Rural tourism & EU economic diversification policies

Regional Expert Advisory Working Group on Economic Diversification through Rural Tourism - Kick-off Meeting, Skopje, 24th January 2019

#REAWG #ED-RT
Topics

- Introduction
- Context
- Rural Tourism – What & Why
- CAP & European Rural Development Policy Priorities 2014-2020
- European & Regional Networks
- Key Success Factors
NTO Montenegro 2006-2013
2013 +

Adventure Travel World Summit 2013, Namibia: Restorative Tourism – The Return of the Balkans

ITB 2015 Keynote Panel: Film Tourism – Coincidence or Strategy?

1. DRV Camp, „Destination 3.0“, Budva

Setup of #TravelMassiveMNE

Concept Development for Marketing Material: Danube Serbia Region

Travel Agents Association (UHPA), Croatia

Thematic Trails for the 5 National Parks of Montenegro

2017: Volunteers – Village Trail in Pošćenje, Montenegro

Mountain Tourism Development Sichuan, China
Context I – Diversification of Income Sources

Source: Moreddu, C.: FACTORS AND POLICIES TO FAVOUR DIVERSIFICATION OF RURAL ECONOMY: OECD EXPERIENCE, Beijing 2013
Context (II) – Rural Tourism by Core Location and Main Offer

Farm: Farm life, accommodation.

Agro: rural way of life, rural holidays, trades of agro-food products, F&B

Rural: rural environment with natural and cultural attractions, recreational activity that are basis for rural holidays

Farm: On farm and its environment.

Agro: agricultural land, meadows, pastures and forest land

Rural: territories with natural and cultural attractions; lakes, mountainous, natural forestry parks, in or near protected areas

Source: Bojnc, S.: Rural Tourism, Rural Economy Diversification and Sustainable Development, Koper, Slovenia 2010
Demand: growing & diversified

Wider scope of opportunities and new linkages for rural areas, can be closely related to:

- adventure travel, in all four seasons
- nature-based ecotourism, including wildlife tourism
- inclusive tourism
- culinary and experiential tourism
- cultural and heritage tourism
- voluntourism and working holidays
Context (III) - Background

1) Primary agriculture has a **decreasing role** in most rural economies (population, employment and GDP).

2) Transition from a central planning to a market economy and associated restructuring, rural tourism has become a **new market niche**, which was underdeveloped during the previous system.

3) The reform of the **Common Agricultural Policy (CAP)** of the EU has stipulated shifts from market-price supports toward direct payments and rural development = new opportunities and challenges for more environmentally friendly and bio-production, as well as rural tourism.

Source: Bojnec, S.: Rural Tourism, Rural Economy Diversification and Sustainable Development, Koper, Slovenia 2010
4) The **EU policies** are targeting farm and agro diversification & rural economy diversification.

5) **Rural entrepreneurship** is seen as an effective means promoting rural economy development and its long-term sustainability.

6) Today, multifunctional development, particularly of rural tourism is a **priority for most of governments** of the enlarged EU.

7) Rural tourism is much more than farm or agricultural diversification: It is the rural economy diversification efforts to develop rural economy from primary-manufacturing based into the **service-based economy**.

---

9 Source: Bojnec, S.: Rural Tourism, Rural Economy Diversification and Sustainable Development, Koper, Slovenia 2010
Always act so...

...as to increase the number of choices.

H. von Förster (1911-2002, Austrian American scientist combining physics and philosophy)
Why rural tourism? Because...

- Can
- Like
- Should
Because we can

Have | Find | Create

#DesignOfMemories

#PulseOfEurope
Because people like it
#PeaksoftheBalkans
#ViaDinarica
Because we should

...disperse from „hotspots“ to wider regions
Because we should

...help stop depopulation & brain drain.

Net Migration Rates 2000/2015 (migrants per thousand population)

<table>
<thead>
<tr>
<th>Country / Year</th>
<th>Albania</th>
<th>BiH</th>
<th>Macedonia</th>
<th>Montenegro</th>
<th>Serbia</th>
<th>Kosovo</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>-6,37</td>
<td>-8,89</td>
<td>-0,5</td>
<td>-0,99</td>
<td>-2,24</td>
<td>n.a.</td>
</tr>
<tr>
<td>2000</td>
<td>-11,53</td>
<td>-8,37</td>
<td>-0,85</td>
<td>-7,00</td>
<td>-10,24</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

Source: https://knoema.com/
Because we should...

...increase their number of choices
Because we should

...reduce seasonality
Because we should

...gain repeated guests
Because we should

...attract the right kind of guests – value, not volume!
Policy makers, check out this spot:

https://vimeo.com/51501697
Because we should

...increase cross-border cooperation
For over 50 years, the Common Agricultural Policy (CAP) has been the European Union's (EU) most important common policy. Current priorities:

1) Fostering knowledge transfer and innovation in agriculture, forestry and rural areas;

2) Enhancing the viability and competitiveness of all types of agriculture, and promoting innovative farm technologies and sustainable forest management;

3) Promoting food chain organisation, animal welfare and risk management in agriculture;

4) Restoring, preserving and enhancing ecosystems related to agriculture and forestry;

5) Promoting resource efficiency and supporting the shift toward a low-carbon and climate-resilient economy in the agriculture, food and forestry sectors;

6) Promoting social inclusion, poverty reduction and economic development in rural areas.

CAP Expenditure & Reform Path

European & Regional Networks

- **European Federation of Rural Tourism**
  http://eurogites.org/ - includes
  - Serbia http://www.selo.rs/rs
  - BiH http://alterural.ba/en/home/

- **European Network for Rural Development**
  https://enrd.ec.europa.eu/

- **Parks Dinarides**
  www.parksdinarides.org

- **Regional Cooperation Council**
  www.rcc.int/tourism

- et.al
Key Success Factors (I)

If it’s not sustainable, it’s not development.

- Efficient system of support for beginners in rural tourism business: information, education, consulting, favorable financing, joint marketing strategy and action planning.

- Development of new managerial and entrepreneurial knowledge and skills – focus on generation change & gender equality.

- Integration of agriculture and tourism as a lever of rural development (e.g. local value chains).
Key Success Factors (II)

What you don’t measure you cannot manage.

- Quality standards – with local authenticity.
- Protection of rural identity and natural-cultural landscapes.
- Community involvement in the destination management process, for credible, integrated tourist experiences.
- Effective destination management & marketing.
- Incentives for cooperation & innovation.
- Cross-sectoral cooperation – from national to local levels.
Welcome to...
Questions?

#happytohelp
Contact

Kirs Hyvaerinen
MB +382 67 288 776
EM k.hyvaerinen@pratto.eu.com

@Tweets_KH
www.linkedin.com/in/khyvaerinen
kirsi.hyvaerinen

Managing Director
PRÁTTO Consulting d.o.o.
Biokovine bb, Пошћење
81450 Šavnik, Montenegro
Partner, ITB Advisory - www.itb-advisory.com