

# Rural tourism

## SUMMARY

A large share of tourism in the European Union takes place in rural areas. However, not all tourism in rural areas is necessarily considered to constitute rural tourism. Rural tourism, whose origins lie in agritourism and farm stays, is typically built on experiences that are specific to the countryside, often includes physical activities connected with nature, is usually small in scale and involves a large number of small private businesses. It can bring numerous benefits to local communities, in particular diversification of farm income, job creation, and retention of services in rural areas, thus preventing depopulation.

However, negative consequences can include physical damage to ecosystems caused by too many visitors, pressure on local infrastructure, and higher prices for services and housing for local residents. Rural tourism can face challenges such as inadequate transport, water and sewage capacity, as well as depopulation and a resulting lack of human resources necessary for tourism services. Specific challenges are also expected regarding the green and digital transitions.

While tourism is primarily a Member State competence, the EU strongly supports the tourism sector and current EU strategic documents lay out a vision for sustainable EU tourism in the future. Tourism projects can benefit from multiple EU funds and the sector is eligible for financial support for the transition to a more green and digital path under several EU programmes.

The European Parliament has been supportive of rural tourism and has highlighted that it contributes to the economic, social and environmental sustainability of rural areas, in particular making a positive contribution to safeguarding small-scale and diverse farming, tackling social inequalities and creating employment opportunities for women. Parliament has called on the European Commission to 'ring-fence' a specific allocation for agritourism under the new common agricultural policy.



### IN THIS BRIEFING

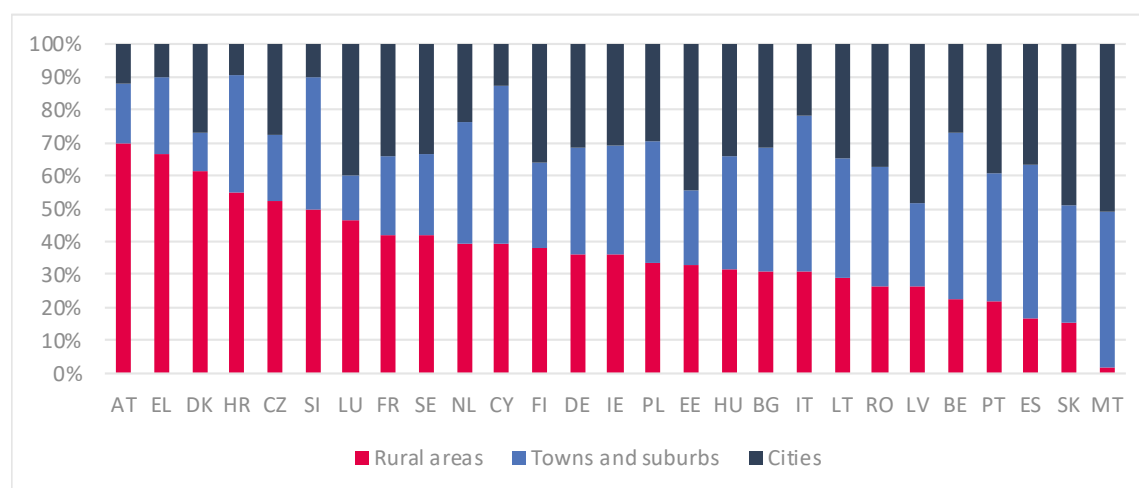
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## Introduction

According to Eurostat, a large share of tourism in the EU takes place in rural areas. In 2021, rural areas accounted for 43.8% of [beds in tourism accommodation](#) in the EU (the remaining 33.8% of beds were in towns and suburbs and 21.4% in cities). Rural areas also saw 37% of all [nights spent at tourist accommodation](#), compared to towns and suburbs, which accounted for the remaining 35% and cities for 28% (for the shares by Member States see Figure 1).<sup>1</sup>

Figure 1 – Share of nights spent at tourist accommodation in 2021



Data source: Eurostat, [tour\\_occ\\_nin2dc](#).

When it comes to absolute numbers, the Member States with the largest number of beds in rural areas were France, Italy, Germany, Spain, Greece, Austria and Croatia, with most of them (with the exception of Italy and Spain) also having more beds in rural areas than in cities, towns or suburbs. These were also the Member States with the largest number of nights spent at tourist accommodation in rural areas.

Visiting nature and the countryside has fascinated visitors for centuries, especially those longing for peace and quiet away from busy city life. The rural tourism that we know today appeared in Western Europe [in the early 1970s](#), as an alternative to the then-predominant beach and mountain resorts, spreading to Eastern Europe in the 1990s. The new type of tourism offered an escape from cities and from tourist crowds in holiday resorts. This type of tourism often took place on farms and was largely seen as a way to diversify farm income, at a time when agriculture was declining. This was known as **agritourism or farm tourism**.

This was followed by a phase of growth in which rural tourism spread, mostly without top-down planning or coordination, becoming entrenched in parts of Asia, North and South America, Australia and New Zealand. Rural tourism moved away from farm-stays – and grew into a complex business environment that today includes accommodation, food and beverage services, attractions, sports and nature-related activities, arts and crafts, museums, libraries, entertainment, etc. Many farms subsequently gave up on agriculture and focused on tourism alone, while new entrepreneurs, who were not farmers, moved from the cities to the countryside and also entered the rural tourism sector.

In recent decades, the rise of the internet and especially of online booking platforms<sup>2</sup> broadened the appeal of rural tourism, enabling tourists to find rural accommodation anywhere in the world. The COVID-19 pandemic increased its attractiveness, as people began prioritising secluded destinations that were reachable by car. However, rural tourism, just as other types of tourism, faces challenges – not only due to the green and the digital transition, but also those specific to rural

areas, such as inadequate infrastructure and lack of human resources due to depopulation, and increasing competition from city tourism, refurbished resorts and cruise holidays.

## Defining rural tourism

While a large part of tourism today happens in the midst of or close to nature and small villages and towns, not all tourism in rural areas is necessarily considered 'rural' tourism. According to the United Nations' World Tourism Organization ([UNWTO](#)) **definition**, rural tourism is 'a type of tourism activity in which the visitor's experience is related to a wide range of products generally linked to nature-based activities, agriculture, rural lifestyle / culture, angling and sightseeing. Rural Tourism activities take place in non-urban (rural) areas with the following characteristics: i) low population density, ii) landscape and land-use dominated by agriculture and forestry and iii) traditional social structure and lifestyle'.

According to another well-accepted definition, by the Organisation for Economic Co-operation and Development ([OECD](#)), rural tourism is:

- located in rural areas
- functionally rural
- rural in scale
- traditional in character
- sustainable
- of many different kinds, representing the complex pattern of rural environment, economy, and history.<sup>3</sup>

However, it is not always easy to know where to draw a line, mainly because it is difficult to define what is 'rural'. The OECD notes that few areas will have all these characteristics and that rural tourism exists on a [continuum](#) – and that often it will also display some urban characteristics.

Based on these definitions, it is nevertheless considered that rural tourism is typically built on experiences that are specific to the countryside, such as open spaces, and contact with nature and with local people. It often includes physical activities connected with nature, such as walking, hiking and cycling. It is usually small in scale and takes place in smaller villages and towns (the OECD study mentions settlements under 10 000 inhabitants) and involves a large number of private, often family-owned, micro-enterprises that are frequently run as part-time or side jobs.

Rural tourism destinations are most often not created in a planned manner, but grow slowly and organically. This means that services are not standardised and that the quality can greatly vary, but also that numerous products evolve continuously. This has resulted in different niche types of rural tourism, such as wellness tourism, activity tourism (including adventure and sports tourism – cycling, walking, climbing, skiing) and cultural and heritage tourism (including food and wine tourism). Rural tourism is also often described as closely aligned with the concept of [sustainable tourism](#), given that it is inherently linked to environmentally-friendly forms of tourism.

## Benefits, risks and challenges

Rural tourism can bring numerous [benefits](#) to local communities. By creating new job opportunities, rural tourism helps to strengthen the local economy and can play an important role in maintaining services, improving living conditions, ensuring generational renewal and slowing down depopulation. Furthermore, it can help conserve natural and cultural heritage and sustain the special rural character of an area, for instance by maintaining aspects of traditional way of life and traditional crafts and skills that might otherwise be forgotten, such as lace making or traditional boat building.

Agritourism allows farmers to promote their farms and the unique areas in which they are located. Inviting visitors to farm stays and trading agricultural products brings additional revenue directly to

farming families. This adds value to their agricultural production, while at the same time generating an interest in local produce and providing an opportunity to maintain and utilise agricultural land.

However, tourism can also have negative consequences for rural communities. A European Parliament study notes ['dis-benefits'](#) such as risk of physical damage to fragile ecosystems caused by too many visitors and pollution, including noise and litter. Popular rural destinations can face house price increases beyond the reach of local people, due to outsiders buying second homes and the arrival of large-scale tourism business. Tourism can also lead to a loss of rurality and 'undiscovered' areas and wilderness, to growing urbanisation and over-reliance of local inhabitants on the business of tourism. The EU [report](#) also warns that harmful effects on local destinations can reduce the attractiveness of a destination in the long term and also have negative impacts on residents' wellbeing, such as higher prices for services or housing.

According to an UNWTO [survey](#), one of the biggest challenges for rural tourism today is inadequate infrastructure – deficiencies in roads, ports, airports and other infrastructure that allows tourists to reach rural areas; issues with basic services such as sewage, electricity and water systems; gaps in telecommunications or internet coverage; a lack of health care services. Another major challenge identified is depopulation, due to migration to urban areas, especially by younger generations. This can result in a lack of the human resources necessary for tourism services – especially important for this type of tourism that depends on personal contact with local people and authenticity.

More broadly, rural tourism is expected to face particular challenges in the framework of reaching the objectives of the [European Green Deal](#). The green transition will require initiatives to decrease energy use and emissions, in particular in buildings and in transport – this includes finding sustainable ways to bring tourists to these sometimes remote areas and transport at the destination itself. Other important measures will be introducing circular economy models, improving accommodation and restaurant waste management (including food and plastic waste), lowering water consumption and developing locally supplied ingredients for food services. Achieving this with so many different cross-sectoral products and services and a variety of businesses and organisations responsible for different elements is expected to present a particular challenge.<sup>4</sup>

Rural areas are also expected to face specific issues in the digital transition. In the last decade, the gap in the availability of [broadband internet connection](#) between urban and rural areas significantly decreased (in 2021, 93 % of households in the EU cities had broadband, compared to 86 % of households in rural areas). However, the speed of this connection can be slower in rural areas, which can hinder their attractiveness for some types of tourists, such as digital nomads. Rural tourism businesses also often lack digital infrastructure and skills, while at the same time visitors increasingly use digital sources to make travel arrangements. According to the special [Eurobarometer](#) on attitudes towards tourism, only recommendations from friends, colleagues and relatives and personal experiences were more important to EU tourists in 2021 than websites and social media. In addition, holidays were increasingly booked online: 31 % of respondents most often used online platforms for accommodation services, 25 % used online platforms combining travel services (accommodation, car rental, flights, etc.), 24 % used website of a hotel or airline company and 19 % used online listings of private housing (such as rooms and apartments).

## Current trends

In the wake of the COVID-19 pandemic, rural tourism has become increasingly popular, due to a new perception of travel and the desire for secluded, and authentic, more nature based, experiences away from major tourist hotspots. Despite the significant negative impacts of the pandemic on tourism, the crisis provided an opportunity to rethink tourism for the future. Studies by the [European Parliament](#) and the [OECD](#) pointed out that the broader economic and social impact of the pandemic both forced and inspired a fundamental rethink in how to shape the tourism sector. Destinations that relied heavily on international, business and events tourism particularly struggled, with many coastal, regional and rural areas faring better than cities. According to [Eurostat](#), in 2021 more visitors

spent a night in less populated areas compared to 2019: while the share of nights spent in cities dropped by 6 percentage points, rural areas saw an increase of 4 percentage points and of 2 percentage points in towns and suburbs. As tourism activities slowly restarted after the lockdowns, travellers preferred to visit more remote rural destinations and natural areas – opening up opportunities in places where tourism was not previously well-developed. New travel patterns arising from the pandemic include greater demand for short-haul travel within home or neighbouring countries, travelling by rail or car rather than plane, staying in self-catering and private accommodation rather than hotels, visiting coastal, regional and rural areas rather than cities, and participating in walking, cycling and other outdoor activities rather than in enclosed spaces.

Remote and rural destinations were predicted to attract visitors in the post-COVID era, thus continuing to provide an important lever for economic development and growth. The October 2021 [Eurobarometer survey](#) showed that 82% of Europeans were willing to change their travel habits for more sustainable practices, including travelling to less-visited destinations and consuming locally-sourced products.

After a stronger than expected recovery for tourism in 2022, a robust interest for sustainable tourism in rural and near-home destinations persists, although it may be complicated by the cost of living crisis. According to the 2023 [sustainable travel report](#) by Booking.com, out of 33 000 travellers across 35 countries, 76% said that they want to travel more sustainably over the coming 12 months. This is 16 percentage points more than in Booking's 2021 survey and 5 percentage points more than in 2022. However, three quarters of participants also said that the global energy crisis and the cost of living were impacting their travel plans. Furthermore, 49% said that more sustainable travel options were too expensive – 11 percentage points more compared to 2022. Nevertheless, 43% said they were willing to pay extra for travel options with a sustainable certification. This is in line with the UNWTO's [assessment](#) that in 2023, tourists will increasingly seek value for money and travel closer to home in response to today's challenging economic climate and uncertain geopolitical situation.

Other reports from the hospitality industry include a renewed interest in sustainable travel among [top travel trends for 2023](#), in particular eco-tourism; remote work and digital nomadism; and off-the-beaten-path destinations for travellers seeking authentic experiences and to avoid overcrowded tourist hotspots.

## EU policy

Tourism is primarily a Member State competence, and the [role of the EU](#) is to complement, support and coordinate the action of EU countries. This role broadly involves promoting the competitiveness and development of the sector and fostering cooperation ([Article 195, TFEU](#)).

Due to its importance to the European economy and employment, the EU strongly supports the tourism sector – along with the sustainable principles of rural tourism. On 4 February 2022, the Commission presented the [transition pathway for tourism](#), and on 1 December 2022 the Council adopted the [European Agenda for Tourism 2030](#). These are the main documents laying out the current vision for the EU policy on tourism.<sup>5</sup>

The [European Agenda for Tourism 2030](#) states that its main goal is promoting tourism that is: economically, environmentally, culturally and socially sustainable; responds to the challenges of climate change, the loss of biodiversity and the EU's commitments in terms of UN 2030 Agenda for Sustainable Development; creates jobs and promotes local culture, products and services. While the document does not mention rural tourism specifically, it invites Member States to take account of the impact of tourism on the quality of life of local communities in their policies; to pay particular attention to the needs of peripheral, less accessible, islands and outermost regions in their transport measures; to promote active mobility modes, such as cycling and hiking; and to encourage longer stays.

The tourism agenda is based on the transition pathway for tourism, the result of a [stakeholders' co-creation process](#) initiated in 2021 under the [updated EU industrial strategy](#), which identified tourism as one of the 14 industrial ecosystems where green and digital transitions need to be accelerated. The [transition pathway for tourism](#) calls on the tourism community to implement measures in 27 areas to reduce energy, waste, water and pollution to meet the increasing demand for sustainable tourism. The report notes that different territories have different starting points and possible limitations concerning the implementation of the actions. The stakeholder consultations underline the lack of good transport links and digital connectivity as key issues in slowing the green and digital tourism transition in rural areas, and that actions and their follow-up should always consider the specificities of the territory. In the context of the pathway for tourism, the Commission also launched a new [tourism dashboard](#) to help national and regional policy makers to establish policies and strategies for the transition of the tourism sector and to improve the resilience of EU tourism.

Complementing these two documents is the Commission's communication '[A long-term vision for the EU's rural areas: towards stronger, connected, resilient and prosperous rural areas by 2040](#)'. It acknowledges recreation, tourism and preservation of culture and traditions as basic aspects of rural areas, alongside food production, management of natural resources and protection of natural landscapes. The communication notes that services such as tourism and recreation account for an increasing share of jobs and income in rural areas, as the shares linked to agriculture declines. However, it points towards possible synergy between rural tourism and farming, especially organic farming and production of products with geographical indications. For instance, organic farming and conservation efforts can provide on-farm activities, the availability of local quality products, adequate management of landscapes and sea-land interactions in coastal rural areas. Promotion of geographical indications can also be beneficial to the territories where they are produced. The document envisages setting up 'bio-districts' – 'geographical areas where farmers, the public, tourist operators, associations and public authorities enter into an agreement for the sustainable management of local resources based on organic principles and practices'. This is considered especially promising in combination with the Natura 2000 network.

## EU funding

While a dedicated EU budget specifically for tourism does not exist, the sector is eligible for financial support for the transition to a more green and digital path under several EU programmes. In general, tourism projects can benefit from as many as 15 EU funds, including the [European Regional Development Fund \(ERDF\) and Cohesion Fund](#), which include a specific objective related to sustainable tourism, and can be used for investment in the environment and the trans-European transport network.<sup>6</sup> The [European Social Fund Plus \(ESF+\)](#) supports youth employment measures and investment in jobs and skilling opportunities.

Support for rural tourism is also available under the common agricultural policy, depending on the interventions chosen by Member States in their national CAP strategic plans. The European Agricultural Guarantee Fund (EAGF) can be used, for instance, to support wine programmes, which can include promotion of wine tourism in producing regions. The [European Agricultural Fund for Rural Development \(EAFRD\)](#) can be used to support investments in basic services in rural areas, rural business start-ups that aim to diversify farm income to non-agricultural activities, as well as non-agricultural activities in rural areas provided that they are part of community-led local strategies, developed as part of the [LEADER](#) local action groups. Tourism-related projects, such as recreational fishing activities, local gastronomy or diving, can also be supported under the [European Maritime, Fisheries and Aquaculture Fund \(EMFAF\)](#).

The [Recovery and Resilience Facility \(RRF\)](#) provides Member States with the possibility to finance investment and reform – including in the tourism sector – as part of their [national recovery and resilience plans](#) (NRRPs). Depending on the Member State, tourism can be covered either by tourism-specific measures or by horizontal measures that are relevant to all sectors.

To help actors in the tourism sector find appropriate funding from the [2021-2027 multiannual financial framework](#) (MFF) and [NextGenerationEU](#), a dedicated section on 'Tourism' in the recently published 2023 edition of the EPRS [Guide to EU funding](#) lists all relevant funding programmes. In addition, the Commission published a [guide](#) with practical information about the various funding programmes in 2021, for example the type of actions supported, eligible organisations/businesses and the type of funding available. It also contains links to the relevant EU programmes' websites and gives examples of tourism projects co-funded by EU funds in the past.

## European Parliament position

In its [resolution](#) of 19 June 2020 on transport and tourism in 2020 and beyond, Parliament highlighted the need for long-term support for tourism to ensure competitiveness and stressed that the pandemic represented a historic opportunity to modernise the sector and make it more sustainable. It noted the benefits of rural and agro-ecotourism, and called on the Commission to further promote and support initiatives that would generate additional income sources for rural areas, create jobs and prevent land abandonment and depopulation. It stressed the potential role of the EAFRD, and called in particular for adequate funding of the LEADER programme, as well as for 'ring-fencing' a specific allocation for agritourism under the new CAP.

In the [resolution](#) of 25 March 2021 on establishing an EU strategy for sustainable tourism, Parliament highlights that the COVID-19 pandemic has led to a shift in travellers' demands towards safe, clean and more sustainable tourism and underlined that local craft activities, agro-tourism, rural tourism and ecotourism are an integral part of sustainable tourism. Parliament highlights the positive contribution of rural tourism in safeguarding small-scale and diverse farming, tackling social inequalities and creating employment opportunities for women. It stresses that EU rural development measures contribute to strengthening the EU agri-food sector, environmental sustainability and the wellbeing of rural areas. It notes that improved cooperation and coordination between stakeholders, greater involvement of local authorities in tourism and market research and professional communication and marketing strategies are necessary to boost the social, economic and environmental performance of agritourism. It calls on the Commission to consider increasing financial support for promoting cycling tourism in Europe, noting that cross-border routes for outdoor activities, supported by EU funding, can divert tourism flows and boost tourism in less developed regions.

In its [resolution](#) of 13 December 2022 on a long-term vision for the EU's rural areas, Parliament calls on the Member States to put measures in place to support the fair transition and diversification of the rural economy and emphasises the potential of eco-tourism in this respect. It recognises that tourism can represent an important source of income for rural communities and points out the often underexploited potential of recreational fisheries and angling tourism to attract tourists throughout the year. It calls for effort to be made to strengthen the place of rural tourism, such as wine tourism, in strategies for diversifying the rural economy, hand-in-hand with the agricultural and food sectors. In addition, the Transport and Tourism (TRAN) Committee's [Tourism Task Force](#) has repeatedly demanded a separate budget for tourism and a genuine EU strategy on sustainable tourism.

Parliament has also favoured EU support for agritourism due to its positive impacts on the rural communities in its previous mandates. For instance, it deemed that agritourism was beneficial for [biodiversity](#) conservation, as well as for [quality of life](#), income diversification, job creation and prevention of depopulation (it also warned that this required ensuring full access to the transport network and to the internet and IT infrastructure in rural areas). It emphasises the need to [support](#) the development of rural tourism and mountain agritourism while preserving the specificities of these areas. Parliament has called on the Commission and the Member States to support the exploitation of the potential of traditional [sheep and goat farming practices](#) through agritourism.

## MAIN REFERENCES

European Commission, [Transition pathway for tourism](#), 2022.

European Court of Auditors, [EU support to tourism: need for a fresh strategic orientation and a better funding approach](#), 2021.

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Margaras, V., Szechy B., [Guide to EU funding: 2023 edition](#), EPRS, European Parliament, 2023.

OECD, [Managing tourism development for sustainable and inclusive recovery](#), 2021.

OECD, [Tourism strategies and rural development](#), 1994.

## ENDNOTES

<sup>1</sup> These numbers were likely influenced by the COVID-19 pandemic (see more below). As of July 2023, partial Eurostat data, with six Member States missing, showed that the share of nights spent in rural areas was 33 % [in 2022](#). The data can also be followed via the [EU Rural Observatory](#).

<sup>2</sup> See for instance Stefan Gössling & Bernard Lane, [Rural tourism and the development of Internet-based accommodation booking platforms: a study in the advantages, dangers and implications of innovation](#), Journal of Sustainable Tourism, 23:8-9, 2015, pp. 1386-1403.

<sup>3</sup> This definition is based on a [definition](#) of 'pure rural tourism' by Bernard Lane, who also collaborated on the OECD study (and also on the 2013 European Parliament study on [Industrial heritage and agri/rural tourism in Europe](#)).

<sup>4</sup> See the EU transition pathway for tourism.

<sup>5</sup> In addition, the Council adopted conclusions on [Tourism in Europe for the next decade](#) in 2021, calling to improve connectivity and multi-modal sustainable travel, including in rural areas; and for support, in particular for small and medium-sized enterprises in the green and digital transitions. In 2020, the Commission had adopted the [Tourism and transport in 2020 and beyond](#) communication to alleviate the impact of the COVID-19 pandemic on the tourism sector, also announcing that the EU would promote local tourism, including agritourism as a sustainable model of tourism.

<sup>6</sup> A 2021 European Court of Auditors report on the [EU Support to tourism](#) found that tourism projects financed by the ERDF had 'mixed results' in 2014-2020.

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