



Regional Expert Advisory Working Group (REAWG) on  
Economic Diversification through Rural Tourism (ED-RT)  
Kick-off Meeting

**REPORT**



**23 – 25 January 2019**

**Skopje, Macedonia  
Continental Hotel**

## 1. Introduction

Support to Economic Diversification of Rural Areas in Southeast Europe (SEDRA) is a 3-year regional program jointly implemented by SWG and GIZ, aiming at strengthening the institutional capacities of selected stakeholders in Southeast Europe for supporting EU-compliant economic diversification in rural areas. Rural tourism is one of the topics that are selected within the project, as part of the economic diversification agenda in SEE countries. The focus will be on streamlining tourism with agriculture and rural development within the EU framework for rural development programmes.

The objective of the Regional Expert Advisory Working Group (REAWG) on Economic Diversification through Rural Tourism (ED-RT) is to develop a regional approach for the assessment of the policies for diversification of economic activities in the rural areas of the SEE, with focus on rural tourism development, as well as to propose policy framework for economic diversification through rural tourism in line with EU policies. The presentation on the terms of reference of the REAWG is provided in **Annex 1**.

The kick-off Meeting of the REAWG on EC-RT took place in Skopje on 24 and 25 January 2019 and gathered experts and relevant ministries' representatives to discuss the concept and methodology for the work of the REAWG. The list of participants is provided in **Annex 2**, and the program of the meeting in **Annex 3**.

## 2. Overview of the economic diversification policies (focus on rural tourism) in the SEE

### Albania

The main policy document related to agriculture and rural development is the Inter-Sectoral Strategy for Agriculture and Rural Development (ISARD) for 2014-2020. One of the priorities is balanced territorial development of rural areas promoting social inclusion, poverty reduction and balanced economic development in rural areas. The objective is to achieve a balanced territorial development of rural areas by fostering diversification of economic activities, job creation and social inclusion, and improving living conditions in rural areas. The full presentation is provided in **Annex 4**.

### Bosnia and Herzegovina

Bosnia and Herzegovina has great natural and technical potentials for rural tourism development, income and employment opportunities. The institutional framework is complex and leaves little space for efficient coordination of tourism activities in BiH. One of the biggest problems is that there is no uniform law on tourism at the state level as well as the lack of promotion of the tourism industry. In both Entities, the Law on Tourism does not contain rural tourism as one of the types of tourism, as well as its branches such as eco-tourism, agro-tourism etc. The presentation is provided in **Annex 5**.

### Kosovo\*

Currently, only a small division under the Ministry of Trade and Industry is responsible for tourism; there is no National Tourism Organization, and almost no local or regional Destination

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\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

Management organizations. Kosovo\* struggles with lack of reliable tourism data. There is no national tourism strategy, no tourism database of resources and destination. More info is available in **Annex 6**.

### Macedonia

The key challenges for rural tourism development in Macedonia are: non-existence of specific law on rural tourism, lack of statistical data to establish baseline and monitor progress, weak role of the municipalities in the system, need for revision of the taxation, unresolved property issues, lack of promotion, need for sustainable natural resources management, wiser involvement of the local people etc. The presentation is provided in **Annex 7**.

### Montenegro

Key institutions related to rural tourism in Montenegro are Ministry of Agriculture and Rural Development, Ministry of Sustainable Development and Tourism, national/ tourist organization, municipalities, donors, educational institutions, civil society etc. Key policy documents are National Strategy for agriculture and rural development 2015-2020 and IPARD II Program 2014-2020. The presentation is provided in **Annex 8**.

### Serbia

In the National Program for Rural Development of Serbia 2018 - 2020, it is noted that rural tourism can initiate the development of rural areas and balanced regional development. Rural tourism can greatly alleviate the permanent unemployment problem in rural areas. The main relevant policy documents are: Strategy of tourism development of the Republic of Serbia for the period 2016 – 2025, Strategy of agriculture and rural development of the Republic of Serbia for the period 2014-2024, Master plan for sustainable development of rural tourism in Serbia, Programme of Sustainable Rural Tourism Development, Strategy of Spatial Development of the Republic of Serbia 2009-2013-2020. The presentation is provided in **Annex 9**.

## **3. EU economic diversification policies**

Primary agriculture has a decreasing role in most rural economies (in terms of contribution to population, employment and GDP). In SEE the transition from a central planning to a market economy and associated restructuring, has opened an opportunity for rural tourism to be developed for new niche markets.

In EU the reform of the Common Agricultural Policy (CAP) has stipulated shifts from market-price supports toward direct payments and rural development, which bring new opportunities and challenges for more environmentally friendly and bio-production, as well as rural tourism. The EU policies are targeting farm and agro diversification and rural economy diversification. Rural entrepreneurship is seen as an effective means for promoting rural economy development and its long-term sustainability. Today, multifunctional development, particularly of rural tourism is a priority for most of governments of the enlarged EU. 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.

The full presentation is provided in **Annex 10**.

#### 4. Methodology for assessment of the policies for economic diversification in rural areas through rural tourism in the SEE

The Regional Expert supported by the International Expert proposed methodology to be used by the experts of the REAWG on ED-RT in completing the assessment. The presentation of the methodology is provided in **Annex 11**.

#### 5. Activity plan for completion of the assignment

Activity	Deadline/Place	Responsible
Methodology for assessment of the policies for economic diversification in rural areas and relevant frameworks	23 January 2019	RE supported by IE
Participation at the Kick-off Meeting	23 – 25 January 2019, Skopje, Macedonia	All
Cross-country synthesis report outline	28 February 2019	RE supported by IE
National reports outline (provided to national experts)	28 February 2019	RE supported by IE
First draft national report, in line with the agreed national report outline	31 May 2019	NEs
Participation at the First Interim Meeting	18 – 20 June 2019, Voskopoja, Albania	All
Feedback on the first draft national reports	20 June 2019	RE supported by IE
First draft cross-country synthesis report	30 September 2019	RE supported by IE
Second draft national report, based on the feedback of the Regional Expert on the first draft	30 September 2019	NEs
Participation at the Second Interim Meeting	29 – 31 October 2019, Serbia (Zlatibor or Tara)	All
Feedback on the second draft national reports	31 October 2019	RE supported by IE
Final draft national report	31 December 2019	NEs
Participation at the Final Meeting	February 2020	All
Final cross-country synthesis report	28 February 2020	RE supported by IE

Legend:

NEs – National Experts

RE – Regional Expert

IE – International Expert

#### 6. Wrap-up

In the wrap-up the present ministries' representatives expressed their satisfaction with the concept and direction of the REAWG's future work and their commitment to support the experts within their capacity. The objectives of the REAWG are in line with the ministries' needs and the final results would contribute to improved evidence-based policy making in the area of economic diversification through rural tourism.

