

RRD SWG – Economic diversification in Rural Areas through Rural Tourism

Kick-off Meeting, January 24, 2019

Skopje, Macedonia

KOSOVO

Historical

Rural tourism in Kosovo started after the 70s and developed and mountain tourism (tourist resorts for winter holiday). Political situation of 90s caused decline of the sector and decrease in the number of tourists. After 1999 war country ended up with a greatly damaged infrastructure. Due to the post-conflict context, Kosovo has been perceived an unsafe place to visit. These images continued to be perceived especially for the rural areas due to the poor living conditions and opportunities for economic growth. During the last years, tourism related investments mainly concentrated in urban centers, private sector investments in accommodation facilities and services.

Agriculture

Agriculture continues to be an important sector for Kosovo's economy, with a high contribution to GDP, presenting main source of income for rural population. Agriculture provides critical income for most of rural households which have relatively small farms with an average size of 1.5 ha. Government is supporting agriculture mainly through conventional means, paying less attention to integrated territorial approach. As a result, rural areas of Kosovo suffer from: lack of economic attractiveness, poor access to public services, unemployment and migration to urban centers or Western Europe.

Rural Development 2014-2020

Kosovo Agricultural and Rural Development Plan 2014- 2020 follow the same programming framework and are in line with the EU's priorities for rural development. The Plan identifies rural tourism as an important activity under the diversification measure.

Kosovo's Rural Development Program 2014-2020 focuses on the following six priorities:

1. Fostering knowledge transfer in innovation in agriculture, forestry and rural areas
2. Enhancing competitiveness in all types of agriculture and enhancing farm viability
3. Promoting food chain organization and risk management in agriculture
4. Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry
5. Promoting resource efficiency and supporting the shift towards 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". (MAFRD, 2013).

The overall objectives of the ARDP 2014-2020 were defined as follows:

1. to develop competitive and innovation-based agrifood sector with an increased production and productivity capable of producing high quality products and meeting the EU market standards, contributing to the security and safety of the food supply, pursuing economic, social and environmental goals by fostering employment and developing human and physical capital;
2. to protect natural resources and environment in rural areas, addressing the challenges of climate changes by achieving sustainable and efficient land use and forestry management and by introducing agricultural production methods which preserve the environment;
3. to improve the quality of life and diversify job opportunities in rural areas by fostering

employment, social inclusion and balanced territorial development of those areas". (MAFRD, 2013).

There has been an increasing international donor assistance and several CSO projects, as well as recently a number of new tour operators have been actively involved in rural development.

The following measures are being implemented under each priority for the 2014-2020 period:

- Investments in the physical assets of agricultural holdings
- Investments in the physical assets of the processing and marketing of agricultural and fishery products.
- Agri-environmental measures and organic farming
- Establishment and protection of forests
- Farm diversification and business development
- Preparation and implementation of Local Development Strategies-LEADER.
- Improvement in training
- Advisory services
- Technical assistance.

Overview of tourism

- Currently, only a small division under the Ministry of Trade and Industry is responsible for tourism. Rural development under Ministry of Agriculture, cultural heritage is with Ministry of Culture, and protected areas with Ministry of Environment. Currently no National Tourism Organization, and almost no local or regional Destination Management organizations.
- Kosovo struggles with lack of reliable tourism data. National statistics agency does not collect data on arrivals, visitors spending, visitor's centers, attractions, tourism employees, TO/TAs, etc.
- No national tourism strategy, no tourism database of resources and destination
- Environmental concerns pose a great risk to tourism development. Two of the highest risk environmental challenges include waste management and river conservation
- Tourism information and communication technology infrastructure development is at a very early stage
- There is no systematic tourism marketing at national or local/regional level
- A number of initiatives aiming cross border tourism cooperation, including but not limited to the Peaks of the Balkans, the High Scardus and a number of EU funded projects
- Overall weak infrastructure, particularly road, water supply, sewage at tourism destinations
- Quite weak school curricula for tourism, only a few professional education possibilities, as well as a number of private higher education institutions offering tourism education
- No proper and standardized tourist point/attraction mapping and signage program
- Cultural Heritage suffers from degradation, lack of institutional care
- Quite weak Cross-sector cooperation, especially among central government ministries, levels of government (central and local), government and private sector
- Underdeveloped tourism Associations with a very limited impact on policy development
- Uncertainty regarding standards, especially accommodation, but also registration and licensing of tour operators, travel agencies and tour guides
- Public spaces generally do not provide access for people with disabilities, tourist destinations particularly limiting