

CASE STUDY 23

HIKING AND BIKING: CONTRIBUTING TO RURAL DEVELOPMENT IN NORTHERN MONTENEGRO

CONTEXT

Author: Nikola Tausan

Country: Montenegro

Sector: Tourism

This case demonstrates how working with the tourism sector can contribute substantially to the development objectives of a nation. Montenegro, a small, new nation in the Balkans, has an already substantial and rapidly growing tourism sector, with a majority of the development focused on the 290km coastline. The government's objective, outlined in the national tourism strategy, is to diversify the country's tourism product in the inland. Mountainous regions should attract tourists from the coast. The overall aim is to contribute to the development of Northern Montenegro (the coastal hinterland) through diversification of the rural economy. Tourism contributes to this as addition to the traditional means of production and by increased visitors average length of stay, expenditures and overall satisfaction.

Developing new and innovative tourist products, such as hiking and biking opportunities, have been identified as a priority for development in the mountain areas in the Montenegro Tourism Strategy to 2020. Market research demonstrates the significant potential of the hiking and biking market as outlined in Table 1 below.

Table 1: The market potential of hiking and biking

A Trip Advisor survey (2009) revealed that travellers appear to be going "lean and green":

- 53% of German travellers to Montenegro will go hiking in the coming year, up from 50% the previous year;
- 47% percent plan to engage in an adventure activity, up from 40%;
- 33% will go cycling, up from 28%; and
- 55% were complaining of 'too much garbage' in 2008 (Guest Survey).

Other market research identifies:

- millions of tourists enjoy nature by riding a bike or taking a hike during their vacation (In Germany alone more than 20 million people per annum include hiking or biking activities in a holiday);
- consumption of these tourists amounts to over 100€ per day;
- mountain-bike and trekking bicycle riding is set to continue to increase in popularity globally and particularly in Europe; and
- this target group (mountain bikers) is extremely interested in new destinations and eco-tourism.

The development of infrastructure and products to attract the hiking and biking market fits well with the environmental agenda of Montenegro and the global trend toward responsible tourism and the "green agenda". Activities to access funding mechanisms for the development of 'green' tourism products and services, and the organization and promotion of complimentary products such as zero energy events like cycling festivals and walking marathons, contribute to increasing the awareness of tourism professionals, tourists and the community in general on environmental issues and climate change.

In this context, the Ministry of Tourism (MoT), the National Tourism Organization (NTO), the Montenegro Mountain Association (MMA), and the Montenegro Biking Association (MBA), in cooperation with national and international experts, identified six top biking trails in 2009.

Despite the fact that the development of hiking and biking represents an excellent example of the sustainable valorization of resources in the

hinterland regions of Montenegro, sustainable development is constrained by poor waste management. Almost all defined trails are affected by pollution. This project addresses this major constraint to further development and rural income generation. The project has been linked to wider SNV support to sustainable tourism development in Montenegro with the Ministry of Tourism, the Ministry of Spatial Planning and Environment and the National Tourism Organization.

In this project SNV's focused on the following:

- Problem analyses
- Raising awareness
- Pollution mapping
- Changing attitudes
- Drafting of short-term plan of actions
- Contributing to long-term solutions change (changing behaviour)
- Product and services development and improvements
- Promotion and market access

CLIENTS AND PARTNERS

Our client – the Ministry of Tourism - is the main policy making and direction setting agency in tourism development in Montenegro.

Important tourism actors at meso/regional level, municipalities in particular, have not yet sufficient tourism development capacities for their roles and responsibilities. SNV is working on their capacity building in other projects which will compliment the one described here.

INTERVENTION LOGIC AND METHODS

As a project developed in cooperation with the Ministry of Tourism, the intervention logic is inextricably linked to the five operational goals of the Montenegro Tourism Strategy to 2020:

1. Create required tourism and accompanying infrastructure for attaining the strategic goal;
2. Montenegro develops a specific 'Unique Selling Points', and will be able to win loyal guests for hiking and biking, and be recommended further for these activities;
3. Montenegro is known and recognized as an all-year destination;
4. Institutional and legal frameworks are appropriate for successful and sustainable development;
5. Local population is increasingly involved in the tourism sector (internal marketing).

Accordingly the project followed the implementation logic below:

1. Creating and adopting Action Plans for participative and sustainable cleaning of solid waste on five biking top trails.
 - 1.1. Mapping and analyzing solid waste disposal locations on all trails;
 - 1.2. Identification of relevant stakeholders and reasons behind the pollution;
 - 1.3. Definition of approaches to sustainable cleaning and identification of recourses needed;
 - 1.4. Development and adoption of cleaning action plans and ownership of relevant municipalities.
2. Implementation of action plans.
 - 2.1. Promotion of adopted action plans and concrete analysis of stakeholders' roles and responsibilities;
 - 2.2. Identification and procurement of recourses needed;
 - 2.3. Delivery of cleaning campaigns;
 - 2.4. Increasing awareness of sustainable approaches through different actions at the community level.
3. Private, public and NGO actors are involved in improving of biking offer on Biking Top Trails with economic justification.
 - 3.1. Promotion of roles and responsibilities of private, public and NGO sector;
 - 3.2. Mapping and inclusion of tourism attractiveness in the biking offer;
 - 3.3. Improvement of marking of biking trails;
 - 3.4. Developing of tourism products and services on the trails.

OUTCOME

4. Improving promotion of biking offer.
 - 4.1 Identification of biking promotion events;
 - 4.2 Development of proper promotion actions;
 - 4.3 Promotional events on local level including local clubs;
 - 4.4 Websites design;
 - 4.4 Connection with international tour operators and presentation on international market.

- 1) Improved access to (and capacities to receive and use) EU and other donor funding, as well as microfinance;
- 2) Improved destination coherence, competency and inter-agency/multi-stakeholder cooperation;
- 3) Training for targeted rural operators in destination and enterprise development and in the supply of quality tourism products and services;
- 4) Improved competitiveness (across product, product development, marketing, promotional activities);
- 5) Increased marketing, promotion and partnership with tour operators and associations;
- 6) Transfer of experience between groups, at regional, national, EU, or trans-national level;
- 7) Facilitating linkages between actors and institutions with economic development as explicit objective, extensive participation of civil society, micro-enterprises, public sector, agro-tourism emphasis;
- 8) Making villages attractive, a key for competitiveness;
- 9) Improving the external image of the area, promotion of clusters and quality standards;
- 10) Finding partners for all projects/actions, building local champions, building informal networks;
- 11) Product development and improvement, market access (leading to employment and income).

IMPACT

Our work contributed to the:

- development of national parks and nature areas - tourist promotion with spot interventions and trails, services
- consideration of environmental protection in all phases of project implementation (cultural and natural)
- maintaining people in sparsely populated rural areas, with diversification from agriculture, poor infrastructure, implement sustainable tourism with education, importance of maintaining goodwill attitude, find partners.
- Direct income generation from tourism and related economic activities.

The statistics of guests and overnights showed positive trends for the Northern Region:

- 110,000 tourists visited North compared to 85,000 in 2009
- 28,000 overnights in 2010 from may-September compared to 21,000 in 2009
- Number of Tourists in National Parks June-October 2009-2010: 40.000 compared to 30.000 in 2009

Length of hiking and biking groups' stay increased:

- 3-6 day hikes: increased 11%
- 7-10day tours: 68%
- 11-14 days: 14%

The hiking and biking offers of tour operators contributed to seasonal extension:

- 68% organized tours in the period April-June
- 82% in the period July-September
- 25% in the period September-December

Spending in 2010 of hiking and biking guests who visited Montenegro through specialized tour operators was 3.2million Euro

Average hiking and biking visitors spending per person per day (groups), without arrival travel / flight ticket cost:

10€-50€: 11%
51€-100€: 39%
101€-150€: 7%

LESSONS LEARNED

A strategic Environmental Assessment of the Montenegro Tourism Strategy pointed out the necessity to raise the capacities of the municipalities and other stakeholders at local level to reach rural tourism ambitions with required capacity for making those ambitions become reality. For example the knowledge of what to do and the ability to do, or a coherent and shared vision for sustainable tourism development in rural areas, as well as effective planning and coordination capabilities.

Our clients, beneficiaries and partners have gained insight, knowledge and understanding of demand and opportunities in EU enlargement process for economic development (especially mechanisms for rural development and linkages of agriculture and tourism). SNV assisted them in identifying opportunities and actual or perceived barriers to the economic development.

SUSTAINABILITY

Although the sector will continue to face challenges in the coming months, together we can find unique ways of overcoming these and ensuring success as a region. Vital to this success is the sector's ability to create value-driven and experience-rich opportunities that appeal to visitors in target markets. This hiking and biking project has helped to improve services along the trails, connect stakeholders and generate a holistic and unique offer.

Our clients and partners are keen to spread the benefits of tourism to the remote, mountainous interior of Montenegro. SNV Montenegro is committed to working with rural area stakeholders, focus on linking tourism and agriculture and maximizing the benefits for local communities in the Northern Montenegro region.

As a recent EU candidate, there are increasing opportunities for the north of Montenegro given the EU focus on improving quality of life, mitigating regional disparities and sustainable development in rural areas. The Montenegro government has moved its focus to the Northern part of Montenegro and started the revision of the Strategy for regional development.

Photos and quotes:



Jack Delf and Hayley Wright Travel Agent and Tour Operator Blackmountain, Herceg Novi:

"Multi-level cooperation among regional key players is a critical factor to promote innovation in tourism, by working together we can command much greater international attention, raise our standards and lead the market with new ideas and products."



Sabina and Musa Ramović, Tourist Agency RAMS, Bijelo Polje:

"Cooperation with the NTO and involvement in promotional-educational activities contribute to faster development of our company, defining clear goals and strategy development. We believe that tourism development and environmental protection, as well as eliminating illegal waste disposals in Bijelo Polje is essential, as it can contribute to the revitalization of the countryside, return of young people to the countryside, which is very important for us, as we are creating conditions for our children (14 and 17 years old) to get perspectives in the future to stay, live and work in Bijelo Polje".

Peter Davis Krahenbuhl, President, Co-founder, Sustainable Travel International:

"Sustainable tourism development that meets the economic, social and environmental needs of a nation requires duty, commitment and action related to tangible results. I have worked in destination planning and tourism globally for over 15 years, including developing and assessing national tourism plans. During my time there, I met with many stakeholders from Podgorica to community representatives throughout the rural program region, and I saw first hand how the hiking and biking project achieves the country's strategic goals: season extension, revenue and local employment growth, integration of the hinterland into national tourism product, reducing migration and revitalizing villages. This to me is an amazing achievement and I salute everyone involved."

Dave Bamford, Director - Tourism Resource Consultants Ltd. Wellington, New Zealand:

"I was impressed by the approach by the Ministry of Tourism and the NTO of Montenegro to diversify its tourism products by using adventure tourism as a focus in the Northern region, and to better integrate the country's coast with the mountains to form one authentic destination. The approach of using hiking and biking, along with other adventure activities, to grow the rural tourism sector has been very successfully used in many countries, including New Zealand. Our healthy tourism sector was grown out of trekking, mountaineering and adventure activities. My 24-year experience in over 40 countries throughout Asia, the Pacific, Latin America and Europe says your project is delivering considerable achievements in only 2,5 year time and you should continue the focused work. I wish the Montenegro tourism industry all

the best in developing this growing and attractive sector, and providing local sustainable development opportunities in the Northern region."

Valentina and Novica Gogić owners, Etno selo "Izlazak", Rudinice

"Izlazak" is located at the biking Top Trail no. 4 in a less known area above Piva Lake. It belongs to the network of "Bed and Bike" accommodations. The feedback shows a growth rate of +47% in overnights during 2009-2010:

"The cooperation with NTO and the Ministry of Tourism has been of great help, as from the very beginning we had an excellent and high-quality cooperation (we hope to mutual satisfaction).

Due to the fact that we have employed people from the surroundings, as we purchase all high-quality products (meat, dairy products, fish, vegetables, etc.) in our village and the surrounding villages, we have improved the economic situation in our area to a certain degree.

The number of tourists in 2009 was 231, while the number of overnights was 284. In 2010, the number of tourists was 348, and overnights 417. We have guests all year round, but most of them visit us during the summer months.

..."From the very moment the "Etno village" was opened, we have tried to include as many people as possible, so that those who are unemployed see a possibility to earn money when cooperating with us. It is our wish that as many unemployed young people as possible remain in our village, and we will stimulate them by purchasing their products. Of course, we have provided a job to our family members by opening the "Etno village", as they were unemployed. Our next steps are improving the offer, extending accommodation capacities, and we thus hope that we will have the opportunity to employ more workers. We think that the start of our business was relatively good and of high quality, so that we will do our best to introduce some innovations next year.

We cooperate with several tour operators and agencies, but we hope to extend such cooperation to further ones next year. The guests come from our own country and the and as to foreign guests, most of them come from Italy and Slovenia..."

Standard data:

Start and end date of the contract: March - December 2010

Composition of the team: SNV Montenegro: Predrag Jankovic (Country Representative and Senior Advisor, Gorica Bojic and Nikola Tausan (Advisors)
LCBs: FORS Montenegro, Montenegro Adventures, BC "Perun", HC "Rumija"
Tour Operator Mojkovac, BC "Nikbike", KZU "Napredak", Marina Markovic, Maja Kostic-Mandic, NVO "Godinje"

External consultants: "Europe Destination Marketing", the Netherlands (represented by: Mr. Dennis van der Voort)

Number of PP-days already invested and planned to be invested per category:

Planned: Advisors: 94 / LCBs: 90 / Consultant: 15

Actual: Advisors: 101 / LCBs: 255 / Consultant: 18

Relevant partnerships:

National Tourism Organization (NTO)
Ministry of Spatial Planning and Environment (MoSPE),
Municipalities
National Parks
Local Tourism Organizations

The financial resources invested: 29,609.47 Euro

Client satisfaction and enhanced capacity scores: Very satisfactory on outcome and impact: Assignment review (Client) and assignment review (Advisor) all lines scored 4 (comment: "everything, and when I say everything I mean everything").