

OVERVIEW OF THE ECONOMIC DIVERSIFICATION POLICIES (FOCUS ON RURAL TOURISM) OF RN MACEDONIA

CONCLUSIONS

Rural tourism development status

Rural tourism definition & typology in practice: The RN Macedonia

Estimation of the level of rural tourism development achieved in respect of available resources

Legal frameworks (gaps)

Support policies framework

Institutional framework

CONCLUSIONS (2)

Opportunities for rural tourism development

Institutions perspective

Service providers view

Regional cross-border initiatives

PERSPECTIVES AND RECOMMENDATIONS

**Utilizing rural tourism as an effective rural economy diversification tool
– strengthening, shortening & greening agriculture-tourism value chains**

- Clustering vs. competition**
- Transparency**
- Sustainability**
- Composition**

PERSPECTIVES AND RECOMMENDATIONS (2)

Upgrading policy and legislation

- **Preparation of a specific Law on Rural Tourism**
- **Protection (designation) of new natural and/or cultural heritage sites**
- **Sustainability in resources management**
- **Statistical data/baseline setting**
- **Strengthening of the role of municipalities in the rural tourism development**
- **Tax regulations and financial transactions system revision**
- **Introduction of efficient mechanisms to solve property issues and rural space planning**
- **Promotion improvement**
- **Emphasized engagement of local people in the business**
- **Introduction of a rescue and risk management system**

PERSPECTIVES AND RECOMMENDATIONS (3)

Improving institutional capacities:

- **MAFWM**
- **AFSARD**
- **NEA**
- **The Ministry of Economy**
- **The Agency for promotion and support of tourism**
- **Local self-government units**
- **Local Action Groups**

Recommendations for improvement of public awareness and participation:

- **Information sharing/communication**
- **Knowledge transfer**
- **Increase of the effectiveness of public services**

PERSPECTIVES AND RECOMMENDATIONS (4)

Recommendations for improvement of regional (cross-border) cooperation:

- **Organization of joint activities for cross-border capacity building and networking.**
- **Support of quality business initiatives**
- **Introduction of national co-financing facility/fund**
- **Improvements to the physical connectivity between cross-border regions**

Institution	Ministry of agriculture, forestry and water supply (MAFWM)
Role in rural tourism	<p>Legal framework drafting and proposing. Policies development, implementation, monitoring and control (national level). Overall stakeholder coordination. Direct (financial), indirect and technical assistance provision.</p>
Needs for upgrade	<p>Human resources capacity building and increase of number of trained employees. Technical/organizational improvements. Financial capacity improvement.</p>
Recommended actions	<p>Participation in capacity building activities: trainings, study trips, workshops.</p> <p>Improved horizontal and vertical coordination of rural tourism stakeholders: MAFWM/line ministries/local MAFWM branches/AFSARD/NEA; MAFWM/LSGUs; MAFWM/donor community;</p> <p>Policy and strategic update/improvement: Drafting Strategy for rural development and Law on rural tourism. Co-financing facility (fund) initiation/establishment.</p>

Institution	Ministry of Economy
Role in rural tourism	<p>Legislation drafting, monitoring and control.</p> <p>Regulation and policy development and implementation.</p> <p>Stakeholders coordination/consultation.</p> <p>Direct financial support provision.</p>
Needs for upgrade	<p>Human resources capacities improvement.</p> <p>Administrative procedures improvement.</p> <p>Financial capacities improvement.</p> <p>Policy update.</p>
Recommended actions	<p>Initiation/drafting of Strategy for rural tourism development and Law on Rural Tourism with MAFWM (in partnership with MAFWM).</p> <p>Revision/update of Law on Tourism and Law on Hospitality.</p> <p>Increase of the funds available within the Program for tourism development and diversification of measures within the Program.</p> <p>Shortening of the administrative procedures for submitted applications evaluation within the Program for tourism development.</p> <p>Revision of Rulebook on the type and the amount of the subsidies for support of the organized incoming tourism in more favor for rural service providers (increased subsidies if tour operator markets rural tourism products).</p>

Institution	Agency for promotion and support of tourism
Role in rural tourism	Promotion of tourism products to targeted foreign markets. Provision of financial support (direct subsidies) for incoming tourism.
Needs for upgrade	Human resources update. Administrative procedures update. Policy update.
Recommended actions	Improvement of the procedures for subsidies payment (shorter periods). Easing administrative procedures for subsidies application (less paperwork and more simple and evident supporting documents). Promotional tools diversification. Support of development of new products that are directly in favor of rural tourism (hiking, biking, climbing trails, kayaking, paragliding, gastronomy and traditional events).

Institution	Local self-government units
Role in rural tourism	<p>Categorization of rural tourism accommodation facilities. Policies development and implementation (local level). Coordination between service providers and national level. Tax collection. Inspection, monitoring and control. Infrastructure development. Promotion. Local stakeholders' coordination.</p>
Needs for upgrade	<p>Administrative capacities update. Financial capacities update. Policy update.</p>
Recommended actions	<p>Organization of effective, well equipped, professional local economic development sector/tourism development department.</p> <p>Engagement of at least one civil servant to be nominated responsible for tourism development in small rural municipalities.</p> <p>Increase of the human financial and technical capacities for urbanization of rural areas.</p> <p>Capacity building of employees for increase of the EU funds absorption.</p> <p>Introduction of local programs (instruments) to support rural tourism development.</p> <p>Introduction of more effective communication tools with rural tourism stakeholders and service providers.</p> <p>Strengthening of their institutional capacities to implement effective categorization procedures.</p> <p>Introduction of innovative promotion tools.</p> <p>Strengthening of human and financial capacities of local tourism inspectorates.</p>

Thank you for your attention

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