)	2017	Portugal – 7.8% Alentejo – n.a.		
			Portugal	Alentejo
Average length of stay of tourists (nights)	2018	Average length of stay	2.8	1.8
		Residents	3.2	1.8
		Non-residents	2	1.8
Percentage of locally produced food, drinks, goods and services sourced by the destination's tourism enterprises	2016	Portugal – 57.6% Alentejo – 47.4%		
Average annual growth of overnight stays (%)	2010/18	Portugal – 5.55% Alentejo – 5.97%		
Annual average growth of accommodation capacity	2014/17	Portugal – 4.14% Alentejo – 5.61%		

Source: Turismo de Portugal (2019); INE (2018b) (*see Appendix 1 - Table 1 to 3*); n.a. not available

In 2018, the average length of stay in the Alentejo region was 1.8 nights for internal tourism, both residents and non-residents. The NUTIII region with the highest average

length of stay, in 2017, was Alentejo Litoral (2.3 nights) and the lowest was verified in Alentejo Central (1.6 nights) (see Table 1, Appendix 1).

From 2010 to 2018, overnight stays in the Alentejo region increased 5.97% per year, while national overnight stays grew 5.55% per year. As shown in Table 2 (Appendix 1), over the last 8 years the region maintained a level of approximately 3% of the overnight stays of the country.

From 2014 to 2017, as a response to the growth in tourism demand, the accommodation capacity of the region grew 5.61%, in average, per year. In this period of time, the region maintained a level of approximately 6% of the accommodation capacity of the country, as can be confirmed in Table 3 (Appendix 1).

Table 4 | Employment

Sustainability Indicator	Year	Employment
% of jobs in tourism that are seasonal	2016	Portugal – 16.1% Alentejo – 19.8%

Source: Turismo de Portugal (2019)

According to Turismo de Portugal (TravelBI, 2019), nearly 20% of tourism jobs in Alentejo were seasonal in 2016, which implies that 80% were stable all over the year.

Table 5 | Tourism Seasonality

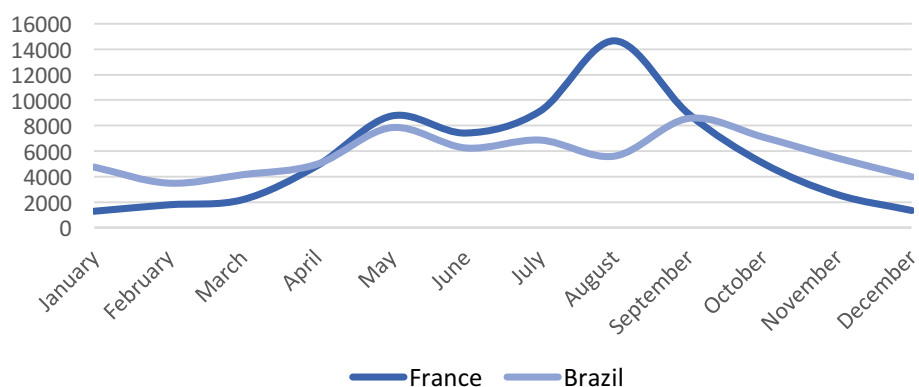| Sustainability Indicator	Year	Annual Bed Occupancy Rate		Annual Room Occupancy Rate	
		Portugal	Alentejo	Portugal	Alentejo
Occupancy rate in commercial accommodation per month and average for the year	2018	29.0%	18.2%	42.2%	31.0%
Seasonality Rate	2018	Portugal – 36.0% Alentejo – 39.2%			
% of hotels open year round	2017	Portugal – 92.7% Alentejo – 94.8%			

Source: Turismo de Portugal (2019) (*see Appendix 2, Tables 1 and 2*)

As reported by Turismo de Portugal (TravelBI, 2019), the region annual average for both types of occupancy rates (bed and room) is considerably lower than the national ones. As can be seen in Table 1 of Appendix 2, both the national and regional monthly occupancy rate revealed wide seasonality with a peak in August.

The Alentejo region tourism seasonality rate is 39.2%. The most seasonal inbound market is the French one with a seasonal rate of 48.0%, and the most stationary is the Brazilian with a seasonal rate of 34.0% (Figure 2). Domestic tourism has a high seasonality rate of 40.0%. These values are represented in Table 2 (Appendix 2).

Figure 2 │ Monthly distribution of the Overnight Stays of the French and Brazilian markets in Alentejo region (2018)

Source: Turismo de Portugal (2019)

Even though there are low seasons with occupancy rates around 18.0%, 94.8% of the region's hotels stay open all year long.

3.2. Social Indicators

Table 6 │ Local Satisfaction with Tourism

Sustainability Indicator	Year	Local Satisfaction
Tourist density (overnights/km^2)	2018	Portugal – 625 Alentejo – 59
Tourist intensity (overnights/1000 residents)	2018	Portugal – 5,426 Alentejo – 2,550
Available beds per 1000 residents	2018	Portugal – 30 Alentejo – 18
% of residents who are satisfied with tourism in the destination (per month/season)	--	These results are pending an ongoing project of the observatory
% of residents who are satisfied with the impacts of tourism on the destination's identity	--	These results are pending an ongoing project of the observatory

Source: Turismo de Portugal (2019)

According to Turismo de Portugal (2019), in 2018 the tourist density registered in the Alentejo region was 59 overnight stays per km^2, which represents one tenth of the tourist density of Portugal. Concerning the tourist intensity index, in 2018 the Alentejo region recorded 2550 overnight stays per 1000 residents, approximately half of the value

registered in Portugal, and there are 18 available beds per 1000 residents in the Alentejo region, which is more than half of the national value. The remaining results are pending an ongoing project of the observatory.

3.3. Environmental Indicators

In terms of energy and water management, the Alentejo region achieved interesting good results when comparing with the national ´picture` in this regard (Table 7). Thus, 69.5% of lodging establishments took limiting energy consumption as an objective and 68.4% reducing water consumption.

Table 7 | Energy Management and Water Management

Sustainability Indicator	Year		Energy Management	Water Management
% of lodging establishments with objectives to limit energy consumption	2016		Portugal – 61.6% Alentejo – 69.5%	
			Portugal	Alentejo
		Class A appliances or superior	66.3%	63.3%
		Thermal and acoustic insulation of windows, waterproof frames	79.4%	75%
Top 5 energy saving measures	2016	Energy-saving light bulbs	96.6%	93.3%
		Air conditioning Acclimatization system with intensity adjustable by the customer	90.0%	95.0%
		Lighting system activated by card	72.3%	58.3%
% of tourism enterprises taking actions to reduce water consumption	2016		Portugal – 62.2% Alentejo – 54.2%	
% of tourism enterprises with objectives to reduce water consumption	2016		Portugal – 60.3% Alentejo – 68.4%	
% of treated and potable water in destination	2016		Portugal – 98.7% Alentejo – 99.1%	
			Portugal	Alentejo
		Low consumption flushing system	73.0%	71.2%
		Guests invited to communicate any loss of water	76.5%	62.7%
Top 5 measures taken to reduce water consumption	2016	Change of towels and sheets requested by guest or according to the minimum legal required	92.6%	89.8%
		Water flow reducers in taps and showers	70.0%	55.9%
		Timers in taps	31.2%	18.6%

Source: Turismo de Portugal (2019b)

The Alentejo region evidenced good results in the top 5 measures to reduce both water and energy consumption. Nevertheless, there are two indicators that registered less significant results. Concerning the top 5 energy-saving measures, only 58.3% of tourist enterprises have a "lighting system activated by card", and for the top 5 measures to reduce water consumption, only 18.6% of tourist enterprises have "timers in the taps". It should be highlighted that the region percentage of treated and potable water is 99.1%, which is a remarkable result.

Table 8 | Waste Water Management and Solid Waste Management

Sustainability Indicator	Year	Waste Water (Sewage) Management	Solid Waste Management
% of tourism enterprises separating different types of waste	2016	Portugal – 63.0% Alentejo – 51.20%	

Source: Turismo de Portugal (2019b)

Different types of waste are separated by 51.2% of the tourism enterprises in the Alentejo region. This result is slightly lower than the one registered for the whole country (63%).

Table 9 | Other Indicators

Sustainability Indicator	Year		Portugal	Alentejo
Resort areas that are certified for their sustainability efforts	2018	Portugal – 378 Alentejo – 39		
% of water in resort areas that is considered good / excellent quality when compared to the rest of the water in the destination	2017	N of resort areas with water considered good/excellent	603	32
		% of water in resort areas considered good/excellent	95.4%	96.9%
		N of resort areas with water considered good	46	0
		N of resort areas with water considered excellent	529	31
% of tourism enterprises that provide training / information on sustainable practices to their collaborators	2016	Portugal – 82.2% Alentejo – 78.3%		
Environmental spending per inhabitant	2015	Portugal – € 63.07 Alentejo – € 62.43		
% of tourism enterprises / establishments in the destination using voluntary certification / labelling for environmental / quality / sustainability factors and/or Corporate Social Responsibility	2016	Portugal – 38.5% Alentejo – 44.8%		
% of tourism establishments available for guest with special needs	2017	Portugal – 65.0% Alentejo – 58.9%		

Source: Turismo de Portugal (2019b); INE (2019)

In the Alentejo region, 39 resort areas are registered as certified due to their sustainability efforts, which represents 10% of the national resort areas. Additionally, in 96.9% of the resort areas, the water is considered to be of good/excellent quality (Table 9). Furthermore, is noteworthy that 44.85% of the tourism enterprises/establishments are using voluntary certification/labelling for environmental/quality/sustainability factors

and/or Corporate Social Responsibility, and 78.3% provide training/information on sustainable practices to their collaborators (Table 9).

4. Final Reflexions

In order to accomplish sustainability in tourism development, ASTO intends to develop/share tourism key indicators, as part of an integrated approach to destination management, stressing the importance of collaboration, cooperation, ongoing assessment, effective communication and continuous holistic perspective. These key indicators will permit to achieve the following objectives: to measure and compare regional/sectoral tourism performances; to identify and justify strengths/weaknesses and opportunities/challenges; to demonstrate effective use or endogenous resources allocation; to evaluate trade-offs, adjust prioritizations, plan and budget; to become compliant with regional key sustainable standards; to account to internal and external stakeholders through communication of tourism sector progress and process; and to inform and educate regional communities.

This 1st Annual Progress Report reflects part of the ASTO's initial knowledge sharing based approach regarding the measurement of the tourism impacts in Alentejo and provides a first overview of the monitoring activities for each issue area in tourism in the Alentejo region. Based on the collected indicators, ASTO recognizes that, although some of the indicators show interesting evolution and performance of the region compared to the whole country, there is space for improvement regarding sustainability in Alentejo' s tourism activity and monitoring issues.

During the next months, is expected that ASTO will be able to develop the following tasks/activities:

1) ASTO website (http://www.asto.pt) and social network pages (Facebook; Twitter; Instagram and YouTube channel) – July 2019

2) Survey regarding the Local satisfaction with tourism – May/October 2019

3) Publication of the Tourism Trends and Data News in the Alentejo, that aims to report the results of the regional tourism activity (1st Edition) - June 2019 [to access all the information, follow the link bellow: https://mailchi.mp/1a4adc306337/alentejo-tourism-trends-and-data-news?e=cd9a477aac]

4) Constitution of the Local Working Group (LWG) – October 2019

5) Monitoring sustainable tourism indicators of the most attractive tourism locals at a municipal level – (Example: Municipality of Évora - appendix 3).

However, the implementation of these activities is highly dependent on overcoming a significant obstacle – financial resources/funding.

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Appendix 1 | Destination Economic Benefits

Table 1 – Average Length of Stay of Tourists (nights) 2017		
	Regional Average Length of Stay	**Average Length of Stay of Inbound Tourism**
Portugal	2.7	3.2
Alentejo	1.8	1.9
Alentejo Litoral	2.3	2.6
Baixo Alentejo	1.8	2.1
Lezíria do Tejo	1.7	2.0
Alto Alentejo	1.7	1.7
Alentejo Central	1.6	1.5

Source: INE (2019)

Table 2 – Growth of Overnight Stays (2010-18)										
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**Annual Average Growth(%) 2010'18**
Portugal	37391291	39440315	39681040	41569716	45872499	48850667	53552907	57622917	57600290	5.55%
Alentejo	1172558	1243652	1142145	1113427	1297609	1430204	1583691	1800317	1864391	5.97%
Proportion (%)	3.14%	3.15%	2.88%	2.68%	2.83%	2.93%	2.96%	3.12%	3.24%	--

Source: Turismo de Portugal (2019)

Table 3 – Accommodation Capacity (2014-17)					
	2014	**2015**	**2016**	**2017**	**Annual Average Growth (%) 2014´17**
Portugal	342 497	362 005	380 818	402 832	4.14%
Alentejo	18 374	21 472	22 779	22 861	5.61%
Proportion (%)	5.36%	5.93%	5.98%	5.68%	--

Source: INE (2018)

Appendix 2 | Tourism Seasonality

Table 1 – Occupancy Rate in Commercial Accommodation per Month and Average (2017)				
	Bed Occupancy Rate (%)		**Room Occupancy Rate(%)**	
	Portugal	**Alentejo**	**Portugal**	**Alentejo**
January	28.1%	18.3%	40.9%	29.8%
February	36.3%	23.5%	50.6%	35.7%
March	41.6%	24.2%	57.8%	38.2%
April	58.5%	44.8%	72.3%	57.6%
May	57.1%	38.3%	74.6%	56.3%
June	63.1%	47.2%	76.9%	60.0%
July	71.0%	58.3%	77.7%	59.2%
August	80.1%	75.0%	85.3%	74.5%
September	67.2%	57.0%	83.6%	69.9%
October	55.7%	38.5%	72.8%	55.7%
November	37.1%	26.0%	54.9%	43.6%
December	32.4%	26.5%	43.3%	38.4%
Average of the year	29.0%	18.2%	42.2%	31.0%

Source: Turismo de Portugal (2019)

Table 2 – Seasonality in the Alentejo Region, by main markets (2018)			
	Total of Overnight Stays (N)	Seasonality Rate (%)	Ratio of Seasonal Amplitude
Alentejo	**1 864 391**	**39.22%**	**2.80**
Main markets			
Portugal	1 180 604	40.28%	2.65
Spain	155 539	41.76%	3.07
Brazil	69 103	34.02%	2.02
France	67 902	47.89%	7.43
USA	54 955	45.88%	6.29
Germany	54 423	39.99%	4.87
United Kingdom	41 310	39.87%	4.28
Netherlands	31 097	45.17%	6.08

Source: Turismo de Portugal, TravelBI (2019)

Appendix 3 │ Ongoing projects - Data collection at Évora (municipal level)

Table 1 – Évora Tourism Sustainability Indicators	Years	
Tourist intensity (guests/km^2)	2017	293.6
Tourist density (guests/resident)	2017	7.3
Staff in accommodation, catering and similar services	2017	2185
Percentage of staff in service accommodation service	2017	32.54%
Percentage of staff in catering and similar services	2017	67.46%
Overnight stays in accommodation establishments per source market	2017	585,931
Portugal	2017	50.91%
International market	2017	49.08%
Top 5 International Markets:		
Brazil	2017	49,489
Spain	2017	36,092
USA	2017	31,166
France	2017	29,336
Germany	2017	22,132
Number of accommodation establishments	2017	42
Accommodation capacity (rooms)	2017	1443
Net occupancy rate of bed places in accommodation establishments	2017	53.20%
Average length of stay in accommodation establishments	2017	1.5
Number of guests in accommodation establishments	2017	383,765
Overnight stays in accommodation establishments per 100 residents	2017	1103.8
Overnight stays in accommodation establishments	2017	585,931
Accommodation proceeds in establishments	2017	20.506
Total proceeds in accommodation establishments	2017	32,391
Seasonality rate in Évora	2018	39%
Ratio of seasonal amplitude	2018	4.10
Revenue per available room (REVPAR)	2017	39.07€

Source: Own elaboration, INE (2018)