Pilot Project: Building Capacity for Tourism Ecosystem

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Report on the impact of EU funding in tourism for the 2019-2022 period and recommendations on newer approaches

29th May 2026



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Contents

Executive summary 6

Key funding inputs during the 2019-2022 period 6

Main impacts by dimension 7

Diagnostic analysis 8

Strategic recommendations for future funding approaches 8

1. Introduction & Scope 10

1.1 Purpose of the report 10

1.2 Policy context 11

1.2.1 Why tourism financing is a policy issue in the EU 11

1.2.2 EU tourism policy and governance 12

1.2.3 Tourism funding in the EU 12

1.2.4 Key challenges and priorities in funding 13

1.3 Scope & boundaries of the assessment 14

2. Methodology & evidence base 16

2.1 Analytical framework for impact 16

2.2 Key evaluation questions 16

2.3 Data sources and triangulation strategy 17

2.4 Data extraction, classification, quality assurance and limitations 18

3. Funding for tourism in the EU: the period from 2019 to 2022 20

3.1 Direct management funding 20

3.1.1 Funding tourism projects 20

3.1.2 Funding tourism stakeholders 23

3.1.3 Funding EU priorities 29

3.2 Shared management funding 31

3.2.1 European Regional Development Fund 32

3.2.2 European Social Fund (ESF) 36

3.2.3 Cohesion Fund (CF) 36

3.2.4 European Agricultural Fund for Rural Development (EAFRD) 36

3.2.5 European Maritime and Fisheries Fund (EMFF) 37

4. Impact assessment: quantitative evidence 38

4.1 Impact dimension A - Contribution to EU priorities (green, digital and resilience) 38

4.2 Impact dimension B - SME participation and accessibility outcomes 38

4.3 Impact dimension C - Distribution of benefits across tourism subsectors 39

5. Diagnostic analysis 41

5.1 Sectoral conditions 41

5.2 Programme design 41

5.3 Information and support ecosystems 42
6. Strategic recommendations and future funding approaches 44
6.1 Recommendation framework 44
6.2 New and more effective funding approaches 44
6.3 Targeted measures for underfunded subsectors 45
6.4 Improving SME accessibility and success rate 46
7. Conclusions 48
Sources 50
Annex: Operational programmes reviewed 52

Index of figures

Figure 1: Tourism-related projects and funding as a share of each centrally managed programme, 2019–2022 22
Figure 2: Projects with at least the participation of one tourism stakeholder 23
Figure 3: Funds received by tourism stakeholders per programme 23
Figure 4: Tourism stakeholder by type 24
Figure 5: Nature of tourism stakeholders by programme 24
Figure 6: Tourism funding by stakeholder subsector 25
Figure 7: Evolution of funding to tourism stakeholders by programme 26
Figure 8. Percentage of SMEs from the analysed subset of cascade funding beneficiaries 28
Figure 9: Cascade-funded SME beneficiaries by tourism subsector (analysed subset) 29
Figure 10: Number of projects by thematic axis 30
Figure 11: Share of tourism investment within ESIF funding 32
Figure 12: ERDF tourism lines of action as a share of the total 33
Figure 13: Tourism lines share of ERDF by country 34
Figure 14: SME & business-support lines share of ERDF by country 35
Figure 15: ERDF spent on tourism and SME support lines by year 36
Figure 16: EAFRD: Lines of action dedicated to SME measures versus total 37

Index of tables

Table 1: Evaluation questions, evidence base and strength of evidence 17
Table 2: Tourism-related projects and funding by centrally managed programme, 2019–2022 21
Table 3: Annual EU funding committed to tourism-related projects by centrally managed programme, 2019–2022 (EUR million) 26
Table 4: Primary and secondary thematic axis combinations of tourism-related projects, 2019–2022 30

Executive summary

This report assesses **how EU funding supported the tourism ecosystem during the 2019-2022 period and what the evidence implies for future funding design**. Its central finding is that EU support to tourism was strategically relevant and reached the sector through multiple instruments, but in a structurally uneven way. Although the EU does not have a dedicated tourism budget line, tourism benefited from a **broad set of direct and shared management instruments that connected the sector to major Union priorities such as resilience, digitalisation, sustainability, skills and territorial cohesion**. This distributed architecture created important funding opportunities, but it also reduced visibility, coherence and accessibility for many tourism actors, particularly the SME-based core of the ecosystem. In practice, the question is therefore not whether the EU funds tourism, but how effectively the current multi-instrument architecture translates funding into meaningful support across the tourism value chain. The findings describe funding allocation, participation and portfolio alignment; they do not constitute a counterfactual impact evaluation (see Section 2.4 on limitations).

Key funding inputs during the 2019–2022 period

The evidence shows that EU tourism funding during 2019-2022 was channelled through **two distinct but complementary routes**. Under **direct management**, tourism support was embedded in broader programmes such as Horizon/Horizon Europe, COSME and the Single Market Programme, Creative Europe, Erasmus+, Digital Europe and LIFE. Tourism-related direct funding was therefore not organised as a stand-alone portfolio, but as a **cross-cutting set of projects financed under wider policy objectives** such as innovation, SME competitiveness, culture, skills and digital transition. The direct-management evidence points to a portfolio with **high strategic relevance but low penetration within the largest programmes**. For example, tourism accounted for only **0.24% of both projects and funding under Horizon** and **0.45% of projects and 0.32% of funding under Erasmus+**, while its strongest programme fit was found in **Creative Europe**, where tourism-linked activity represented **6.77% of projects and 3.49% of funding**. In **Digital Europe**, which only started in 2021 and for which shares therefore refer to 2021–2022 only, tourism represented **0.58% of projects and 1.43% of funding** under a strict tourism classification, but up to **3.54% of projects and 4.44% of funding** when tourism-eligible projects were considered, illustrating the importance of horizontal instruments for the sector's digital transition.

The direct-management beneficiary profile reveals a **strong concentration in organised intermediaries and public actors**. This indicates that direct management largely reached tourism through actors with stronger project-development capacity, proposal-writing skills and network access. Funding by tourism subsector was also highly concentrated: attractions and cultural sights absorbed approximately EUR 48.9 million and tourist information and guide services around EUR 11.8 million, while accommodation, travel agencies, tour operators, bars and restaurants and passenger transport each remained below EUR 2 million. Attractions and cultural sights alone represented around 77% of the tourism funding captured by tourism stakeholders in the direct-management dataset. **A different accessibility pattern is visible in third-party or cascade funding**: within the analysed subset of **145 cascade beneficiaries**, **SMEs accounted for the full beneficiary base**, and participation extended more visibly into underrepresented subsectors such as accommodation, restaurants and tour operators.

Under **shared management**, the European Structural and Investment Funds provided the **main large-scale investment route for tourism**. The review of 2014-2020 operational programmes carried out indicates that around **EUR 10.8 billion** was programmed for explicitly tourism-related measures in the 2014-2020 cycle, which remained the main implementation framework up to 2022: EUR 10.48 billion under the ERDF and EUR 329 million under the Cohesion Fund, while the ESF and the EAFRD did

not record explicit tourism allocations. **Tourism-related investment represented around 2.8% of total programmed ESIF resources** on average. Within this architecture, the **ERDF was the dominant tourism fund**, with tourism-related lines accounting for **5.5% of total ERDF allocation**, corresponding to approximately **EUR 10.5 billion** out of an overall ERDF envelope of around EUR 190.6 billion in the implementation dataset reviewed. Country variation was significant: tourism-related ERDF shares reached 16.4% in Malta, 10.3% in Cyprus, 9.1% in Portugal and 7.8% in Italy, while several countries showed very limited explicit tourism programming. In parallel, SME and business-support lines represented around **28.6% of ERDF overall**, indicating a major indirect support channel for tourism businesses even where tourism was not labelled explicitly. Cumulative ERDF tourism-related expenditure also increased steadily during the period reviewed, rising from around EUR 1.0 billion in 2019 to EUR 2.3 billion in 2022.

Main impacts by dimension

The most visible alignment of EU tourism funding during 2019–2022 was with **the resilience agenda**. In the direct-management portfolio, 165 out of 217 projects (76.0%) were classified primarily as resilience-oriented, compared with 28 green projects (12.9%) and 24 digital projects (11.1%). In investment terms, resilience-led projects represented approximately EUR 125.2 million, or 61.5% of the total project investment in the thematic portfolio reviewed, while green and digital projects accounted for EUR 39.7 million (19.5%) and EUR 38.7 million (19.0%) respectively. This suggests that **resilience was the principal entry point** through which tourism actors accessed EU support during the period, reflecting both the pandemic context and the wider policy emphasis on recovery, adaptation and continuity. At the same time, the evidence indicates that **green and digital transition were present but carried through fewer and financially larger projects**, often embedded as enabling dimensions within broader resilience-oriented interventions rather than as stand-alone investment logics.

A second key impact dimension concerns **accessibility and SME reach**. The evidence suggests that EU tourism funding mobilised mainly ecosystem-level actors, with only **uneven direct reach into the SME-dominated core of the sector**. Direct management mainly financed innovation, experimentation, transnational cooperation, destination-level governance and collective public goods, but **SMEs accounted for only 68 of the 522 tourism-stakeholder beneficiary records (13.0%)** in the direct-management portfolio. This means that a significant share of SME benefit was likely **indirect**, mediated through consortium projects, destination-level interventions, training, digital tools or downstream deployment channels rather than through direct grant capture. **Shared management is therefore particularly important from an accessibility perspective**, because ERDF tourism lines and wider SME/business-support measures appear better suited to broad territorial reach, operational investment and support delivered closer to tourism firms through national, regional and local implementation systems. By contrast, **cascade funding mechanisms** demonstrate within direct management that when transaction costs are reduced and funding is delivered through smaller, simpler and more operationally proportionate formats, uptake becomes much more closely aligned with the real structure of the tourism economy. The policy implication is that **funding design itself is a major determinant of impact**, because it shapes not only what types of projects are funded but also who can realistically participate and benefit.

A third impact dimension concerns the **distribution of benefits across tourism subsectors**. The portfolio shows that EU funding most clearly reinforced the **destination ecosystem layer of tourism rather than the firm-level productivity layer**. Direct-management support was heavily concentrated in **attractions, cultural assets and visitor-information functions**, indicating that EU funding was particularly concentrated on supporting destination-facing public goods, place-based cultural value, interpretation, governance and visitor experience. These are meaningful and potentially durable

contributions, especially for diversification, resilience and territorial attractiveness. **Shared management adds a complementary impact channel**, as ERDF and other structural funds are more closely linked to place-based development, SME competitiveness, local infrastructure and operational support measures that can reach tourism-dependent territories even when tourism is not always labelled explicitly. However, the relative underrepresentation of **accommodation, food services, intermediaries and other firm-intensive subsectors** in the most visible direct-management data suggests that the benefits of funding did not spread evenly across the wider tourism value chain. The overall pattern is therefore one of **real but uneven contribution**: strong where funding supports collective destination functions and territorial development, and more limited where impact depends on broad firm-level adoption across a highly fragmented business base.

Diagnostic analysis

The report identifies **four structural factors** that explain why funding outcomes were uneven despite the scale and diversity of EU support. First, the tourism ecosystem is overwhelmingly composed of **micro and small enterprises** with limited administrative capacity, restricted co-financing ability and strong dependence on day-to-day operations. This creates a **structural mismatch** between many funding instruments and the operational realities of the sector. Second, tourism is financed through a **cross-cutting policy architecture rather than a dedicated funding line**, which means that many tourism stakeholders must identify and access support through non-tourism-labelled calls and policy logics. This reduces visibility, increases navigation costs and contributes to **opportunity blindness**, particularly for smaller firms and less organised actors.

Third, **programme design strongly influences both participation and impact**. Direct management tends to reward actors that are already institutionally capable, well-networked and experienced in proposal development, while shared management is generally better positioned to deliver operational and territorially embedded support but is less transparent at final-beneficiary level. The evidence suggests that where funding mechanisms **reduce transaction costs, simplify access and provide staged or intermediary-led pathways**, participation becomes more proportionate to the structure of the tourism economy. Fourth, **information and support ecosystems are decisive**. SMEs rarely succeed in isolation. Access to reliable local intermediaries, destination organisations, development agencies, chambers, business associations and project support services often determines whether firms can identify opportunities, interpret programme logic, build partnerships and deliver projects. Where these support ecosystems are weak, funding remains formally available but **practically inaccessible**.

Strategic recommendations for future funding approaches

The report concludes that future improvement depends less on creating entirely new funding volumes than on making the existing architecture **more strategic, more targeted and more proportionate to the realities of tourism**. Four priorities stand out. First, future funding should be organised more explicitly around **tourism transition pathways**, linking instruments to concrete medium-term objectives such as resilient destinations, low-carbon tourism models, digital destination management, skills renewal and climate adaptation in tourism-dependent territories. Second, the funding system should make stronger use of **layered delivery models** that connect large flagship projects with downstream uptake mechanisms, including **cascade funding, voucher schemes, replication windows and SME-oriented deployment support**. This would improve the conversion of EU-level experimentation into broad ecosystem impact.

Third, future approaches should introduce **more targeted corrective measures for underfunded subsectors and territories**, particularly **accommodation, food services, intermediaries and other**

fragmented segments that face high transition needs but weak funding uptake. This may require more subsector-sensitive call framing, collective transition vehicles and territorially anchored support models. Fourth, **SME accessibility should be treated as a core performance objective of EU tourism funding**. This implies simpler access channels, stronger advisory and intermediation ecosystems, more proportionate selection logic, and clearer progression routes between first-entry instruments and more advanced funding opportunities. Overall, the key policy message for the European Commission is that **the current EU tourism funding architecture already contains many of the right instruments**, but its effectiveness will increasingly depend on whether it can convert dispersed opportunities into **coherent, accessible and balanced support for the tourism ecosystem as a whole**.

1. Introduction & Scope

1.1 Purpose of the report

This report provides an analytical assessment of how European Union funding has supported the tourism ecosystem over the period 2019–2022. Its primary purpose is to move beyond a descriptive account of funding flows towards an evidence-based understanding of **what EU funding has enabled in the sector**, **where it has been less effectively absorbed**, and **what improvements could strengthen its future contribution**.

More specifically, the report pursues four complementary objectives:

1. **Analyse the allocation of EU funding to tourism (2019–2022):** The report examines how financial support relevant to tourism has been distributed across funding instruments and implementation modalities, distinguishing between centrally managed EU programmes and funding delivered through national and regional authorities. This provides a consolidated view of how tourism-related interventions are financed and through which channels tourism stakeholders access support.
2. **Assess the contribution of funding to policy-relevant outcomes:** The report evaluates the extent to which EU funding has contributed to outcomes aligned with core EU priorities that shape tourism policy and investment, notably:
    - the **green transition** (sustainability, resource efficiency, climate adaptation),
    - **digitalisation** (digital uptake, innovation, data-driven services),
    - and **resilience** (crisis preparedness, diversification, skills and capacity to adapt). Given the multi-factor nature of sectoral change, the report focuses on contribution and observed results supported by available evidence, rather than attributing impact exclusively to funding.
3. **Provide a diagnostic of funding uptake and identify underfunded areas:** The report identifies tourism subsectors and stakeholder profiles that appear to have absorbed less funding during the period and explores the underlying reasons. The diagnostic considers both sector-specific constraints (e.g., fragmentation, scale, investment capacity) and funding-system factors (e.g., programme design features, administrative burden, information asymmetries, and access to support ecosystems). This diagnosis is intended to explain not only *where* gaps exist, but also *why* they persist.
4. **Translate findings into strategic recommendations and future funding approaches:** Based on the analysis, the report formulates actionable recommendations aimed at improving the effectiveness, targeting and accessibility of future funding for tourism stakeholders—especially SMEs. Recommendations cover both:
    - **strategic orientations** (how funding priorities and instruments can better reflect tourism needs and EU objectives), and
    - **operational improvements** (how to reduce barriers, simplify access, strengthen support mechanisms, and promote uptake in underfunded subsectors). The report also proposes forward-looking funding approaches designed to better support impact, scalability, and reach across the tourism value chain.

Overall, the report is designed to support decision-making by providing a coherent narrative that links **funding allocation patterns**, **observed outcomes**, **diagnostic evidence on barriers and gaps**, and

practical recommendations on how future funding can be made more effective for the tourism ecosystem.

1.2 Policy context

1.2.1 Why tourism financing is a policy issue in the EU

Tourism is a major economic sector in the European Union and one of the EU's key industrial ecosystems. In 2019 (pre-pandemic baseline), the EU-27 accounted for around 37% of international tourist arrivals worldwide, and tourism represented an estimated 9.9% of EU GDP and 11.6% of employment (total economic contribution estimates; European Court of Auditors, 2021, Special Report 27/2021, based on UNWTO data[1]). The sector is structurally dominated by SMEs, which is a key determinant of financing needs and constraints. The European Court of Auditors' Special Report 27/2021 is particularly relevant in this context because it confirms both the economic weight of tourism and the structural features of EU support: there is no dedicated EU budget line for tourism, funding is delivered through multiple EU programmes, and the effectiveness of support depends heavily on how investment priorities are translated into actions and selected projects—especially under cohesion policy instruments such as the ERDF.

Since the pandemic, recovery has been strong but uneven, reinforcing the urgency of improving financing mechanisms and access pathways. Recent international evidence indicates that global tourism activity has largely rebounded: UN Tourism reported that, globally, direct tourism GDP recovered to pre-pandemic levels in 2023, and international tourism flows were projected to fully recover by the end of 2024[2]. These data fall outside the 2019–2022 reference period and are cited for context only. This recovery has not eliminated structural challenges; instead, it has shifted the policy debate toward accelerating the sector's green and digital transition while strengthening resilience and competitiveness. In parallel, the persistence of workforce challenges and the uneven pace of recovery across destinations mean that improving how funding reaches the tourism ecosystem remains a policy priority rather than a temporary crisis response.

In the EU context, these dynamics interact with the tourism sector's business structure. The tourism ecosystem is overwhelmingly composed of SMEs (99.9%), most of them micro-enterprises, which form the backbone of the industry[3]. This fragmentation amplifies financing challenges: micro and small firms typically face limited administrative capacity, constrained access to co-financing, and difficulties engaging in complex, capacity-intensive funding instruments. These constraints are central to understanding why "funding exists" but may not "reach" the sector effectively, especially where programmes require sophisticated proposal design, consortium building, or substantial upfront investment capacity.

At the same time, tourism policy remains primarily a Member State prerogative, with the EU acting in a complementary role. This institutional set-up shapes how financial support is designed and delivered: many critical decisions on priorities, project pipelines, and implementation routes sit at national and regional level, even when funding originates from the EU budget. The ECA underlines that, under shared management, Member States select projects financed through operational programmes and follow up on implementation, while the Commission supervises implementation within its regulatory

[1] European Court of Auditors (2021). *EU support to tourism – Need for a fresh strategic orientation and a better funding approach*. Special Report 27/2021. Luxembourg: Publications Office of the European Union. Notice published in OJ C 507, 16 December 2021, p. 11. Available at: https://www.eca.europa.eu/Lists/ECADocuments/SR21_27/SR_EU-invest-tourism_EN.pdf

[2] UN Tourism (2024). *World Tourism Barometer*, Volume 22, Issue 1, January 2024. Madrid: World Tourism Organization. ISSN 1728-9246.

[3] European Commission, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (2022). *Transition Pathway for Tourism*. Luxembourg: Publications Office of the European Union. ISBN 978-92-76-47149-3, doi:10.2873/344425 (https://transition-pathways.europa.eu/system/files/2024-09/Transition_Pathway_For_TourismFEB2022_correctedlink.pdf). Published 4 February 2022

competences. This multi-level governance model can improve territorial tailoring, but it also increases variability in how tourism is prioritised and how accessible funding is in practice—making the assessment of uptake, bottlenecks, and effectiveness particularly important for informing future improvements[4].

1.2.2 EU tourism policy and governance

Under Article 6(d) of the Treaty on the Functioning of the European Union (TFEU)[5], tourism is an area in which the Union has competence to "support, coordinate or supplement" the actions of the Member States; Article 195 TFEU provides that the Union "shall complement the action of the Member States in the tourism sector, in particular by promoting the competitiveness of Union undertakings in that sector". In practice, the Commission's tourism work is integrated into broader strategies (European Commission, 2024, *Overview of EU tourism policy*). Over the past decade the Commission issued tourism strategy communications (2010, 2014)[6] and, after the COVID-19 crisis, co-created a **Tourism Transition Pathway** (European Commission, February 2022) and the **European Agenda for Tourism 2030**[7] to align policies around sustainability, digitalisation and resilience. Tourism is economically significant – an estimated 9.9% of EU GDP and 11.6% of employment in 2019 (European Court of Auditors, 2021) – so EU policies aim to maximise its growth while steering the sector toward the green and digital transitions.

1.2.3 Tourism funding in the EU

EU support to tourism is delivered through a **distributed financing architecture**. There is **no dedicated tourism budget line** in the EU budget; instead, tourism-related investments are financed through mainstream EU programmes whose objectives are broader (innovation, cohesion, competitiveness, climate action, skills, etc.). As a result, tourism projects typically compete within thematic priorities (e.g., green transition, digitalisation, regional development), and the visibility of tourism depends on how these priorities are interpreted in calls and programmes.

In practice, tourism stakeholders access EU support through two main routes with distinct governance and implications for accessibility:

- **Direct management programmes**, where the European Commission (or its executive agencies) manages calls and grants centrally. These rely on transparency data on projects, beneficiaries and allocated funding, enabling a more granular view of participants and financing flows. Programmes reviewed in this category include Horizon 2020/Horizon Europe, COSME/Single Market Programme, Creative Europe, Digital Europe, Erasmus+, and LIFE. Direct management programmes operate through centrally managed calls. The analysis in Section 3.1 shows that some programmes support tourism only **as an application domain** (e.g., research and innovation programmes), while others are more directly aligned with SMEs and tourism needs (e.g., SME-focused programmes). It also shows that in several direct programmes, tourism stakeholders often participate as partners rather than coordinators,

[4] European Court of Auditors. (2021). *EU support to tourism.*

[5] Consolidated version of the Treaty on the Functioning of the European Union, Articles 6(d) and 195. *Official Journal of the European Union*, C 202, 7 June 2016, pp. 47–200.

[6] European Commission (2010). *Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe*. COM(2010) 352 final, 30 June 2010; & European Commission (2014). *A European Strategy for more Growth and Jobs in Coastal and Maritime Tourism*. COM(2014) 86 final, 20 February 2014.

[7] **Council of the European Union (2022).** *European Agenda for Tourism 2030 – Council conclusions* (adopted on 1 December 2022). Document 15441/22 (COMPET 969, TOUR 78), Brussels, 1 December 2022. Available at: https://data.consilium.europa.eu/doc/document/ST-15441-2022-INIT/en/pdf

reflecting the skills and resource demands of large consortia and the cross-sector nature of many calls.

A practical implication is that tourism stakeholders may find direct management most accessible when:

- the call theme is clearly aligned with tourism challenges (digital services, sustainable destinations, skills, cultural heritage), and/or
- the programme is designed around SMEs and offers mechanisms that broaden reach beyond core consortia (e.g., downstream support models).

- **Shared management instruments**, where EU resources are allocated by the Commission to **national managing authorities** and often channelled through **intermediate bodies** before reaching final beneficiaries. These funds typically involve national/regional co-financing and are implemented through **operational programmes (OPs)**, priorities and measures defined at national or regional level. In this context, tourism support depends on whether tourism is explicitly integrated into OPs or benefits indirectly through cross-cutting measures (SME competitiveness, sustainability, digitalisation).

  Shared management instruments represent a substantial volume of EU investment, but the path to the final tourism beneficiary is indirect. Funding flows from the Commission to national authorities, is translated into operational programmes, and is then implemented through calls or schemes that may be managed at regional or national level (often with intermediate bodies involved). Unless tourism is explicitly integrated into OP priorities, tourism stakeholders may only benefit indirectly through broader measures (e.g., SME competitiveness, sustainability, digitalisation).

  Within shared management, the **European Regional Development Fund (ERDF)** is the main vehicle for tourism investment and the predominant fund supporting tourism-related measures (European Court of Auditors, 2021). The review of 2014-2020 operational programmes carried out for this report shows that the ERDF accounted for EUR 10.48 billion of the approximately EUR 10.8 billion programmed for explicitly tourism-related measures (around 97%), with the Cohesion Fund contributing EUR 329 million. In parallel, the envelope for **SME-related measures** is considerably larger: around EUR 54.5 billion under the ERDF (approximately 28.6% of the ERDF) and EUR 39.55 billion under the EAFRD, complemented by EUR 2.23 billion under the ESF and EUR 16 million under the Cohesion Fund. These SME measures constitute a major indirect channel through which tourism SMEs can benefit, even when tourism is not labelled explicitly in programme design.

This structure matters because it helps explain a recurring policy problem: **funding exists across multiple instruments, yet it does not consistently translate into accessible opportunities for tourism SMEs and local stakeholders**, particularly when calls are complex, dispersed, or embedded in priorities that are not labelled as “tourism”.

1.2.4 Key challenges and priorities in funding

First, the sector’s structural vulnerability to crises. Tourism is among the sectors most exposed to external shocks. Economic downturns, sanitary emergencies such as the COVID-19 pandemic, and ecological disruptions like heatwaves, wildfires or rising sea levels have repeatedly demonstrated the fragility of the tourism ecosystem. These crises generate sudden declines in demand, disrupt international mobility, and put pressure on destinations heavily dependent on visitor flows. This high sensitivity underscores the need for constant adaptation and resilience-building. In response, EU strategies have integrated crisis preparedness into the broader policy framework for tourism,

encouraging investments in diversification, sustainability and digitalisation to ensure that destinations and businesses are better equipped to withstand and recover from future shocks.

Second, the sector's structure and fragmentation complicate the targeting of funding. Tourism is mainly composed of micro and small enterprises, and projects are often local (e.g. cities, islands and rural areas). Aligning EU funds to thousands of diverse needs is challenging. The European Court of Auditors' audit of 2014–2020 cohesion spending found that while some ERDF tourism projects delivered lasting value, others suffered from poor planning or unclear objectives (European Court of Auditors, 2021, Special Report 27/2021). The audit recommended sharper selection procedures and common result indicators to ensure sustainable outcomes. For 2021–2027, Regulation (EU) 2021/1058 introduced a common output indicator on cultural and tourism sites supported (RCO 77) and a common result indicator on visitors to cultural and tourism sites supported (RCR 77), improving tracking.

Third, financing gaps and co-financing can be an issue. The required national co-financing (often 15–50%, reflecting EU co-financing rates of 50–85% under Article 120 of Regulation (EU) No 1303/2013) means that ambitious projects need strong local budgets or private investors. In practice, wealthier regions find it easier to co-finance large tourism projects than poorer ones (despite higher EU shares). The Commission therefore encourages combining EU funds with national/regional funding. In practice, beneficiaries frequently combine EU co-financing with national or regional schemes and private finance.

Overall, the 2019–22 period saw tourism deeply integrated into the wider EU funding landscape. No single "tourism fund" exists; instead, the sector's development is woven into cohesion, industrial, climate and innovation policies. This means funding priorities follow EU strategic goals like the Green Deal and the Digital Agenda, while allowing Member States flexibility in supporting tourism.

1.3 Scope & boundaries of the assessment

This assessment covers **EU funding relevant to the tourism ecosystem over the period 2019-2022**. The time horizon was selected because it captures a particularly significant policy and market cycle: the final years of the 2014-2020 programming period, the disruption caused by the COVID-19 crisis, and the early recovery phase in which resilience, digitalisation and sustainability became more explicitly embedded in EU tourism policy. Programmes adopted under the 2014–2020 Multiannual Financial Framework remained in implementation throughout the reference period (expenditure eligible until 31 December 2023), while 2021–2027 programmes – adopted in 2021 – began committing funds from 2021. For centrally managed programmes, successor programmes (Horizon Europe, Single Market Programme, Digital Europe) are therefore only present in 2021–2022. The report therefore does not aim to provide a full historical review of EU tourism funding, nor an ex post assessment of the entire 2014-2020 or 2021-2027 programming cycles. Instead, it offers a focused analysis of a transition period that is especially relevant for understanding how EU funding has been mobilised in response to sectoral vulnerability and structural transformation pressures.

In substantive terms, the report covers **both direct management and shared management funding routes**, but with different levels of analytical granularity reflecting the available evidence. For direct management programmes, the analysis examines tourism-related projects financed through six centrally managed programmes extracted from the Financial Transparency System: Horizon 2020 and Horizon Europe, COSME and the Single Market Programme, Creative Europe, Erasmus+ (centrally managed actions only), Digital Europe and LIFE. For shared management, the assessment focuses primarily on the ERDF and, where relevant, other structural and investment funds that may support tourism directly or indirectly. However, the report does not attempt to reconstruct all tourism-related expenditure across every EU instrument or all Member State implementation channels. Rather, it

concentrates on the main funding streams for which a sufficiently robust analytical basis could be established.

The unit of analysis is **tourism-relevant funding activity**, not tourism policy in general. This means the report is concerned with how funding has been allocated, who has participated, which themes have been prioritised, what forms of contribution can reasonably be inferred, and where structural barriers appear to limit uptake or impact. It does not assess the full effectiveness of EU tourism policy instruments beyond funding, nor does it evaluate national tourism strategies, regulatory frameworks or market performance in a comprehensive way. Equally, the report does not treat all tourism-related outcomes as attributable to EU funding alone. As set out in the methodology, the analysis is framed around **contribution, reach and strategic direction**, recognising that observed changes in the sector are shaped by multiple factors including market dynamics, national policy choices, institutional capacity and the wider post-pandemic recovery context.

These boundaries are important for interpreting the findings that follow. First, the assessment does not claim to establish strict causal impact in an econometric sense, because the available evidence does not support that level of attribution. Second, for shared management in particular, the analysis is constrained by the fact that available data are often more aggregated, making it easier to assess funding volumes and lines of action than final beneficiary reach or achieved outcomes. Third, the categorisation of “tourism” necessarily involves a degree of analytical judgement, since tourism is cross-sectoral by nature and often embedded in broader measures related to SMEs, culture, innovation, mobility, skills or territorial development. The report therefore adopts a pragmatic boundary and uses the following terms consistently: a tourism**-related (tourism-only) project** is a project whose main objective or target group is tourism; a **tourism-eligible project** is a project funded under a call open to tourism stakeholders without a specific tourism focus; a **tourism stakeholder** is a beneficiary whose main activity falls within the tourism NACE codes defined at the start of the project; and a **beneficiary record** is a project–beneficiary combination, as distinct from a unique organisation. These definitions are set out in Section 2.4. Within these limits, the assessment is intended to provide a **credible, decision-oriented evidence base** for understanding funding patterns, identifying bottlenecks and informing future funding approaches for the tourism ecosystem.

2. Methodology & evidence base

2.1 Analytical framework for impact

The analytical framework used in this report is designed to assess **the contribution of EU funding to tourism-relevant change** over the period 2019-2022, while remaining consistent with the limits of the available evidence. Given the distributed nature of EU tourism funding, the diversity of implementation routes and the absence of a single tourism-specific intervention logic, the analysis does not attempt to establish strict causal attribution between funding and sectoral outcomes. Instead, it applies a **contribution-based impact lens**, asking what the observed funding portfolio suggests about the direction, reach and likely effects of support across the tourism ecosystem.

The framework therefore combines three complementary dimensions. First, it examines **strategic contribution to EU priorities**, particularly the extent to which funded actions support the green transition, digitalisation and resilience agenda shaping EU tourism policy. Second, it considers **reach and accessibility**, focusing on whether funding appears to benefit the SME-based core of the sector or is concentrated in actors with stronger institutional and project-development capacity. Third, it looks at the **distribution of benefits across tourism subsectors and implementation channels**, in order to understand which parts of the ecosystem are most visible in EU funding and which appear comparatively underrepresented. Taken together, these dimensions provide the bridge between the descriptive mapping of funding flows in Section 3, the contribution analysis in Section 4, and the diagnostic and recommendation-oriented analysis developed in Sections 5 and 6.

2.2 Key evaluation questions

The evaluation questions below translate the scope of the report and the analytical logic agreed in the inception phase into a practical structure for assessment. They are intended to guide the interpretation of the evidence rather than to imply that every question can be answered with the same level of precision. In line with the report's boundaries, they focus on **contribution, patterns of access, strategic alignment and observed gaps**, rather than on full causal impact evaluation.

1. **How has EU funding relevant to tourism been allocated over the period 2019-2022?** This question examines the scale and distribution of support across direct and shared management instruments, programmes and funds, in order to establish the overall funding architecture affecting the tourism ecosystem.
2. **To what extent does the observed funding portfolio align with key EU priorities for tourism?** This concerns the contribution of the portfolio to the green transition, digitalisation and resilience, including whether these priorities appear as primary investment logics or as secondary dimensions within broader projects and programmes.
3. **Which types of tourism stakeholders appear to benefit most from EU funding, and with what implications for accessibility?** This question focuses particularly on the role of SMEs, public authorities, NGOs, intermediaries and other beneficiary profiles, in order to assess whether funding is reaching the structurally dominant business base of the sector or remains concentrated in more capable actors.
4. **How are the benefits of funding distributed across tourism subsectors and territorial contexts?** The objective is to identify which parts of the tourism value chain appear more visible and better served by EU funding, and which subsectors or territories remain comparatively underrepresented.

5. **What does the available evidence suggest about the contribution of funding to tourism-related outcomes?** Here the assessment considers the extent to which the portfolio can reasonably be associated with outcomes such as improved resilience, digital uptake, sustainability-oriented investment, stronger destination capacity, or wider ecosystem support, while recognising the limits of attribution.
6. **What structural or design-related factors appear to explain uneven uptake or underfunding?** This question links the funding evidence to the wider diagnostic perspective, exploring whether programme design, co-financing requirements, administrative complexity, information asymmetries or support-ecosystem weaknesses help explain why some actors or subsectors make less use of EU funding.
7. **What implications follow for future funding approaches for tourism?** Building on the preceding questions, the report considers how future EU funding could be made more strategic, better targeted and more accessible, especially for SMEs and underfunded parts of the tourism ecosystem.

Table 1: Evaluation questions, evidence base and strength of evidence

Evaluation question	Main evidence used	Report section
EQ1 – Allocation of EU funding relevant to tourism	FTS extraction (direct management); operational programmes and implementation data (shared management)	3.1, 3.2
EQ2 – Alignment with green, digital and resilience priorities	Thematic classification of 217 tourism-related projects	3.1.3, 4.1
EQ3 – Types of tourism stakeholders benefiting	Classification of 522 tourism-stakeholder beneficiary records; cascade-funding subset (145)	3.1.2, 3.1.2.1, 4.2
EQ4 – Distribution across subsectors and territories	Funding received by tourism stakeholders by subsector; ERDF shares by Member State	3.1.2, 3.2.1, 4.3
EQ5 – Contribution to tourism-related outcomes	Portfolio classification and qualitative evidence only; no result or outcome indicators	4
EQ6 – Factors explaining uneven uptake	Interviews, best-practice cases and workshops, triangulated with funding data	5
EQ7 – Implications for future funding approaches	Synthesis of EQ1–EQ6	6, 7

Source: Authors' elaboration.

2.3 Data sources and triangulation strategy

The evidence base for this report combines several categories of publicly available EU sources in order to construct a sufficiently robust picture of tourism-related funding over the period under review.

For **direct management**, the evidence base was developed through an **extraction and structured review of data from the European Commission's Financial Transparency System (FTS)**, covering Horizon 2020 and Horizon Europe, COSME and the Single Market Programme, Creative Europe, Erasmus+, Digital Europe and LIFE. This was not used as a simple source of raw funding figures alone. Rather, the FTS data was reviewed systematically, following the protocol described in Section 2.4, in

order to understand how direct-management funding operates in practice, how support is structured across programme lines, what types of projects and beneficiaries are most visible, and how tourism-related activity is embedded within broader Commission-managed intervention logics at European level. To strengthen robustness, this direct-management evidence was **compared and contrasted with other publicly available EU sources**, including cohesion-policy documentation and other project and programme databases, so that the analysis could test consistency across sources and avoid relying on a single administrative dataset in isolation. This evidence is complemented by policy and contextual sources, notably the European Commission's *Guide on EU funding for tourism*, the *Overview of EU tourism policy*, and the European Court of Auditors' *Special Report 27/2021*, which provides an important strategic and evaluative perspective on the strengths and limitations of EU support to tourism.

For **shared management**, the analysis draws primarily on European Commission strategic and summary reporting on the implementation of the European Structural and Investment Funds, including the *Strategic report 2019 on the implementation of the European Structural and Investment Funds* (COM(2019) 627 final), the *2020 summary report of the programme annual implementation reports covering implementation in 2014-2019* (COM(2021) 213 final), and the *2021 summary report of the programme annual implementation reports covering implementation in 2014-2020* (COM(2021) 797 final). These sources provide the overarching implementation context and EU-level evidence on funding progress, thematic concentration and programme evolution. They are complemented by the review of national and regional operational programmes for the ERDF and ESF, the relevant Interreg and SME Initiative programmes, and the operational programmes linked to the Cohesion Fund and Youth Employment Initiative. Together, these sources allow the report to identify where tourism is explicitly programmed, where it appears indirectly through broader intervention lines, and how the relative importance of tourism varies across funds and Member States.

These sources are triangulated in three ways. First, **portfolio triangulation** is used to compare evidence from direct and shared management routes, allowing the report to distinguish between centrally visible tourism projects and broader structural funding channels where tourism is embedded more indirectly. Second, **level-of-analysis triangulation** combines strategic reports, fund-level synthesis documents and programme-level records so that high-level allocation patterns can be tested against more operational evidence. Third, **interpretive triangulation** links quantitative and documentary evidence to the wider policy and evaluative literature, helping to explain not only where funding appears to go, but also what that implies for accessibility, strategic alignment and likely contribution. This triangulation strategy is particularly important because tourism is a cross-sectoral field and no single source captures the full picture on its own. The approach adopted therefore prioritises consistency across sources, transparency about evidence limits, and cautious interpretation where final beneficiary reach or impact cannot be observed directly.

2.4 Data extraction, classification, quality assurance and limitations

Data extraction (direct management). Project and beneficiary data were extracted from the Financial Transparency System for Horizon 2020 and Horizon Europe, COSME and the Single Market Programme, Creative Europe, Erasmus+ (centrally managed actions only, excluding actions implemented through national agencies), Digital Europe and LIFE, covering commitments booked in 2019, 2020, 2021 and 2022. In total, 52,313 projects were reviewed. Variables used include year of commitment, programme, project title and objective, beneficiary name, legal form, country, coordinator role and amount committed. The FTS records commitments (amounts awarded), not payments; the "year" refers to the year in which the commitment was booked. Amounts are expressed in EUR at current prices and rounded to one decimal place in millions.

Project identification and classification. Projects were retained as tourism-related where tourism was the main objective or target group of the project, based on a review of project titles and objectives. For Digital Europe, a second, broader category of tourism-eligible projects was identified (calls open to tourism stakeholders without a tourism-specific focus); the two categories are reported separately and are not additive. Each tourism-related project in the thematic portfolio was assigned one primary thematic axis (green, digital or resilience) and, where relevant, one secondary axis, according to the main and supporting objectives stated in the project description.

Beneficiary analysis. Each beneficiary of a tourism-related project was classified by type (NGO or association, public authority, SME, large company, academic institution) and assessed as to whether it qualified as a tourism stakeholder. This qualitative classification relied on EU beneficiary databases, business registries, analysis of the beneficiaries' activities, and the NACE codes identified at the start of the project as the reference taxonomy for the tourism sector, which was also used to assign tourism subsectors. The 522 tourism stakeholders reported in Section 3.1.2 are **beneficiary records** (project–beneficiary combinations); an organisation participating in several projects is counted once per project. Funding was aggregated at two levels: the total EU contribution committed to tourism-related projects, and the amount received by individual tourism-stakeholder beneficiaries.

Cascade-funding subset, qualitative evidence and quality assurance. Because the FTS does not normally list third-party recipients, the analysis of financial support to third parties is based on a subset of 145 recipients drawn from the published results of cascade-funding calls. The subset is illustrative and not statistically representative. The diagnostic analysis in Section 5 also draws on qualitative evidence gathered through personalised interviews to more than 30 SMEs.

Limitations. The findings should be read in the light of the following limitations: (i) the FTS reports commitments rather than payments; (ii) the identification of tourism-related projects and stakeholders involves analytical judgement; (iii) beneficiary records do not equal unique organisations; (iv) shared-management data are available by intervention line, not at beneficiary level, and do not show final reach or outcomes; (v) the cascade-funding subset is not statistically representative; (vi) no counterfactual or result indicators were available, so the findings indicate portfolio alignment and likely contribution rather than causal impact; and (vii) macro-economic tourism statistics are total-contribution estimates and are not comparable with Eurostat tourism-industry data.

3. Funding for tourism in the EU: the period from 2019 to 2022

3.1 Direct management funding

EU support to tourism under direct management is best understood as a **portfolio of "tourism-relevant" interventions embedded in broader EU policy objectives**, rather than as a stand-alone tourism instrument. This reflects the EU's distributed financing architecture: **there is no dedicated EU budget line for tourism**, and tourism-related actions compete within programme priorities such as innovation, SME competitiveness, culture, skills, sustainability and resilience. As a result, the direct-management landscape provides a revealing "stress test" of EU policy design: it shows **where tourism aligns naturally with mainstream priorities**, which stakeholders are structurally best positioned to participate, and where uptake remains limited despite the availability of funding.

3.1.1 Funding tourism projects

Across direct management programmes, tourism financing displays a consistent pattern of **high cross-sector dispersion, low "penetration" within large programmes, and strong concentration by programme logic**. In absolute terms, the largest volumes of tourism-related direct funding are associated with the biggest multiannual instruments: **Horizon/Horizon Europe** accounts for the largest aggregate envelope captured by tourism projects over 2019–2022, followed by **Single Market Programme (SMP) & COSME**, **Creative Europe**, **Erasmus/Erasmus+**, and **Digital Europe**. While this ordering is unsurprising from a programme-size perspective, it is analytically important because it implies that tourism's access to direct EU financing is **structurally mediated by non-tourism programme objectives**—notably research and innovation (Horizon), SME competitiveness (SMP/COSME), cultural cooperation (Creative Europe), skills and mobility (Erasmus+), and digital capacity building (Digital Europe).

Table 2 consolidates, for each centrally managed programme, the total and tourism-related number of projects and funding, the corresponding tourism shares and the participation of tourism stakeholders. Table 3 (Section 3.1.2) provides the annual breakdown for 2019, 2020, 2021 and 2022. Across the five programmes for which programme totals are available, 480 of 52,313 funded projects (0.9%) were tourism-related, accounting for EUR 275.7 million of EUR 73.6 billion committed (0.4%). A further EUR 3.0 million was committed to tourism-related actions under LIFE.

Table 2: Tourism-related projects and funding by centrally managed programme, 2019–2022

Programme	Period covered in 2019–2022	Total projects funded (n)	Tourism-related projects (n)	Tourism share of projects (%)	Total programme funding (EUR million)	Funding to tourism-related projects (EUR million)	Tourism share of funding (%)	Tourism stakeholders among beneficiaries of tourism-related projects
Horizon 2020 / Horizon Europe	H2020: 2019–2022; Horizon Europe: 2021–2022	34,000	81	0.24	58,980.0	143.1	0.24	24.4%
COSME / Single Market Programme	COSME: 2019–2022; SMP: 2021–2022	5,217	59	1.13	1,700.0	41.2	2.43	65.3%
Creative Europe	2014–2020 and 2021–2027 programmes	4,415	299	6.77	989.0	34.5	3.49	36.8%
Erasmus+ (centrally managed actions)	2014–2020 and 2021–2027 programmes	7,295	33	0.45	10,270.0	33.0	0.32	36.5%
Digital Europe – tourism-only projects	2021–2022	1,386	8	0.58	1,668.0	23.9	1.43	63.1%
Digital Europe – tourism-eligible projects	2021–2022	1,386	49	3.54	1,668.0	74.0	4.44	Not stated
Total (five programmes, tourism-only, excl. LIFE)	**2019–2022**	**52,313**	**480**	**0.92**	**73,607.0**	**275.7**	**0.37**	**-**

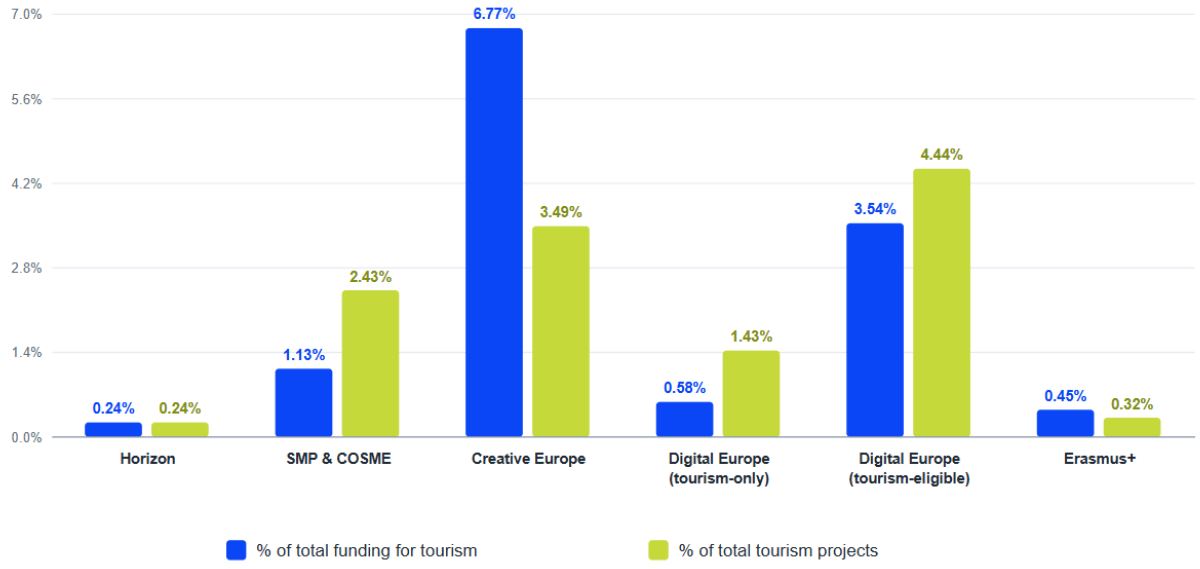
Source: Authors' analysis of European Commission, Financial Transparency System, commitments 2019–2022.

Notes: "Total programme funding" is the EU funding committed to all projects of the programme in 2019–2022; "Funding to tourism-related projects" is the EU funding committed to tourism-related projects as a whole, not the amount received by tourism stakeholders. Shares are calculated by the authors (tourism-related projects or funding divided by programme totals for 2019–2022). Horizon 2020/Horizon Europe and COSME/SMP are reported jointly due to the continuity of the programmes. Stakeholder figures are beneficiary records, not unique organisations. Digital Europe tourism-eligible values include the tourism-only projects and are not added to the total. Funding received by tourism stakeholders by programme is shown in Figure 4.

However, absolute volume alone can obscure the more policy-relevant signal: **tourism remains a small slice of most direct management programmes**. When tourism projects are measured as a share of programme totals – tourism-related projects divided by all projects funded by the programme in 2019–2022, and EU funding committed to tourism-related projects divided by total programme funding committed in the same period – the pattern becomes clearer. Tourism's strongest fit is within **Creative Europe**, where tourism-linked projects represent **6.77% of total projects** (299 of 4,415) and **3.49% of total funding** (EUR 34.5 million of EUR 989 million) over 2019–2022—indicating that cultural cooperation calls offer relatively predictable entry points for tourism-related consortia (often heritage-, place-, and experience-led). **COSME and the Single Market Programme** follow, with 1.13% of projects (59 of 5,217) and 2.43% of funding (EUR 41.2 million of EUR 1.7 billion). By contrast, in large horizontal instruments tourism is marginal: under **Horizon 2020 and Horizon Europe** (reported jointly), tourism accounts for **0.24% of projects and 0.24% of funding** (81 of 34,000 projects; EUR 143.1 million of EUR 59.0 billion), and under **Erasmus+** it represents **0.45% of projects and 0.32% of funding** (33 of 7,295 projects; EUR 33.0 million of EUR 10.3 billion). Under **LIFE**, EUR 3.0 million was committed to tourism-related actions, but no tourism stakeholder was a direct beneficiary. **This "low penetration / high relevance" dynamic is central to understanding tourism funding outcomes**: even where tourism receives sizeable absolute support – EUR 143.1 million under Horizon 2020 and Horizon Europe – it competes in ecosystems where the dominant policy logics are not tourism-first.

Figure 1: Tourism-related projects and funding as a share of each centrally managed programme, 2019–2022

Tourism vs. programme totals (2019-2022)



Source: Authors' calculations based on European Commission, Financial Transparency System, commitments 2019–2022. Denominator: all projects and total EU funding committed by each programme in 2019–2022. Digital Europe: 2021–2022 only.

A nuanced case is **Digital Europe**, where the definition boundary materially changes the interpretation. Digital Europe started in 2021; shares therefore refer to 2021–2022 only. Under a strict "tourism-only" classification (projects whose main objective or target group is tourism), tourism represents **0.58% of projects** (8 of 1,386) and **1.43% of funding** (EUR 23.9 million); under a "tourism-eligible" framing (projects funded under calls open to tourism stakeholders even if not tourism-specific), tourism reaches **3.54% of projects** (49) and **4.44% of funding** (EUR 74.0 million). The two definitions overlap and are not added together. **The strategic implication is that tourism's digital transition is likely to be financed less through tourism-branded calls and more through horizontal digital capacity instruments**—meaning that tourism actors need translation capacity to position needs (data spaces,

interoperability, cybersecurity, AI adoption, digital skills) in language aligned with the programme's core objectives.

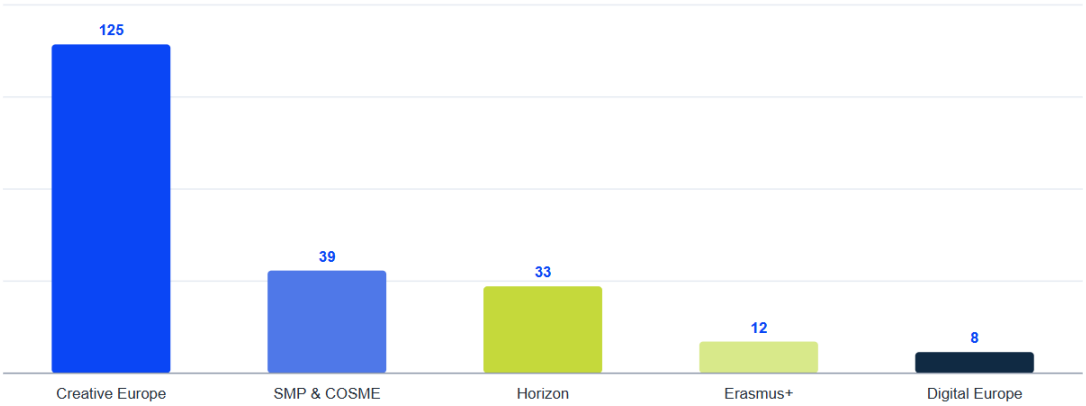
Overall, the 2019–2022 pattern suggests a direct-management tourism financing model that is opportunistic and cross-cutting: tourism projects cluster where programme objectives naturally overlap with tourism transformation needs (culture, SME competitiveness, innovation, skills, digital), but tourism remains structurally small within the largest envelopes and is shaped by the capacity of intermediating organisations to navigate complex calls.

3.1.2 Funding tourism stakeholders

Direct-management tourism funding is not only a question of which programmes finance tourism-labelled projects; it is equally a question of **who participates and therefore who captures the capability-building, networking, and investment effects**.

Figure 2: Projects with at least the participation of one tourism stakeholder

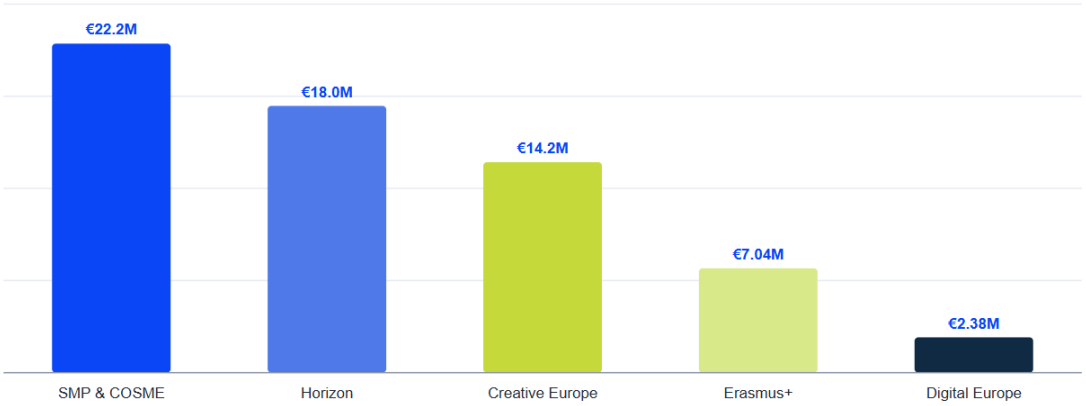
Number of projects (2019-2022)



Source: Authors' calculations based on European Commission, Financial Transparency System, commitments 2019–2022

Figure 3: Funds received by tourism stakeholders per programme

Total amount received (2019-2022)



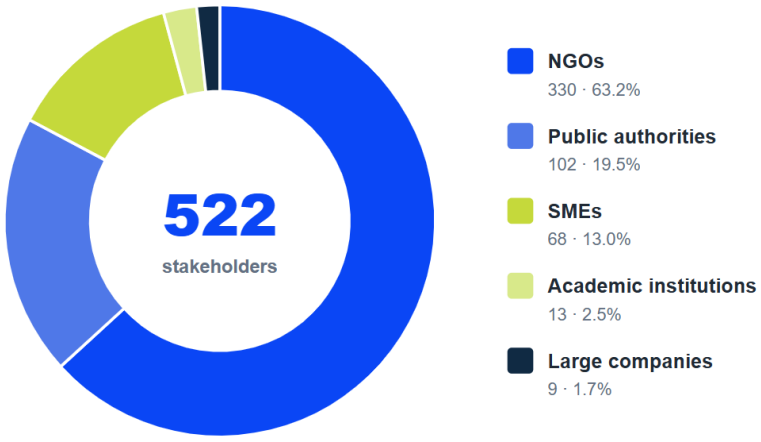
Source: Authors' calculations based on European Commission, Financial Transparency System, commitments 2019–2022

The stakeholder evidence is clear: across the 2019–2022 portfolio, tourism beneficiaries are dominated by **organised intermediaries and public actors rather than private firms**. Specifically, the analysed dataset includes **522 tourism stakeholder records**, of which **NGOs represent 330 (63.2%)**, **public**

authorities 102 (19.5%), **SMEs 68 (13.0%)**, **academic institutions 13 (2.5%)**, and **large companies 9 (1.7%)**. **This composition is strategically consequential**: it indicates that the direct-management route is, in practice, often accessed through organisations with proposal-writing capacity, transnational networks, and convening power—features more typical of NGOs/associations and public bodies than of micro and small tourism businesses.

Figure 4: Tourism stakeholder by type

Awarded touristic stakeholders 2019-2022

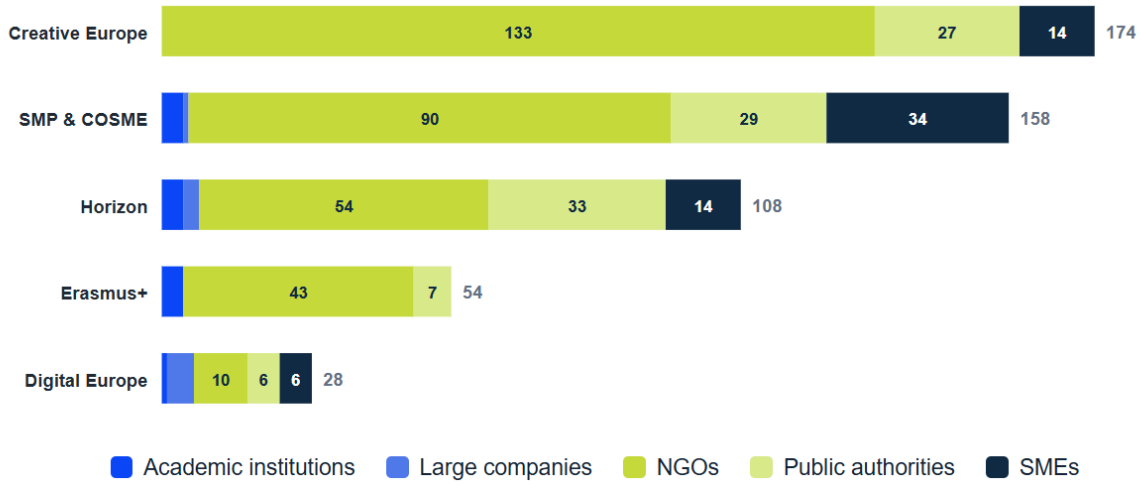


Source: Authors' calculations based on European Commission, Financial Transparency System, commitments 2019–2022

Participation patterns differ by programme in ways that align with programme architecture. **Creative Europe** (high project volume) is associated with a large number of NGO-type beneficiaries (notably cultural, heritage, and place-based organisations), alongside a meaningful public authority presence; **SMP & COSME** shows a comparatively stronger SME footprint (reflecting the programme's competitiveness orientation); **Horizon** combines NGOs and public authorities with some SME participation, consistent with R&I consortia that require both implementation partners and user-side validation. **Digital Europe stands out as the most balanced mix** and the only programme with a "meaningful" presence of large companies in the tourism-labelled set, consistent with the digital infrastructure and technology-market orientation of its calls.

Figure 5: Nature of tourism stakeholders by programme

Count of tourism beneficiary records by typology within each programme



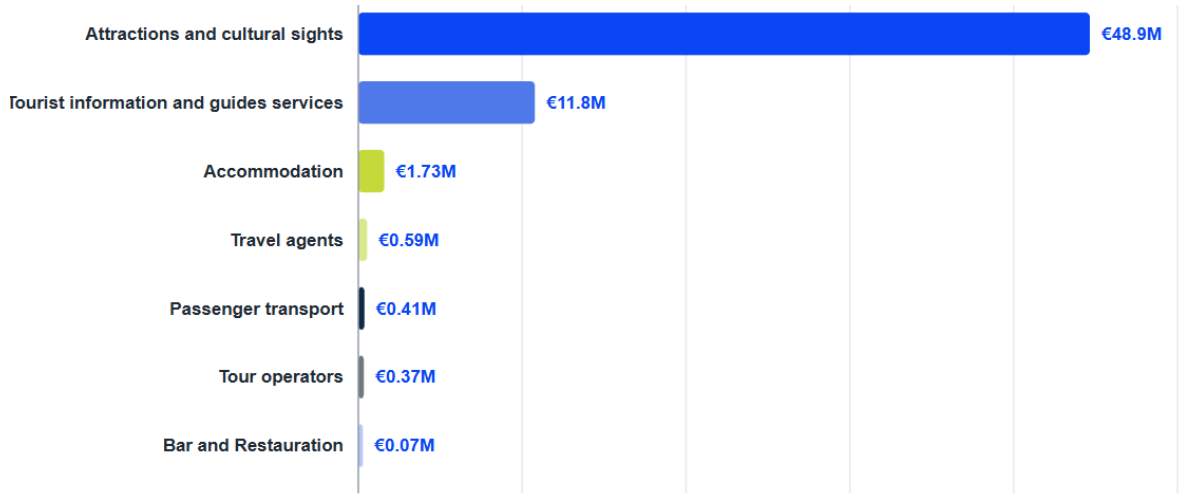
Source: Authors' calculations based on European Commission, Financial Transparency System, commitments 2019–2022

From an accessibility and impact perspective, the low direct presence of SMEs (13%) should not be misread as "SMEs do not benefit." Instead, it indicates that SMEs are often more likely to benefit **indirectly**, for example through downstream support models, pilots, tool uptake, training provision, or destination-level deployment driven by intermediaries. Nevertheless, **the stakeholder structure does signal a risk of unequal capability distribution**: when NGOs and public authorities dominate consortium roles, they accumulate experience, networks and repeat access advantages, while smaller operators may remain peripheral unless calls are designed with explicit SME reach mechanisms (simplified grant structures, cascade funding, voucher schemes, strong piloting in SME-heavy subsectors).

Funding concentration by tourism subsector reinforces the message that direct-managed tourism finance is channelling a specific transformation model. Funding received by tourism-stakeholder beneficiaries is overwhelmingly directed to **"Attractions and cultural sights" (EUR 48.9 million)** and **"Tourist information and guide services" (EUR 11.8 million)**, with all other subsectors (accommodation, travel agents, passenger transport, tour operators, bars/restaurants) receiving comparatively minor totals (each below EUR 2 million). The analysis shows that **attractions and cultural sights alone account for around 77% of the funding received by tourism-stakeholder beneficiaries**. **This is a highly concentrated allocation profile**, and it likely reflects both policy priorities and administrative feasibility. On the policy side, cultural heritage, visitor management, and destination interpretation are natural vehicles to deliver EU objectives (community value, place-based innovation, sustainability practices, digital mediation of experiences). On the feasibility side, these subsectors are more commonly represented by structured organisations (site managers, foundations, destination bodies, municipal entities) that can lead or join transnational projects.

Figure 6: Tourism funding by stakeholder subsector

Sum of fund received by beneficiary (EUR), tourism stakeholders only



Source: Authors' calculations based on European Commission, Financial Transparency System, commitments 2019–2022

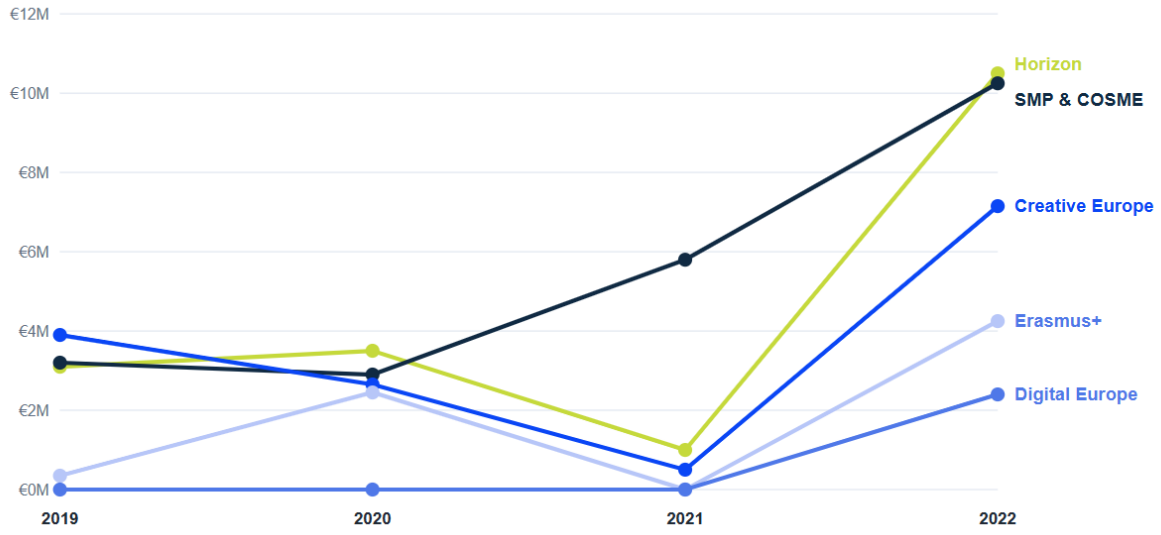
The strategic trade-off is that **the direct-management portfolio may be strengthening the "destination ecosystem layer" more than the "firm-level productivity layer."** Investments around attractions, interpretation, and information services tend to generate system-level public goods: improved visitor experiences, heritage preservation, destination branding, digital visitor interfaces, and new cultural products. These can be high-impact in terms of visibility and resilience (diversification and de-seasonalisation), but they do not automatically translate into productivity gains for accommodation,

food services, intermediaries, or transport operators unless projects deliberately include adoption pathways and business integration components.

The temporal evolution of funding to tourism stakeholders by programme also provides useful interpretive signals. The 2022 surge is visible across programmes, with Horizon and SMP/COSME showing the steepest increases and Creative Europe also rising, suggesting that post-pandemic calls and pipelines increasingly intersected with tourism transformation agendas. Part of the 2022 increase reflects the delayed start of the 2021–2027 programmes, whose first calls were committed largely in 2022; this also explains the low level of commitments in 2021 (for example, EUR 5.2 million for tourism-related projects under Horizon 2020 and Horizon Europe, compared with EUR 65.0 million in 2022). **From an impact lens, this implies that direct-management instruments can respond to systemic shocks—but the beneficiaries best placed to capture this responsiveness are those already embedded in EU project ecosystems.** Table 3 presents the annual figures by programme.

Figure 7: Evolution of funding to tourism stakeholders by programme

Fund received by beneficiary (EUR) per year, by programme



Source: Authors' calculations based on European Commission, Financial Transparency System, commitments 2019–2022

Table 3: Annual EU funding committed to tourism-related projects by centrally managed programme, 2019–2022 (EUR million)

Programme	2019	2020	2021	2022	Total 2019–2022	Unit
Horizon 2020 / Horizon Europe	46.7	26.1	5.2	65.0	143.1	EUR million
COSME / Single Market Programme	4.3	7.3	9.9	19.7	41.2	EUR million
Creative Europe	7.8	10.7	0.5	15.5	34.5	EUR million
Erasmus+ (centrally managed actions)	2.9	5	0.1	25.9	33.0	EUR million
Digital Europe (tourism-only projects)	N/A	N/A	0	23.9	23.9	EUR million

Source: Authors' analysis of European Commission, Financial Transparency System. Notes: Values rounded to one decimal place; totals calculated from unrounded data. N/A means "Not Applicable". Predecessor and successor programmes are reported jointly.

In short, the stakeholder evidence indicates that direct-managed tourism funding over 2019–2022 is best described as **network-led, institutionally mediated, and concentrated in destination-facing public-good subsectors**. This has positive implications for cross-border learning, standard-setting, and coordinated transition actions, but also points to an accessibility gap for the long tail of tourism SMEs—an issue that the broader report flags as structurally important given the SME-dominated nature of the ecosystem.

3.1.2.1 Financial support to third parties (cascade funding)

Cascade funding mechanisms—also referred to as **third-party financing schemes**—represent one of the most **operationally accessible channels** through which EU direct management programmes reach tourism SMEs. Within the broader funding architecture analysed in this report, they constitute a **structural design adaptation** aimed at translating complex, centrally managed funding instruments into formats that are more aligned with the realities of small and micro enterprises.

At their core, cascade schemes operate through a **two-step funding logic**. A primary beneficiary—typically an intermediary organisation such as a consortium lead, innovation hub, NGO, or specialised project coordinator—receives a grant from a centrally managed EU programme. This beneficiary is then responsible for redistributing part of the funding to third parties (often SMEs) through simplified calls, micro-grants, or structured support schemes. This intermediary layer effectively acts as a **"conversion interface"** between EU-level funding requirements and SME-level implementation capacity.

The evidence reviewed in this report indicates that cascade funding is significantly more **compatible with SME operating conditions** than standard direct calls. This reflects several design characteristics:

First, **reduced administrative complexity**. Application procedures are typically shorter, more targeted, and require fewer technical annexes, making them viable for SMEs with limited internal resources. This contrasts with standard EU calls, which often require advanced proposal-writing capacity, detailed work plans, and multi-partner coordination.

Second, **smaller and more proportionate funding envelopes**. Grants are generally designed as micro- or small-scale funding packages, better aligned with the scale and risk tolerance of tourism SMEs. For many firms, the feasibility of engaging with funding is driven less by the absolute size of support and more by the proportionality between required effort and expected benefit.

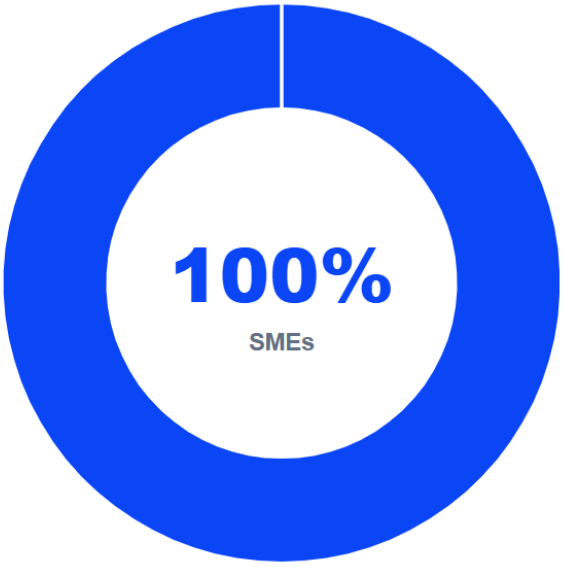
Third, **more clearly defined project scopes and outputs**. Cascade schemes tend to focus on operational, clearly delimited activities (e.g. pilot deployments, adoption of digital tools, process improvements), reducing ambiguity about expected results and simplifying implementation planning.

Fourth, **shorter implementation cycles**. Compared with large EU projects, cascade-funded activities often follow shorter timelines, which is critical in a sector where firms are highly exposed to seasonality and demand fluctuations.

Taken together, these features significantly **lower transaction costs**, which the report identifies as a key determinant of SME participation. As a result, cascade schemes provide an entry point for SMEs that would otherwise be excluded from direct management funding due to administrative or organisational constraints.

In the analysed subset of 145 third-party recipients – drawn from cascade-funding projects whose calls targeted SMEs – all recipients were SMEs. This reflects eligibility rules as much as accessibility; however, the subset shows broader subsector participation than standard direct calls, where SMEs account for 13.0% of tourism-stakeholder beneficiary records.

Figure 8. Percentage of SMEs from the analysed subset of cascade funding beneficiaries



Source: Authors' calculations based on the subset of 145 third-party recipients of funding during the period of 2019-2022

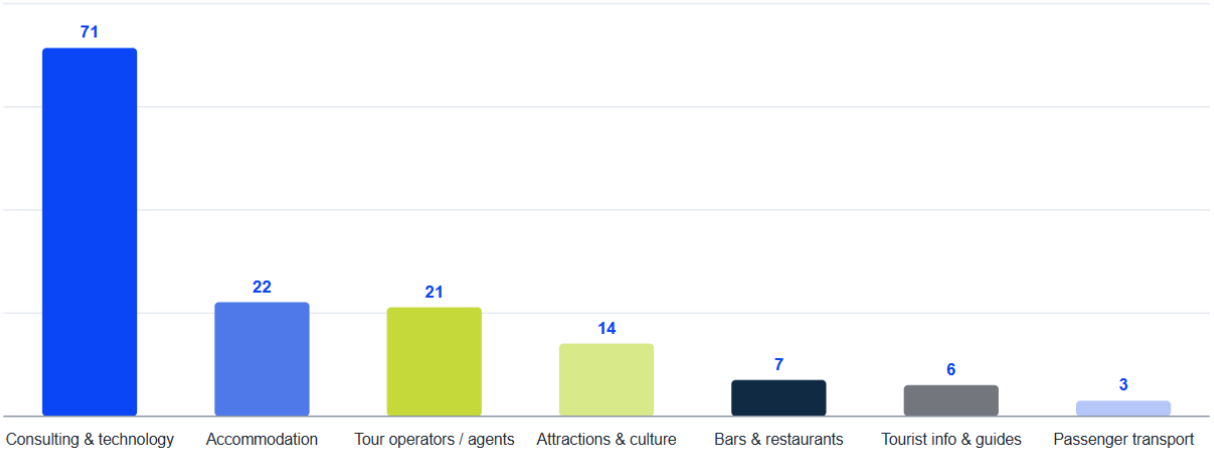
Beyond participation rates, cascade funding contributes to a **more representative coverage of tourism subsectors**. While the broader direct-management portfolio is heavily concentrated in structured, destination-facing functions (e.g. cultural attractions, information services), cascade schemes show participation from subsectors that are typically underrepresented in EU funding, including:

- Accommodation providers
- Bars and restaurants
- Tour operators and travel intermediaries
- Smaller-scale local service providers

This broader distribution is consistent with the view that **subsector under-representation reflects funding design as well as policy priority**. When access conditions are simplified, funding uptake appears to shift closer to the actual structure of the tourism ecosystem, which is dominated by fragmented, firm-level actors.

This stronger SME reach is closely linked to **how the instrument is designed**. Cascade funding is more accessible because administrative processes are significantly simplified, funding amounts are smaller and more proportionate, and project scopes are clearer and easier to operationalise. For many tourism SMEs, this matters more than the nominal size of the grant. Standard direct calls often require capacities that smaller operators do not possess internally, including advanced proposal drafting, complex budgeting, consortium management and extensive reporting. Cascade funding reduces these entry barriers and offers a format that is more compatible with **micro-projects, short implementation cycles and tangible operational improvements**. It also tends to be more clearly framed from a sectoral and often regional perspective, which means that objectives are easier for beneficiaries to understand and align with their day-to-day business reality.

Figure 9: Cascade-funded SME beneficiaries by tourism subsector (analysed subset)



Source: Authors' calculations based on the subset of 145 third-party recipients of funding during the period of 2019-2022

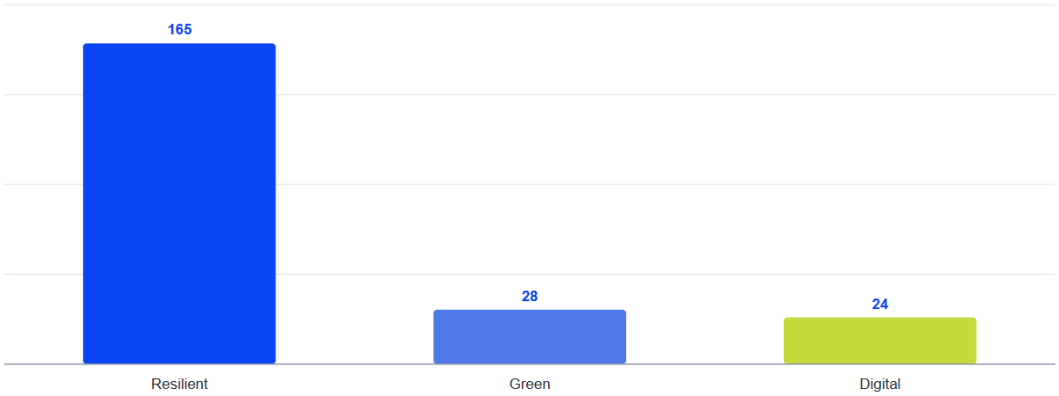
A further distinguishing feature of cascade funding is that it allows SMEs not only to receive **micro-funding**, but also to implement small-scale projects in a way that encourages **practical collaboration with other SMEs across Europe**. This creates a more immediate and usable form of European added value than many larger direct-management structures. The stakeholder mix is also more **transversal across tourism subsectors** than in the broader direct-management portfolio. While a substantial share of participating SMEs still comes from consultancy, technology and other enabling-service profiles, the cascade portfolio also includes visible representation from subsectors that are largely absent from standard direct calls, notably **accommodation, bars and restaurants, and tour operators**. This is analytically important because it shows that when funding is made smaller, clearer and easier to access, the beneficiary base shifts closer to the real structure of the tourism sector. In that sense, cascade funding does not simply complement direct management; it provides a practical illustration of what a **more proportionate and better-targeted direct funding model for tourism SMEs** can look like.

3.1.3 Funding EU priorities

Tourism projects financed under direct management align strongly with EU strategic priorities, but **not symmetrically** across the green, digital and resilience agenda. In the 2019–2022 portfolio, **resilience is the dominant thematic axis**: **165 of 217 projects (76.0%)** are classified primarily as resilient, compared with **28 green (12.9%)** and **24 digital (11.1%)**. This is consistent with the period under review, which spans the COVID-19 shock and the early recovery phase, during which the tourism policy debate increasingly emphasised crisis preparedness, diversification, skills adaptation, and capacity building. **The key finding is that most direct-management tourism projects were framed primarily around resilience, often through transversal levers rather than tourism-specific investments.**

Figure 10: Number of projects by thematic axis

Distinct tourism projects by primary thematic axis



Source: Authors' calculations based on European Commission, Financial Transparency System, commitments 2019–2022

Yet, when viewed through the "investment" lens (project total amounts summed by primary axis), the gap between green/digital and resilience is less pronounced than the project counts suggest. Resilience-led projects still carry the largest investment (**€125.2M; 61.5% of total project investment**), but **green (€39.7M; 19.5%)** and **digital (€38.7M; 19.0%)** are close in value despite fewer projects. This indicates that **green and digital tourism transformation is being carried by fewer, larger projects**, while resilience is delivered through a broader set of smaller and medium actions. For policy design, this suggests two different modes of intervention: (i) large-scale green/digital demonstrators, infrastructure-like pilots, or platform investments; and (ii) distributed resilience capacity building across many contexts and networks.

The axis-combination evidence reinforces the interpretation that green and digital are often applied as enabling layers on top of resilience goals. The most common profile is **Resilient with no secondary axis (90 projects)**, followed by **Resilient → Digital (65 projects)**. Green appears less frequently as a secondary pairing (e.g., **Resilient → Green (10 projects)**), while configurations in which digital or green is primary remain limited in number (e.g., **Digital → None (8 projects)**; **Green → None (17 projects)**). **This structure implies that digitalisation in tourism is frequently operationalised as a means to resilience**—for example through improved destination management, enhanced visitor information systems, better demand forecasting, or skills modernisation—rather than as an end in itself.

Table 4: Primary and secondary thematic axis combinations of tourism-related projects, 2019–2022

Primary axis \ Secondary axis	None	Resilience	Green	Digital	Total
Resilience	**90**	x	10	**65**	**165**
Green	17	6	x	6	**28**
Digital	8	8	8	x	**24**
Total					**217**

Source: Authors' classification of tourism-related projects extracted from the European Commission Financial Transparency System, commitments 2019–2022. Notes: background shading increases with the number of projects.

From an impact perspective, this has two strategic implications. First, the dominance of resilience framing suggests that tourism actors framed their projects around the priorities that were most politically salient during the period. Second, the relative scarcity of primarily green or digital tourism projects may indicate that **tourism's green and digital transition is still being funded mainly**

through broader sector-neutral calls, where tourism competes with other industries and must demonstrate scalability, technological relevance or emissions impact beyond the tourism value chain. In practical terms, this reinforces the need—already highlighted in the report's framing of direct management accessibility—for clearer "tourism application pathways" in call design, and for support ecosystems that help tourism SMEs and destinations convert transition needs into fundable digital and green project logics.

In summary, direct-managed tourism funding between 2019 and 2022 prioritised resilience by volume, while green and digital transitions were present but delivered through fewer, higher-value projects and frequently as secondary dimensions. This aligns with the broader EU tourism policy direction described in the report—where post-COVID strategy work (including the Tourism Transition Pathway and the European Agenda for Tourism 2030) frames competitiveness through sustainability, digitalisation and resilience—yet it also reveals an implementation reality: tourism most often accesses direct EU funding when it can credibly anchor itself in the mainstream resilience narrative and attach green/digital elements as enabling components.

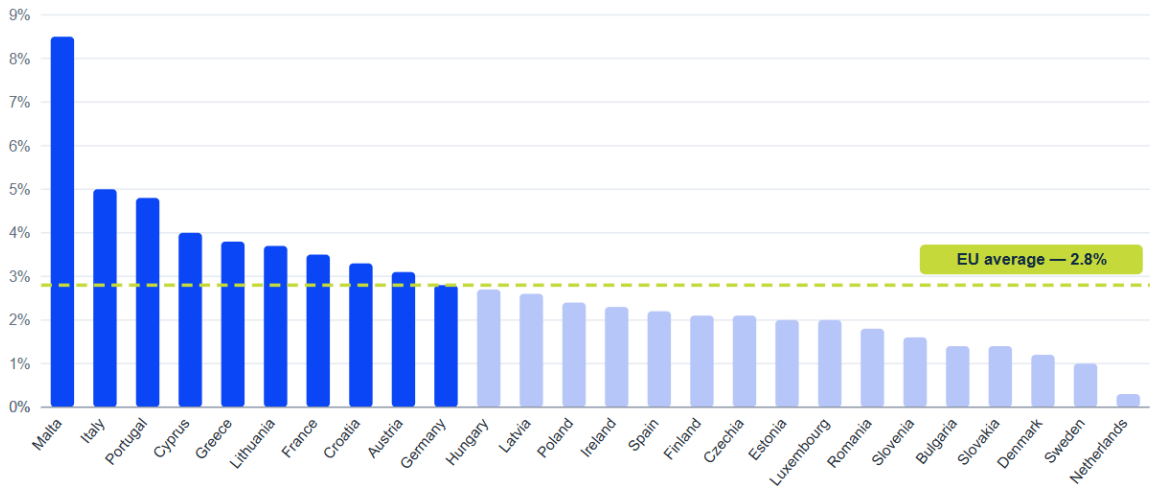
3.2 Shared management funding

Within EU Shared Management, the European Structural and Investment Funds (ESIF) constituted a key channel through which tourism-related investment reached destinations and operators in the 2014–2020 programming period, under which expenditure remained eligible until 31 December 2023 and which therefore remained the main implementation framework throughout 2019–2022. In this architecture, the European Regional Development Fund (ERDF) emerges as **the most important ESIF instrument for tourism-related investment**, reflecting its central role in financing place-based development priorities that naturally intersect with tourism (destination infrastructure, cultural and natural assets, and local competitiveness). In total aggregate scale of support, the review of 2014–2020 operational programmes carried identifies around **EUR 10.8 billion** programmed for explicitly tourism-related measures: EUR 10.48 billion under the ERDF and EUR 329 million under the Cohesion Fund, while the European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD) did not record explicit tourism allocations (WP1 Task 2 – Overview of the past 4 years (2019 to 2022) of EU funds, D1). These are planned (programmed) amounts and are not directly comparable with estimates based on other categorisations of intervention.

In terms of *who* is supported, the ESIF tourism beneficiary base is highly diverse according to the 2014–2020 national and regional operational programmes reviewed (European Commission, 2014–2020, ESIF national and regional operational programmes; see Annex), but the patterns shown suggest a clear functional differentiation across funds. ERDF, together with the Cohesion Fund (CF), is conceptually associated with tourism-related investments that connect to harder development and competitiveness channels, and therefore tends to involve stakeholders such as **companies (including SMEs, hotels and health spas), restaurants, chambers of commerce, research/training/educational institutes, public information centres, associations, natural parks, infrastructure companies, development agencies, and local authorities**. This profile is consistent with ERDF/CF's role in supporting territorial development actions where tourism benefits arise through the upgrading of local assets, services and enabling infrastructure, typically delivered through regional and local implementation ecosystems rather than through stand-alone tourism measures.

Figure 11: Share of tourism investment within ESIF funding

By country, percentage of tourism investment vs. total ESIF investment



Source: Authors' calculations based on European Commission national and regional operational programmes and implementation data for the European Structural and Investment Funds, programming period 2014–2020. Figures represent programmed allocations.

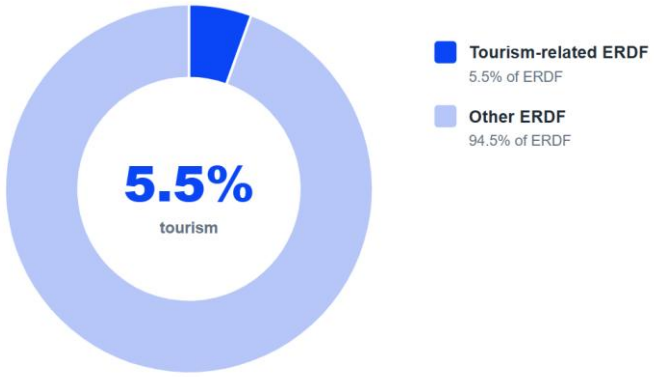
Other ESIF funds also affect tourism, but in **generally smaller scale and less SME-centred ways**, reflecting their core policy purposes. The European Social Fund (ESF) is positioned as impacting tourism mainly via skills, employment and social inclusion measures, with tourism-relevant participation illustrated through hotels, tourism parks, regional development associations, local and regional authorities, associations, religious sites, museums, ministries of culture and heritage institutes. The European Agricultural Fund for Rural Development (EAFRD) is presented as supporting small guesthouses and groups of local producers, particularly in rural tourism contexts; and the European Maritime and Fisheries Fund (EMFF) is associated with companies, academies, local fisheries groups and local authorities, mainly in coastal and maritime tourism contexts.

Based on the planned (programmed) allocations in the 2014–2020 operational programmes reviewed, ESIF tourism-related investments represented **around 2.8% of total programmed ESIF resources on average**, though several Member States show higher shares, particularly those with strong economic dependence on tourism, such as Mediterranean countries (see the figure above). This share is calculated on total ESIF resources and is therefore not directly comparable with the 5.5% share calculated on the ERDF alone in Section 3.2.1.

3.2.1 European Regional Development Fund

ERDF implementation evidence drawn from **operational programme allocation and execution records** – the systematic review of 2014–2020 operational programmes, execution data and Annual Implementation Reports carried out in WP1 Task 2 (D1) – indicates that tourism-related measures constitute a **substantive and clearly identifiable component** of ERDF programming and delivery. At EU aggregate level, tourism-related ERDF accounts for **5.5% of total ERDF allocation**, corresponding to **approximately EUR 10.5 billion** (EUR 10.48 billion) out of a total ERDF envelope of **approximately EUR 190.6 billion** captured in the same dataset. This confirms that tourism is not merely an incidental spillover within ERDF, but an explicit category of intervention lines with a measurable footprint at Union level. At the same time, the underlying evidence is **line-based** (funding allocations and expenditure totals by intervention line), meaning it does not provide project-level or beneficiary-level detail; as a result, it does not allow conclusions on the number or profile of final recipients, nor on outputs or outcomes achieved through tourism-related ERDF measures.

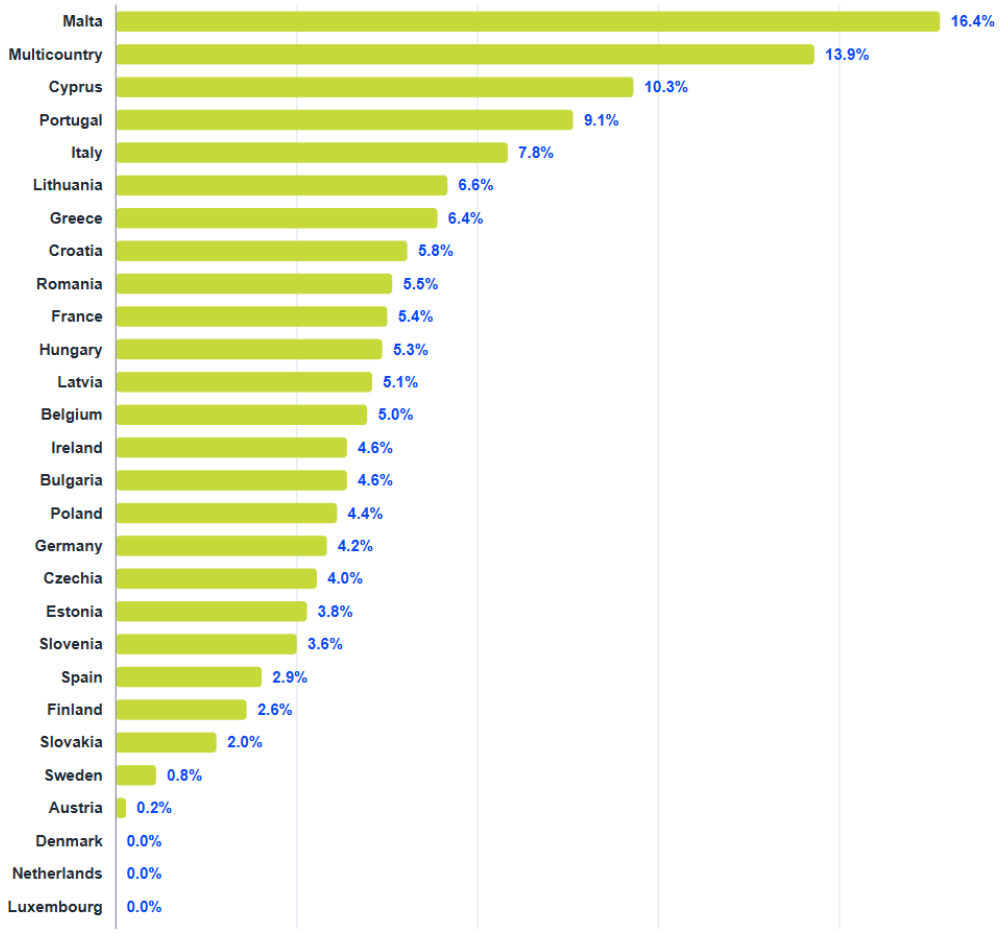
Figure 12: ERDF tourism lines of action as a share of the total



Source: Authors' calculations based on European Commission national and regional ERDF operational programmes, allocation and implementation records, programming period 2014–2020. Figures represent programmed allocations by intervention line.

The same operational programme evidence shows that the **relative prominence of tourism within ERDF varies significantly across Member States**, pointing to differentiated prioritisation within national and regional ERDF portfolios. Tourism-related shares, calculated on the same basis as the EU-level share, range from relatively high levels in some cases—most notably **Malta (16.4%)**, **Cyprus (10.3%)**, **Portugal (9.1%)**, and **Italy (7.8%)**—to very low or effectively zero levels in others, including **Denmark (0.0%)**, **Netherlands (0.0%)**, and **Luxembourg (0.0%)** in the dataset. These figures reflect the **specific planning of intervention lines dedicated to tourism**; a value of 0.0% does not mean that no ERDF funds reached tourism in those countries, as tourism projects may have been financed under other lines (for example SME competitiveness, innovation or cultural heritage) or coded differently. On the basis of these observations, the evidence **suggests strong heterogeneity** in the extent to which tourism is programmed as a dedicated ERDF line across countries. However, because the data is presented as shares of national ERDF envelopes by line of action, it does not explain *why* these differences occur, nor whether they reflect differences in operational programme design, reprogramming decisions, reporting practice, or the stage of execution—issues that cannot be resolved from the available information.

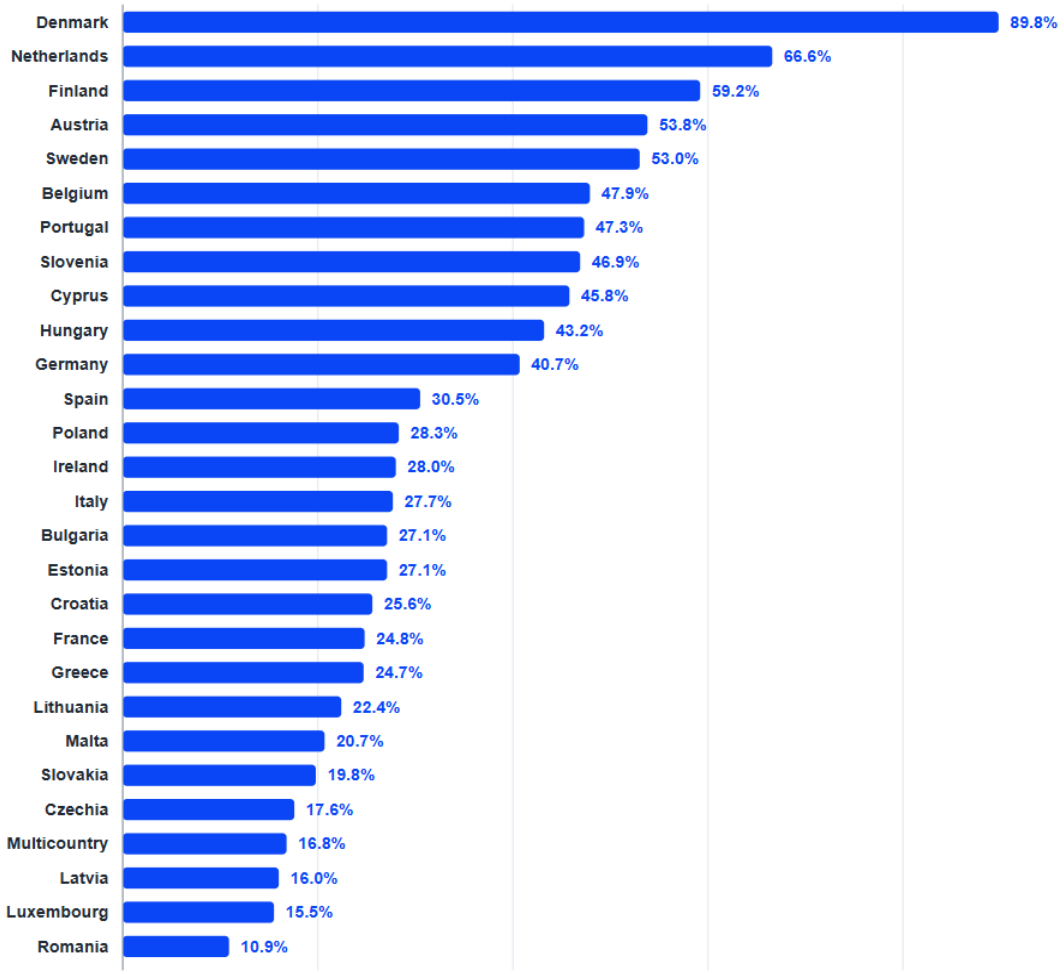
Figure 13: Tourism lines share of ERDF by country



Source: Authors' calculations based on European Commission national and regional ERDF operational programmes. Shares represent explicitly tourism-related intervention lines as a percentage of the ERDF envelope captured for each country.

SME and business-support measures are also visible in the operational programme evidence as a major ERDF intervention family, and the dataset allows an assessment of their scale and variability without requiring assumptions about beneficiary reach. At EU aggregate level, SME and business-support measures represent **~28.6% of ERDF** in the implementation dataset. Cross-country dispersion is pronounced: shares are particularly high in some Member States (e.g., **Denmark 89.8%**, **Netherlands 66.6%**, **Finland 59.2%**) and substantially lower in others (e.g., **Romania 10.9%**), confirming that Member States structure ERDF portfolios very differently with respect to business-support priorities. Importantly, the evidence does not provide a direct linkage between SME/business-support lines and tourism-specific lines within the same operational programmes (e.g., it does not show overlaps, targeting rules, or tourism-specific sub-windows within SME measures). Therefore, while SME support is clearly a prominent ERDF component, **the data does not allow conclusions** on the extent to which tourism enterprises benefit from SME/business-support measures, beyond acknowledging that both intervention types are programmed and executed as distinct line categories in the dataset.

Figure 14: SME & business-support lines share of ERDF by country

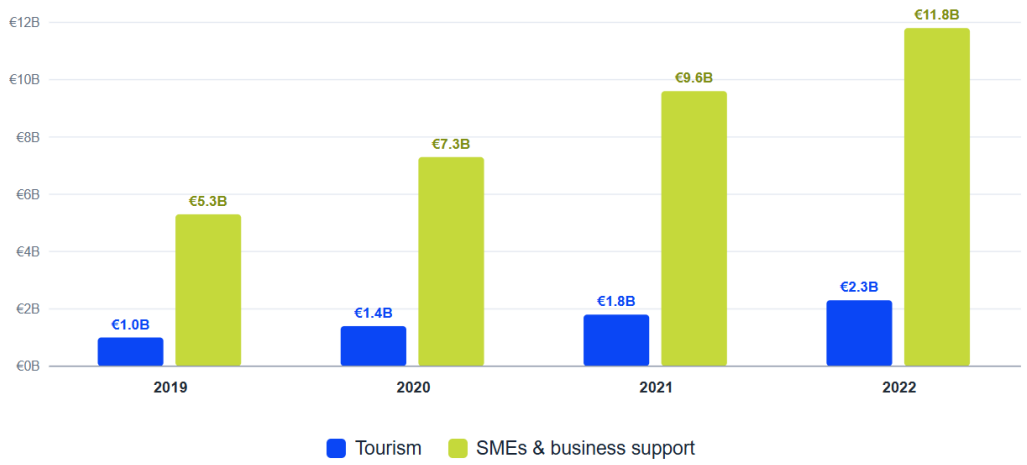


Source: Authors' calculations based on European Commission national and regional ERDF operational programmes. Shares represent SME and business-support intervention lines as a percentage of the ERDF envelope captured for each country.

Finally, the execution time series available in the implementation evidence (covering **2019–2022**) shows a consistent year-on-year increase in cumulative spending for both tourism-related ERDF and SME/business-support ERDF. Tourism-related cumulative spend rises from **€1.0B (2019)** to **€1.4B (2020)**, **€1.8B (2021)** and **€2.3B (2022)**; SME/business-support cumulative spend rises from **€5.3B (2019)** to **€7.3B (2020)**, **€9.6B (2021)** and **€11.8B (2022)**. This pattern indicates sustained implementation momentum in both categories over the observed period. A critical limitation is that the time series explicitly covers **2019–2022 only**, and therefore cannot be used to characterise the full 2014–2020 execution trajectory on its own; likewise, the evidence does not include performance indicators, making it impossible to assess effectiveness or impact beyond the observed allocation shares and expenditure trends.

Figure 15: ERDF spent on tourism and SME support lines by year

Approximate cumulative ERDF spend (€ billion), 2019–2022



Source: European Commission ERDF execution data and Annual Implementation Reports for the 2014–2020 programming period. Values show approximate cumulative expenditure for tourism-related and SME/business-support intervention lines during 2019–2022.

3.2.2 European Social Fund (ESF)

Tourism was not a dedicated priority of the ESF in 2014–2020, but **the Fund indirectly supported the sector through vocational training and employability measures** (European Commission, ESF Synthesis Reports of Annual Implementation Reports 2019–2022). This included hospitality skills, language learning, and integration of disadvantaged groups into tourism jobs. While no EU-wide tourism allocation is reported, national projects illustrate its scope, for example tourism leadership training in Malta and rural gastronomy training in France. In practice, ESF tourism support was residual, channelled through broader employment objectives rather than sector-specific actions.

3.2.3 Cohesion Fund (CF)

The **Cohesion Fund** (approximately EUR 61–63 billion in 2014–2020, depending on the reprogramming date; European Commission, Cohesion Open Data) **did not have a tourism heading, but large transport and environment projects often benefited tourist regions**. Examples include flood-management and wetland restoration works with eco-tourism potential, and infrastructure upgrades improving accessibility to islands and mountain resorts. The operational programmes reviewed identify EUR 329 million programmed under explicitly tourism-related measures; beyond this, no EU-level breakdown exists for tourism, reflecting that most benefits were indirect. Tourism thus received support mainly through spillovers from CF priorities on environment and transport, rather than direct funding.

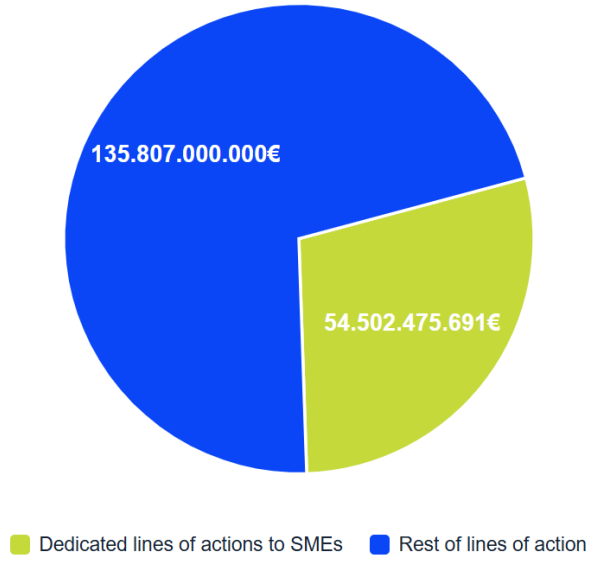
3.2.4 European Agricultural Fund for Rural Development (EAFRD)

EAFRD support was delivered through Rural Development Programmes. While tourism was not a stand-alone priority, Regulation (EU) No 1305/2013 explicitly allowed support for small-scale tourism infrastructure and tourist information (Article 20(1)(e)) and for non-agricultural diversification, including rural tourism (Article 19). In practice, tourism activities could be supported where they contributed to broader objectives such as SME competitiveness, cultural and natural heritage preservation, regional diversification or sustainable local development.

EAFRD included rural tourism as part of diversification measures, with Member States able to finance **small-scale infrastructure, agri-tourism and heritage projects** within their Rural Development Programmes. Tourism investments were modest compared to overall agricultural spending. Examples include accessible angling facilities in Estonia and the "Routes Without Barriers" transnational LEADER project between Portugal and Spain. Tourism was thus a recognised but secondary strand, implemented nationally under diversification priorities.

Although **tourism stakeholders** were not a primary target of the EAFRD, they are likely to have **benefited indirectly through the fund's focus on supporting SMEs**. The operational programmes reviewed identify around EUR 39.55 billion programmed for SME-related measures under the EAFRD, including measures designed to foster diversification and strengthen small businesses in rural areas, which in practice can include enterprises linked to tourism activities. While it is not possible to quantify how much of this funding was channelled to tourism, SME-oriented measures are likely to have provided secondary benefits for tourism operators within the rural economy.

Figure 16: EAFRD: Lines of action dedicated to SME measures versus total



Source: Authors' calculations based on European Commission Rural Development Programmes and implementation data for the European Agricultural Fund for Rural Development, programming period 2014–2020. SME-related measures are not tourism-specific.

3.2.5 European Maritime and Fisheries Fund (EMFF)

Tourism was more visible in EMFF 2014–2020, as the Fund's diversification measures supported pescatourism and coastal tourism initiatives. Out of a total EMFF budget of around EUR 6.4 billion, of which approximately EUR 5.7 billion under shared management (Regulation (EU) No 508/2014), a limited share was directed to such projects, typically via Fisheries Local Action Groups (FLAGs). An example is the Italian project "ALICE II" in Friuli-Venezia Giulia, which received EMFF support to adapt a fishing business to tourism activities. Here, tourism was not a primary policy aim but was explicitly eligible as a diversification tool for coastal communities.

4. Impact assessment: quantitative evidence

Section 3 mapped **where funding went**; this chapter focuses on **what that funding appears to have enabled**. The distinction is important. Allocation patterns, beneficiary structures and thematic concentrations are necessary inputs for an impact assessment, but they are not impact in themselves. The purpose of this section is therefore to interpret the quantitative evidence through an impact lens, asking what the observed portfolio suggests about the contribution of EU tourism funding to policy priorities, the extent to which support is reaching the SME-based core of the sector, and how evenly the benefits of funding are distributed across the tourism value chain. In line with the methodological boundaries set out earlier in the report, the analysis assesses **contribution, reach and strategic direction** rather than attempting strict causal attribution.

4.1 Impact dimension A – Contribution to EU priorities (green, digital and resilience)

The portfolio evidence suggests that EU tourism funding in 2019–2022 was most visibly aligned **with the Union's resilience agenda**. Without outcome data, this indicates the type of change funding was oriented towards – adaptation, diversification and continuity – rather than demonstrated effects. This is not simply because resilience-labelled projects are the most numerous, but because the structure of the portfolio indicates that tourism funding was oriented towards adaptation capacity in a period shaped by pandemic disruption and broader uncertainty. In these terms, direct-management support appears to have functioned less as a mechanism for expanding tourism activity per se and more as a mechanism oriented towards the sector's ability to absorb shocks, reorganise service models and remain connected to wider EU transition priorities.

A more differentiated reading of the evidence shows that the portfolio contributes to EU priorities through **different intervention logics**. Resilience is carried by a broad base of projects, suggesting wide thematic diffusion across the tourism ecosystem. By contrast, green and digital contributions appear in fewer but financially larger projects, which implies a more concentrated model of change. This matters for impact interpretation. A portfolio dominated by many resilience-oriented actions can generate distributed gains in preparedness, governance, diversification and operational continuity, while a smaller number of larger green and digital projects may generate potentially deeper but less widely spread effects, such as demonstrator models, platform capabilities or scalable technical solutions. The likely outcome is not symmetrical progress across the three policy pillars, but a layered contribution in which resilience provides the entry point and green and digital transition develop through more selective project pathways.

This also clarifies an important point of differentiation from Section 3. The thematic concentration previously observed is not, by itself, evidence of impact; what gives it impact relevance is that it reveals **the type of change that EU funding has been most prepared to support**. The fact that digitalisation frequently appears as a secondary dimension to resilience, for example, suggests that digital tools have often been funded as enablers of continuity, management and competitiveness rather than as stand-alone transformation ends. Likewise, the more limited number of primarily green projects suggests that environmental transition in tourism has been supported, but not yet mainstreamed to the same degree as resilience. The overall implication is that EU tourism funding is aligned with mainstream EU priorities, but through a pattern that is **strategically coherent while still uneven in transformational depth across priority areas**.

4.2 Impact dimension B – SME participation and accessibility outcomes

From an impact perspective, the central question is not only whether SMEs are formally eligible for EU tourism funding, but whether the funding architecture is generating **meaningful reach into the SME-**

based core of the tourism economy. On this criterion, the evidence points to a mixed result. The direct-management portfolio has clearly mobilised tourism-relevant activity, but it has done so primarily through NGOs, public authorities and other organised intermediaries rather than through broad direct participation by SMEs themselves. This does not mean that SME impact is absent. It means that SME benefits are often mediated through broader project structures and may therefore take the form of indirect access to tools, networks, training, pilot solutions or local deployment rather than direct grant capture. In impact terms, the portfolio appears stronger on **ecosystem activation** than on immediate firm-level reach.

This distinction is important because it changes how accessibility outcomes should be judged. A funding portfolio can generate real value for SMEs even when SMEs are not the dominant formal beneficiaries, provided that project designs include credible downstream pathways. However, the evidence in this report suggests that these pathways are not systematically embedded across the portfolio. As a result, the impact on SMEs is likely to be **selective and mediated**, with stronger effects where intermediary organisations actively translate project outputs into operational benefits for firms and weaker effects where projects remain concentrated at consortium level. This helps explain why the direct-management model appears structurally better at building networks and experimentation capacity than at ensuring broad and even uptake across a fragmented business base.

The strongest counterpoint comes from cascade funding and similar intermediary-led mechanisms, which the evidence identifies as the clearest example of **high-access, SME-adapted delivery**. Their importance in this chapter is not the absolute number of beneficiaries, but the proof of concept they provide: when transaction costs are reduced and support is channelled through simpler or staged access routes, participation becomes more directly aligned with the structure of the tourism sector. This suggests that the impact challenge is not simply one of insufficient SME demand, but of insufficient fit between mainstream funding formats and SME operating conditions. In that sense, the quantitative evidence supports a broader conclusion that recurs in the rest of the report: **funding architecture itself is an impact variable**. The design of access routes materially shapes who benefits, how widely benefits diffuse, and whether support reaches beyond already capable actors.

Shared management points to a complementary, though less transparent, impact profile. The evidence does not allow the same beneficiary-level assessment, but it does suggest a greater potential for **territorial reach and operational accessibility**, especially where tourism is supported through ERDF tourism lines and wider SME support measures. The likely implication is that shared management is better positioned to generate broad-based access effects, while direct management is better positioned to generate demonstration, coordination and innovation effects. Seen together, the two routes are not substitutes but complementary impact channels. The analytical issue is therefore not which route is inherently better, but whether the combined architecture is producing a sufficiently balanced mix of **strategic experimentation and practical diffusion** across the tourism ecosystem.

4.3 Impact dimension C – Distribution of benefits across tourism subsectors

The distribution of benefits across tourism subsectors provides perhaps the clearest indication of **what kind of tourism development model EU funding has been reinforcing**. The evidence shows a strong concentration of direct-management support in attractions, cultural assets and visitor-information functions, while core operating subsectors such as accommodation, food services, intermediaries and passenger transport remain comparatively weakly represented. Interpreted through an impact lens, this suggests that EU tourism funding has generated its strongest contribution in the **destination ecosystem layer**: enhancing places, experiences, interpretation capacity and visitor-facing public goods. These are important outcomes and can produce durable value in terms of quality, diversification, heritage use, destination management and resilience. But they do not automatically

translate into equivalent gains in productivity, modernisation or absorptive capacity across the full business base of the sector.

This asymmetry matters because impact in tourism is highly dependent on the relationship between public-good improvements and firm-level adoption. Investment in attractions, information systems or destination services can create significant enabling conditions, but its economic effect will remain partial if accommodation providers, restaurants, local intermediaries and mobility actors are not equally able to adapt, connect and capture value. The portfolio therefore appears to generate **strong upstream and place-based effects**, but weaker evidence of downstream diffusion into the wider operating fabric of tourism. This does not invalidate the impact achieved; rather, it highlights a structural limit in how benefits are currently transmitted across the value chain.

The cascade-funding evidence is particularly valuable here because it points to a more diversified subsector reach, including accommodation, travel intermediaries and enabling service providers. Its importance is analytical as much as financial: it shows that **when support is designed in a more operationally proportionate way, the distribution of benefits can shift closer to the SME-heavy core of tourism**. In other words, subsector concentration is not only a reflection of intrinsic policy priorities; it is also a reflection of delivery format. This reinforces the report's broader diagnosis that underfunding in certain subsectors is partly structural, but also partly design-driven.

Overall, the evidence suggests that the benefits of EU tourism funding have been **real but unevenly distributed**. They are strongest where projects create collective assets, structured support functions or demonstrator effects, and weaker where impact depends on direct uptake across highly fragmented subsectors. This makes Section 5 particularly important. The issue is not simply that some parts of tourism received less funding than others; it is that the current funding architecture appears to favour those parts of the ecosystem that are already more organised, networked and legible to EU programme logics. The diagnostic analysis that follows therefore examines the structural reasons behind this unevenness and the conditions under which future funding could generate broader and more balanced impact.

5. Diagnostic analysis

5.1 Sectoral conditions

The way EU funding works in the tourism ecosystem is conditioned first and foremost by **the sector's structure**. Tourism is overwhelmingly composed of **micro and small enterprises** (see Section 1.2.1), operating with limited administrative bandwidth and strong dependence on day-to-day cashflow and operations. In practice, this means that many tourism SMEs face a structural mismatch between their operating reality and the design assumptions implicit in many EU funding instruments—particularly those requiring sustained proposal preparation, complex compliance processes, and multi-partner coordination. This constraint is compounded by the fact that tourism businesses are often locally embedded and highly exposed to demand volatility, which makes opportunity cost acute: time spent on a complex application is time not spent on running the business.

A second sectoral conditioning factor is **tourism's cross-sector nature in the EU policy system**. The analysis repeatedly confirms that there is **no dedicated EU budget line for tourism**, and tourism-related actions are typically financed through broader objectives (innovation, competitiveness, skills, climate, digitalisation). As a result, tourism firms frequently need to access funding via **non-tourism-labelled opportunities**—positioning themselves under adjacent policy logics and eligibility categories. This creates a navigation burden for SMEs and contributes to "opportunity blindness": relevant funding exists, but it is not easily discoverable or recognisable as tourism-relevant without translation of EU terminology and objectives into tourism business needs.

Third, tourism's **fragmentation and representation gap** constrains how effectively public funding can be targeted. The sector is scattered across subsectors and territories, and the evidence base highlights that SMEs often lack the organisational maturity, partnership networks, and "EU funding literacy" required to consistently articulate collective needs and build investment pipelines aligned with programme priorities. The result is a structural policy design challenge: even when political strategies frame tourism around green, digital and resilience priorities, the pathway from those priorities to implementable, SME-ready actions is not automatic—especially where representative bodies are weaker and where firms are too small to aggregate demand for large-scale projects. This helps explain why, in practice, many tourism SMEs gravitate toward shared management routes and smaller, more operationally proportionate instruments, rather than large centrally managed projects.

Finally, sectoral conditions interact with the period analysed (2019–2022): the report's quantitative evidence shows that resilience became the dominant organising priority in tourism-relevant projects, reflecting both crisis response and the sector's structural exposure to shocks. This matters diagnostically because it clarifies the sequencing of SME needs: for many firms, transition ambitions (green and digital) tend to be pursued when they are compatible with stabilisation and operational continuity, rather than as stand-alone transformation projects. The implication is not that green and digital are unimportant, but that **funding uptake and effectiveness depend on whether instruments acknowledge SMEs' capacity constraints and prioritisation logic**.

5.2 Programme design

Beyond sector structure, a central diagnostic finding is that **programme design strongly shapes who can participate and what types of impact are realistically delivered**. Under direct management, tourism support operates through centrally managed calls where tourism is often an **application domain** rather than a programme objective. This creates two structural effects. First, tourism stakeholders must compete in policy arenas where evaluation criteria and project expectations are calibrated to broader objectives (e.g., innovation systems, digital capacities, cultural cooperation), not

to the operational realities of micro and small tourism businesses. Second, the administrative and partnership model of direct management—often requiring sophisticated proposal writing, evidence frameworks, and consortium coordination—tends to privilege organisations with established EU project capability. This is visible in the beneficiary structure observed in the tourism portfolio: participation is dominated by NGOs and public authorities rather than SMEs, indicating that direct management often reaches tourism through networked intermediaries rather than directly through the “long tail” of tourism firms.

A second programme-design issue is **fragmentation across instruments and thematic priorities**, which can become paralysing rather than enabling from an SME perspective. The project’s evidence base repeatedly identifies that applicants face difficulties understanding eligibility, selecting the right instrument, and interpreting the “why” behind calls—particularly when opportunities are dispersed across different programmes and administrative levels. The best-practice analysis adds nuance: successful SMEs are not simply those with “good ideas”, but those able to demonstrate strategic fit with the programme logic and to calibrate ambition to real capacity. This implies that programme design can unintentionally reward proposal sophistication and narrative alignment more than business transformation need—especially when documentation and reporting expectations are disproportionate to small grant sizes.

In response to these constraints, the evidence points to a clear design exception: **cascade funding / third-party financing mechanisms**, which operate through intermediated schemes and smaller grant formats, are consistently perceived as more accessible and better adapted to tourism SME realities. In the wider project evidence, SMEs report that such mechanisms lower entry barriers and function as a practical entry point into the EU funding ecosystem, particularly for first-time and low-capacity applicants. The diagnostic implication is structural: when programme design **reduces transaction costs** (simplified application steps, smaller funding envelopes, more operationally relevant deliverables), SMEs can engage without diverting disproportionate resources from daily operations.

Shared management programme design produces a different accessibility logic because funding is translated into **operational programmes (OPs)** and implemented through national or regional authorities and intermediate bodies. This proximity can make funding more actionable for tourism SMEs, both through dedicated tourism measures where they exist and through broader SME competitiveness measures implemented closer to the “last mile”. However, the report also highlights a design-related limitation: the pathway to final beneficiaries is indirect and often not visible in comparable, EU-wide granular data, making it harder to track outcomes systematically and to evaluate effectiveness consistently. The diagnostic conclusion is that shared management can be more accessible in practice, but its impact is highly dependent on how tourism is prioritised within OPs and on the capacity of managing authorities and intermediaries to implement schemes that are proportionate to SME realities.

Finally, a recurring programme-design issue specific to tourism is the **absence of a single, dedicated programme channel**, which makes orientation harder relative to policy areas where stakeholders can more easily identify “their” programme family. The report repeatedly frames tourism funding as distributed and cross-cutting, which is a rational reflection of EU competences, but it also implies a persistent navigation burden and diluted visibility for tourism-specific needs in call design. As a result, even where funding is available, the uptake challenge is partly structural: SMEs must translate tourism projects into non-tourism programme objectives, often without in-house policy expertise.

5.3 Information and support ecosystems

The third diagnostic pillar concerns **information and support ecosystems**, which mediate the relationship between tourism stakeholders and funding opportunities. The evidence base indicates that

the funding landscape is experienced by SMEs as fragmented across levels (EU, national, regional) and across thematic programmes, and that this fragmentation translates into practical barriers: limited knowledge of the funding landscape, difficulties navigating portals and templates, and challenges understanding financial rules and eligibility. In several best-practice interviews, fragmented access to information is not merely an inconvenience but a determinant of whether a firm applies at all—because the search and interpretation burden competes directly with daily operational priorities.

A decisive insight emerging from the best-practice evidence is that **tourism SMEs rarely succeed in isolation**. Access to trusted advisors and intermediary actors—local enterprise offices, development agencies, business associations, professional networks, consultants, or project mentors—often makes the difference between a manageable process and a prohibitive one. Where these ecosystems are strong, they reduce perceived risk, accelerate access to relevant information, and improve proposal quality by helping SMEs interpret programme logic and compliance expectations. Conversely, where support ecosystems are weak, SMEs report “trust barriers” and difficulty finding reliable partners, especially for EU-level opportunities that require transnational cooperation and credible consortium building. This finding aligns with the project’s broader observation that complex EU calls are more accessible when an applicant can plug into existing networks rather than attempting to construct partnerships from scratch.

The evidence also points to a second, more structural role of support ecosystems: they enable **cumulative learning and capability building**, which functions as an “impact pathway” in its own right. Best practices show that repeated exposure to funding schemes builds internal knowledge, procedural familiarity, and strategic judgement over time, allowing organisations to become more selective, better aligned, and more efficient in future applications. This is particularly relevant in tourism, where many SMEs lack initial funding experience and need to progress incrementally through smaller instruments before engaging with more complex ones. In diagnostic terms, this means that the presence of local and sectoral support structures does not only increase immediate access; it helps convert funding into longer-term capability—supporting more sustained engagement with EU priorities over time.

Finally, the evidence highlights that the most effective support ecosystems for tourism SMEs tend to be **territorially anchored**, reflecting the sector’s local operating scale. Workshop evidence and project implementation evidence consistently point to SMEs relying on regional ecosystems—such as destination-level bodies, entrepreneurial associations, chambers of commerce, and sectoral associations—to identify opportunities and navigate processes that are more feasible at local or regional scope. This helps explain why shared management routes are often perceived as more accessible: they align with the geography of tourism operations and with the support ecosystems SMEs actually use. At the same time, this underscores a limitation: SMEs located in territories with weaker intermediaries or less developed advisory ecosystems may face systematically higher barriers, regardless of programme availability, because the “translation layer” between EU funding architecture and SME reality is missing or insufficient.

6. Strategic recommendations and future funding approaches

6.1 Recommendation framework

The analysis developed in this report points to a clear overall conclusion: **the challenge for EU tourism funding is not simply to increase the volume of support, but to improve the strategic fit between funding architecture and the structural realities of the tourism ecosystem**. Tourism is financed through a distributed and cross-sectoral set of instruments, which has advantages in terms of policy mainstreaming, but also creates fragmentation, uneven visibility and accessibility barriers, particularly for SMEs and for underrepresented subsectors. A credible recommendation framework must therefore avoid proposing a single, overly centralised solution. Instead, it should aim to make the existing architecture **more legible, more targeted, more inclusive and more impact-oriented**, while preserving the cross-cutting logic that allows tourism to connect with broader EU priorities such as sustainability, digitalisation, resilience, skills and territorial cohesion.

On that basis, the recommendations in this chapter follow four strategic principles. First, future funding should be designed around **transformation pathways rather than isolated project categories**, so that tourism is supported as part of wider ecosystem modernisation rather than through ad hoc interventions. Second, support should differentiate more clearly between **systemic public-good investments** (for example destination governance, cultural assets, digital infrastructures and knowledge platforms) and **firm-level transition needs** (for example productivity upgrades, adoption of digital tools, sustainability investments and business-model adaptation). Third, programme design should systematically account for **asymmetries in administrative capacity**, recognising that the actors most in need of transition support are often least able to access complex instruments. Fourth, the EU funding system should place greater emphasis on **conversion mechanisms**: the institutional and operational arrangements that translate EU-level priorities into accessible and usable opportunities for tourism businesses, destinations and support organisations.

Taken together, this implies a future funding approach that is both **more strategic and more proportionate**. More strategic, because tourism funding should be anchored in a coherent EU-level vision aligned with the Tourism Transition Pathway and the European Agenda for Tourism 2030, with clearer links between funding, policy priorities and expected system change. More proportionate, because the design of support should reflect the diversity of the sector, the heterogeneity of territorial needs, and the operational constraints facing micro and small businesses. The recommendations below are therefore not based on the premise that tourism requires a single dedicated fund, but on the premise that **the current multi-instrument system can perform better if it is organised around clearer strategic intent, better targeting and more proportionate access conditions**. This is also consistent with the broader recommendation of the European Court of Auditors that EU tourism support requires a stronger strategic orientation and better funding approach.

6.2 New and more effective funding approaches

A first priority for future funding approaches is to strengthen the role of **mission-oriented and pathway-based support**. Rather than financing tourism through dispersed and weakly connected calls, DG GROW, together with EISMEA and the Directorates-General responsible for the main programmes, could increasingly structure funding portfolios that are explicitly linked to medium-term transformation objectives such as low-carbon destination models, digital destination management, skills renewal, circular tourism services, climate adaptation in tourism-dependent territories, or resilience in seasonal and peripheral areas. This would not require a stand-alone tourism fund, but it would require tagging tourism-relevant topics in work programmes and publishing an annual map of

open calls relevant to tourism, starting with the 2026–2027 work programmes and feeding into the design of the post-2027 Multiannual Financial Framework. The strategic value of such an approach is that it would reduce fragmentation and improve coherence across direct and shared management instruments, while allowing tourism actors to understand more clearly how their projects contribute to EU priorities under the European Agenda for Tourism 2030 (Council of the European Union, 2022) and the Transition Pathway for Tourism (European Commission, 2022).

A second priority is to expand the use of **layered funding models** that combine different types of support along the tourism transition chain. The evidence in this report suggests that large direct-management projects are oriented towards producing knowledge, tools, pilot models and collaborative structures, but are less suited to ensuring wide uptake among smaller firms. Future approaches should therefore embed stronger downstream mechanisms from the outset. EISMEA and the programme Directorates-General could do so by introducing an award criterion on the credibility of the diffusion pathway and, where appropriate, a mandatory cascade-funding or replication component in tourism-relevant calls. This could include broader use of financial support to third parties, voucher-based deployment schemes, structured technical assistance, adoption support, and regional replication windows linked to larger flagship projects. The logic should be to connect strategic EU-level experimentation with local implementation capacity, so that innovation does not remain confined to lead partners and intermediary organisations. In practical terms, this would make funding more catalytic: projects would be assessed not only on the quality of their design, but also on the credibility of their diffusion pathway to SMEs, destinations and underrepresented territories.

A third future-oriented approach concerns the use of **integrated territorial funding combinations**. Tourism challenges are often place-based and cannot be addressed effectively through one programme or policy lever alone. Sustainable destination management, for example, may require a combination of physical investment, digital systems, governance capacity, business support, skills development and environmental measures. Future funding design should therefore encourage more deliberate complementarities between direct and shared management, including clearer signposting of how destination-level actors can combine ERDF-type investments, SME support, skills interventions, and centrally managed innovation or demonstration actions. This would be particularly relevant for rural, island, coastal and transition regions, where tourism plays a development role that is broader than the sector itself. The objective should be to move from isolated grants towards **portfolio-based destination transformation**, in which different instruments support different components of the same strategic journey.

Finally, future funding approaches should place stronger emphasis on **investment readiness and transition support services**, not only on grants themselves. Many tourism businesses and local actors do not lack ideas; they lack the capacity to translate needs into fundable projects, credible investment plans or multi-partner applications. The *Guide on EU funding for tourism* (European Commission, 2023) already reflects the need to make opportunities more navigable, but the next step is to institutionalise more systematic support ecosystems around funding access. This includes project-development support, partner-matching, call interpretation, small-scale pre-development grants, and structured interfaces between tourism stakeholders and innovation, digital, sustainability or finance ecosystems. From a policy perspective, this is not peripheral support; it is part of the funding architecture itself, because without these translation functions many potentially valuable projects will never reach maturity.

6.3 Targeted measures for underfunded subsectors

The report's funding analysis shows that certain tourism subsectors remain systematically less visible in EU funding portfolios, particularly those characterised by **high fragmentation, low organisational**

density and limited project-development capacity. Accommodation, food and beverage services, travel intermediaries, passenger transport and other firm-intensive segments capture only a relatively small share of direct-management funding compared with attractions, cultural assets and destination-facing public-good functions. Future funding approaches should respond to this imbalance not by reducing support to well-performing areas, but by introducing **targeted corrective measures** for those subsectors where transition needs are high but funding uptake remains weak. This is important both for fairness and for effectiveness: the competitiveness and resilience of the tourism ecosystem ultimately depend on the ability of core operating subsectors to modernise, not only on the upgrading of destination-level assets and governance structures.

One practical response would be to create more **subsector-sensitive call design** within existing programmes. In line with the EU's supporting competence in tourism (Articles 6(d) and 195 TFEU), these measures concern call design within existing programmes, not new sector-specific budget lines; they would be taken forward by DG GROW and EISMEA for the Single Market Programme and by managing authorities for the ERDF. For accommodation and food services, this could involve stronger emphasis on energy efficiency, circular resource use, digital process upgrades, accessibility improvements, workforce retention and climate adaptation. For travel intermediaries and tour operators, priorities could focus on digital distribution, data interoperability, sustainable product redesign, risk management and diversification. For passenger transport linked to tourism, the emphasis may need to be on multimodal connectivity, low-emission mobility, accessibility and integrated destination systems. In each case, eligibility and evaluation criteria should make it easier for applicants to demonstrate relevance without forcing them into overly generic innovation language.

A second measure would be to support **collective transition vehicles** for subsectors where individual firms are too small to participate effectively on their own. This could include cluster-led schemes, sectoral consortium models, cooperative project platforms, destination business networks or industry-association-based intermediation. In underfunded subsectors, the policy objective should often be to organise demand and absorptive capacity before expecting direct uptake at scale. This is particularly relevant in parts of tourism where firms are numerous, micro-sized and locally embedded, and where funding can only become effective if it is channelled through structures able to aggregate needs, reduce transaction costs and provide implementation support. Such arrangements would also make it easier to combine public-good and firm-level objectives, for example by linking destination management actions with adoption schemes for local accommodation, food service or experience providers.

A third recommendation is to use future programmes to encourage **balanced territorial tourism development**, particularly where underfunded subsectors are concentrated in rural, remote, island or low-density regions. Funding instruments should more systematically reward projects that address under-tourism, seasonality, territorial diversification and local value retention, while also avoiding the reinforcement of already well-organised and overrepresented tourism models. Calls such as those under SMP-COSME that explicitly support sustainable routes, regional cooperation and balanced tourism development point in this direction and provide a useful signal for future practice. Well-designed targeted measures should therefore not only focus on subsectors in isolation, but also on **the territorial contexts in which underfunding and transition needs overlap**. In this way, funding can contribute simultaneously to competitiveness, cohesion and resilience.

6.4 Improving SME accessibility and success rate

Improving SME accessibility and success rates should be treated as a **central performance objective** of future tourism funding, not as a secondary implementation issue. The report consistently shows that the tourism ecosystem is dominated by micro and small enterprises, yet many of the most visible direct-management mechanisms are structurally better suited to intermediaries, public authorities and highly

organised networks. This creates a persistent mismatch between where transition support is most needed and where funding is most easily absorbed. Addressing that mismatch requires a more explicit SME-centred design philosophy across the funding cycle: from call formulation and communication to application, selection, implementation and follow-up. The objective should not be to simplify everything indiscriminately, but to ensure that **the complexity of the instrument is proportionate to the absorptive capacity of the target group**.

A first operational priority is to expand and normalise the use of **simplified access channels** for tourism SMEs. The experience of cascade schemes and intermediary-led support suggests that smaller funding packages, lighter application processes and structured technical assistance can materially broaden participation. Future programmes should therefore make greater use of staged application processes, pre-qualification mechanisms, simplified cost options, standardised templates and short concept-note entry points, especially where the intended beneficiaries are first-time applicants or very small firms. These measures are not merely administrative conveniences; they directly affect who applies, who succeeds and how evenly benefits are distributed across the sector.

A second priority is to strengthen **intermediation and support ecosystems** around SME participation. Many tourism SMEs do not need only finance; they need trusted support in identifying calls, interpreting requirements, finding partners and delivering projects. Enterprise support networks, destination organisations, business associations, chambers, innovation hubs and local development agencies can play a decisive role here if their support function is recognised and resourced. In practical terms, this means funding systems should invest more explicitly in the advisory and facilitation layer that connects EU priorities with SME realities. The *Guide on EU funding for tourism* (European Commission, 2023) and similar resources are useful entry points, but future effectiveness will depend on whether this information is converted into localised, proactive and user-oriented support arrangements.

A third priority is to improve **selection logic and success conditions** for SME-relevant projects. Evaluation frameworks should place more value on credible adoption, replicability, business relevance and implementation feasibility, particularly in calls that are explicitly meant to support tourism transition. This would help avoid a situation in which stronger proposal-writing capabilities systematically outweigh the practical value of the project for end users. Where appropriate, programmes should also recognise different forms of impact: not every successful tourism project needs to generate breakthrough innovation; in many cases, the more relevant outcome is the scalable uptake of proven solutions across a fragmented SME base. This requires a more nuanced understanding of what “high impact” means in a sector where incremental improvements across thousands of firms can matter as much as a few high-profile flagship projects.

Finally, improving SME success rates also requires better **continuity between funding stages**. Many tourism SMEs are capable of participating in small pilots or receiving limited downstream support, but struggle to move from experimentation to full deployment. Future funding approaches should therefore include clearer progression routes between first-entry schemes, growth-oriented support and larger collaborative opportunities. This could take the form of linked calls, mentoring pathways for successful small beneficiaries, or structured transition windows from third-party support to more advanced funding instruments. In effect, the funding system should behave less like a set of isolated opportunities and more like a **graduated support ladder** that helps firms build capacity over time. If designed well, this would improve not only access, but also the long-term absorptive capacity of the tourism ecosystem.

Overall, the recommendations in this chapter suggest that the next phase of EU tourism funding should be judged not only by how much money is made available, but by **how effectively funding is translated into accessible, strategic and balanced support for tourism transformation**. The conclusions that follow synthesise this perspective and draw together the report’s main findings on allocation patterns, impact signals, diagnostic barriers and future improvement priorities.

7. Conclusions

This report shows that EU support to tourism in 2019–2022 was **strategically relevant** and distributed across a wide range of instruments, but **structurally uneven in how it reached the tourism ecosystem**. The evidence confirms that tourism has benefited from a wide range of EU instruments despite the absence of a dedicated EU tourism budget line. This distributed architecture has allowed tourism to connect to major Union priorities such as resilience, digitalisation, sustainability, skills and territorial cohesion. At the same time, it has also meant that tourism funding is rarely organised around a single, clearly visible pathway for stakeholders. As a result, the question is not whether the EU funds tourism, but **how effectively that funding architecture translates into accessible and meaningful support for the sector's highly fragmented business base**.

The key figures illustrate this pattern. Under direct management, 480 of 52,313 projects funded by the five main centrally managed programmes (0.9%) were tourism-related, accounting for EUR 275.7 million (0.4% of funding committed), with the highest tourism shares in Creative Europe and COSME/Single Market Programme (Table 2; annual figures in Table 3). Within the thematic portfolio of 217 projects, 76.0% were primarily resilience-oriented. Of the 522 tourism-stakeholder beneficiary records, only 13.0% were SMEs, and around 77% of the funding received by tourism stakeholders went to attractions and cultural sights. Under shared management, around EUR 10.8 billion was programmed for explicitly tourism-related measures in 2014–2020, almost entirely under the ERDF, where tourism lines represented 5.5% of the total allocation. The recommendations are summarised in Table 5.

A central conclusion of the report is that **direct and shared management play different but complementary roles** in the EU tourism funding landscape. Direct management appears strongest where tourism can be linked to broader strategic agendas and where projects generate innovation, experimentation, transnational cooperation and destination-level public goods. It is particularly valuable for testing new models, supporting structured partnerships and aligning tourism with Union-wide transformation priorities. However, direct management also appears more difficult to access for the SME-dominated core of the tourism ecosystem, as participation is often mediated by NGOs, public authorities and other organisations with stronger proposal-development capacity. Shared management, by contrast, seems better positioned to support broad territorial reach and more operational investment pathways, especially through ERDF and related instruments, but the available evidence is less granular and therefore less capable of showing final beneficiary reach with the same level of precision. Taken together, the two routes should be understood not as alternatives, but as a combined architecture whose effectiveness depends on whether strategic-level innovation and place-based diffusion are adequately connected.

The portfolio evidence further suggests that EU funding was most clearly oriented towards **tourism resilience**, while green and digital transition have also been supported but in a more selective and concentrated way. This reflects both the timing of the period under review and the way tourism has been positioned within mainstream EU priorities. The portfolio indicates that resilience has often served as the main entry point through which tourism actors have gained access to EU support, with digital and green dimensions frequently embedded as enabling components rather than as stand-alone investment logics. This is an important finding because it shows that the EU funding system has been able to support tourism transformation, but not always in a balanced way across all priorities. The result is a funding profile that is strategically coherent, yet still uneven in the depth and spread of its contribution to different dimensions of sectoral change.

At the same time, the report makes clear that **accessibility remains one of the most important structural weaknesses of the current funding architecture**. The tourism ecosystem is

overwhelmingly composed of micro and small enterprises, yet the most visible and analytically traceable funding channels often favour actors that are more organised, better networked and more institutionally legible to EU programme logics. This contributes to an uneven distribution of benefits across both stakeholder types and subsectors. The strongest funding signals are found in attractions, cultural assets, visitor-information functions and other destination-facing public-good layers, while accommodation, food services, intermediaries and other firm-intensive parts of the tourism value chain remain comparatively less visible. The implication is not that these better-supported areas are overfunded in themselves, but that the current architecture more easily rewards structured and collective forms of intervention than fragmented, firm-level transition needs. In practice, this means that some of the parts of tourism most in need of support are also the least well served by standard funding designs.

The broader policy implication is therefore clear: **future improvement depends less on creating entirely new funding volumes than on making the existing system more strategic, more targeted and more proportionate to the realities of tourism**. A stronger future approach would preserve the cross-cutting nature of EU tourism funding, but organise it around clearer transition pathways, more visible access routes, stronger links between flagship projects and downstream uptake, and better support for SMEs and underrepresented subsectors. The evidence reviewed in this report points in particular to the value of mechanisms that reduce transaction costs, strengthen support ecosystems, and create more credible bridges between EU-level priorities and local business realities. Ultimately, the success of future EU tourism funding should be judged not only by the volume of resources mobilised, but by **its capacity to convert dispersed opportunities into coherent, accessible and high-impact support for the tourism ecosystem as a whole**. These conclusions rest on funding allocation, participation and portfolio data; in the absence of outcome indicators and a counterfactual, they describe the likely contribution of EU funding rather than attributable impact.

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