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Tourism in Poor Rural Areas

**Diversifying the product and expanding the benefits in rural
Uganda and the Czech Republic**

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1 Introduction

As many as 75 per cent of the world's poor live in rural areas¹. Top tourism destinations, particularly in developing countries, include national parks, wilderness areas, mountains, lakes, and cultural sites, most of which are generally rural. Thus tourism is already an important feature of the rural economy in these specific sites. It is self-evident that tourism will never come to dominate all rural areas, particularly in the developing world – there are vast swathes of rural areas for which tourism is not relevant for the foreseeable future. Between these two extremes are poor rural areas with some tourism potential, and an urgent need to develop whatever economic potential they have. Thus, an important question is whether more can be done to develop tourism within such rural areas, as a way of dispersing the benefits of tourism and increasing its poverty impact.

The aim of Pro-Poor Tourism (PPT) is to increase the net benefits to poor people from tourism, and increase their participation in managing the tourism product. If more tourism can be developed in rural areas, particularly in ways that involve high local participation in decisions and enterprises, then poverty impacts are likely to be enhanced. The nature of rural tourism products, often involving small-scale operations and culturally-based or farm-based products, can be conducive to wide participation. Tourism can also bring a range of other benefits to rural areas, such as infrastructural development and spin-off enterprise opportunities. This paper thus assumes that strategies to further develop rural tourism can be one part of a pro-poor tourism agenda.

However, developing rural tourism has its challenges. Any successful tourism development, whether pro-poor or not, depends on commercial, economic, and logistical issues, such as the quality of the product, accessibility and infrastructure of the destination, availability of skills, and interest of investors. In most of these aspects, rural areas may well be at a disadvantage compared to urbanised and more developed areas. These challenges may be compounded by political and institutional obstacles, particularly in developing countries, i.e. the administrative complexity of dealing with low-populated areas, the lack of policy co-ordination between rural development and tourism development, and low priority provided to rural areas by central governments. Thus, ways to deal with these challenges are needed.

Rural tourism takes many different forms and is pursued for different reasons. There are developmental reasons to promote tourism as a growth pole such as for regeneration following agro-industrial collapse, or diversification of a remote marginal agricultural area into adventure tourism or cultural tourism. Other reasons relate more to development of the tourism product such as diversifying a country's image, or alleviating bottlenecks in popular sites. There are big differences in approach between Eastern Europe and Africa (the two areas of focus in this paper) due to their economic legacy and context. But in both, rural tourism is seen as one means to assist rural economies with the transitions they are facing in order to thrive in a more liberalised economy.

The purpose of this paper is to explore strategies for expanding tourism in poor rural areas. It draws on an overview of the likely challenges and motivations involved in promoting rural tourism, and on two new case studies from the Czech Republic and Uganda, complemented by insights from other rural tourism initiatives elsewhere. It does not focus on rural tourism at well-established or high-value sites (such as gorilla habitat, famous mountains or reserves), but on bringing tourism into wider rural areas.

¹ IFAD (2001:15) estimates that 75% of the 1.2 billion people living on less than one dollar a day live and work in rural areas.

Section 2 outlines the importance and likely obstacles of rural tourism, thus sets out the key challenges on which practical lessons are needed. The paper does not seek to provide a comprehensive review of international experience of rural tourism approaches, but Section 3 briefly provides some key background on different types of approaches, thus providing distinctions and definitions for the discussion. In particular, it outlines the differing context for rural tourism strategies in Eastern Europe and sub-Saharan Africa.

Section 4 reviews initiatives in the Czech Republic to establish Heritage Trails, focusing initially on Southern and Northern Moravia, while Section 5 reviews the development of cultural sites and trails in Ugandan villages in the traditional kingdom of Buganda. The motivations, institutional processes, practical steps, progress and obstacles are identified. The final section returns to the themes of challenges and strategies in order to identify useful lessons for pro-poor tourism strategies more generally. This paper does not provide an economic and social impact assessment of the development of rural areas into a tourism destination. While such an assessment is urgently needed, considerable new research is required to inform it².

² This is an important gap in our knowledge of rural tourism and pro-poor tourism. Most assessments of the impact of tourism in the development literature focus either on the macro level (for example at national level on contribution to foreign exchange or total employment), or on the micro level (for example, impacts of one lodge or one enterprise). Given that the 'destination' is the key level at which development takes place and impacts are maximised in tourism, destination level assessment is needed to understand poverty impacts.

2 Importance and Challenges of Tourism in Rural Areas

Rural areas are heterogeneous. The definition of a rural area is problematic in the literature – most people know a rural area when they see one, but few agree on a definition in a few sentences. Debates aside, common features of rural space are (Ashley and Maxwell 2001):

- spaces where human settlement and infrastructure occupy only small patches of the landscape, most of which is dominated by fields and pastures, woods and forest, water, mountain and desert
- places where most people spend most of their working time on farms
- abundance and relative cheapness of land
- high transaction costs, associated with long distance and poor infrastructure
- geographical conditions that increase political transaction costs and magnify the possibility of elite capture or urban bias

For the purposes of this paper, key features that make rural areas relevant to pro-poor tourism development are their poverty and lack of economic opportunity, combined with the agricultural and/or scenic and/or cultural nature of the area, which provides a tourism asset.

The aim of ‘pro-poor tourism’ is to increase the net benefits to poor people from tourism, and increase their participation in the development of the tourism product. From this perspective, there are three main reasons why it is important to develop tourism in rural areas:

i. Increase participation of the poor in the development of tourism

While the percentage of poor people in urban areas is increasing, there are still more in rural areas³, both in total numbers as well as a proportion of the population. One key opportunity of involving more of the poor in tourism is to develop tourism enterprises where they live. This is not to say that the poor will necessarily own an enterprise, or even provide the labour, just because it is located in a rural area, but location is a first step. Furthermore, two strengths of tourism for increasing participation are that a) because the customer comes to the product (not vice versa), there are more opportunities for expanding the range of transactions; and b) tourism usually involves a wide range of enterprises, i.e. the small and informal as well as the well-established or multi-national (Ashley, Goodwin and Roe 2001). One advantage specific to rural tourism is that the nature of the product often involves enterprises that feature local ownership such as bed and breakfasts (B&Bs), home visits and farm stays.

ii. Bring wider benefits to rural areas

Rural areas generally suffer high levels of poverty, and are also characterised by lower levels of non-farm economic activity, infrastructural development, and access to essential services. They may also suffer from depopulation of the able-bodied⁴, and lack of political clout. According to Gannon (1994) and Kieselbach and Long (1990) the development of tourism can help address several of these problems through:

³ Although poverty is becoming urbanised, it is estimated that the majority of the poor of developing countries will be in rural areas until at least 2020. IFAD projects that over 60% of the poor will be rural even in 2025 (IFAD, 2001: 15)

⁴ Depopulation refers to young, skilled workers moving out, to leave a largely unskilled, elderly population in the rural area. It is a critical issue in much of Eastern Europe, and in many sub-Saharan African countries.

- economic growth, economic diversification and stabilisation;
- employment creation, as primary source of income but most importantly secondary source of income;
- reduced out-migration and possibly re-population;
- maintenance and improvement of public services;
- infrastructural improvements;
- revitalising crafts, customs and cultural identities;
- increasing opportunities for social contact and exchange;
- protection and improvement of both the natural and built environment;
- increasing recognition of rural priorities and potential by policy-makers and economic planners⁵.

iii. **One option among few**

Manufacturing industry gravitates to areas with good transport links, infrastructure, and commercial skills. Rural areas usually have few sources of comparative advantage for attracting economic activity other than agriculture or industries based on harvesting natural resources (mining, forestry) (Wiggins *et al.* 2001). Tourism is one of the few sectors that can be suitable to remote or non-urban areas, provided that there is sufficient access for tourists. Because there are few other options, its value to the poor can be particularly high⁶.

As outlined in the next section, the combination and form of these different benefits varies enormously between places. However these and other reasons mean that expanding tourism into new rural areas can make policy sense. There are also practical reasons why doing so may appear to be a relatively 'easy' option. The nature of rural tourism products and clientele may mean that relatively basic facilities suffice, which are easier to develop than high quality resorts. There may well be assets in rural areas (man-made structures, culture, nature) that can be readily adapted for tourism development.

Tourism development can also have negative impacts on residents. In rural areas, displacement of people from their land and competition for other natural resources such as water, forest, and wildlife are likely to be the key trade-offs. Pro-poor strategies should therefore focus on minimising negative impacts as well as exploiting potential benefits.

However, any assessment of the key features of successful tourism development, and the key characteristics of rural areas leads to the hypothesis that developing tourism in rural areas faces major obstacles. Table 1 lists some of the requirements of tourism, and shows how rural areas may be less likely than urban areas to be able to meet most of them.

⁵ Nicanor (2001), reviewing community-based tourism in Namibia identifies that community based organisations play a vital role in lobbying and advocacy, thus providing a voice for marginalised groups. The low political priority afforded to rural areas may be more of a problem in developing countries, where farming has traditionally been taxed to support the urban classes and modern sectors, than in Europe, including Eastern Europe, where rural and agricultural issues often gain considerable political support.

⁶ As identified in earlier PPT case studies in Amazonian Ecuador (Braman and Fundación Acción Amazonia 2001) and Namibia (Nicanor 2001).

Table 1: The gap between requirements of tourism and characteristics of rural areas

Common requirements for tourism development	Common characteristics of rural areas
<ul style="list-style-type: none"> • A product, or potential product 	<ul style="list-style-type: none"> • Variable. May have a high-value unique selling point, may be an attractive desired location for travellers from cities, may have little to offer.
<ul style="list-style-type: none"> • Access – transport infrastructure, limited distance, limited discomfort 	<ul style="list-style-type: none"> • Distant from cities, poor roads, few trains/buses/planes
<ul style="list-style-type: none"> • Investment in facilities 	<ul style="list-style-type: none"> • Limited access to financial capital, affordable credit and private investment.
<ul style="list-style-type: none"> • Skills in service, hospitality 	<ul style="list-style-type: none"> • Low skills (skills migrate)
<ul style="list-style-type: none"> • Regular and quality inputs, e.g. of food and other supplies 	<ul style="list-style-type: none"> • Undeveloped commercial production, distant from markets
<ul style="list-style-type: none"> • Marketing skills 	<ul style="list-style-type: none"> • Distant from marketing networks
<ul style="list-style-type: none"> • Clustering of tourism products to create a ‘package’ holiday 	<ul style="list-style-type: none"> • Lower concentration of tourism products in one place
<ul style="list-style-type: none"> • Government investment 	<ul style="list-style-type: none"> • Low priority for governments, particularly tourism/trade ministries, particularly in sub-Saharan Africa

While it is possible to highlight a number of obstacles that are common to rural areas, this is not the case when considering the tourism attraction itself. Some rural areas have such strong products, such as mountain gorillas, well-endowed wildlife areas, stunning wilderness, that the quality of the product can compensate for other problems, and act as an incentive for the industry and tourists to overcome them. Others areas, however, may be characterised by vast expanses of agricultural land (perhaps marshy or highly arid), be topographically featureless, and lacking distinctive cultural and/or historical features. These areas are unlikely to develop a successful product even if the other obstacles are addressed, unless a well-resourced private or public investor spots an opportunity⁷. But for many rural areas, developing rural tourism will require a combination of developing an attractive product, and overcoming the other challenges, such as accessibility and availability of skills. Good marketing and fast transport links can turn a pleasant area into a popular short-break or excursion destination.

Most of the obstacles listed above are commercial, economic and logistical. They can be addressed through investment of time and resources, although it cannot be done everywhere. However the institutional and political problems are important to note, as they can assume great importance in rural areas. Although tourism today is generally a private-sector industry, a degree of government support, in terms of investment, appropriate regulation and marketing, can be key. In some countries rural tourism is already well recognised by policy makers as an important economic strategy. In others, particularly in Africa, support for tourism in rural areas may be limited because:

- Where tourism is planned within a tourism ministry, or a tourism and wildlife ministry, the institutional mandate is likely to be in expanding the national tourism product, rather than the growth potential of poor areas. Thus the focus is more likely to be on attracting investment, developing the main destinations, marketing them, and often also on data gathering. If the policy objective is expansion of tourism investment and arrivals, particularly of international tourism, the fastest returns may come from a focus on existing resorts and urban areas, where tourists, assets and skills are concentrated. That said, there

⁷ It is not impossible to develop a standard area, or even an unattractive one, into a product with sufficient investment. Sun City, the most popular resort in South Africa, is a ‘creation’. Cancun was built in a mosquito-infested swamp. While these attractions receive large amounts of visitors, i.e. 40% of international arrivals to Mexico visit Cancun, they are exceptional and highly geographically concentrated developments.

may be commercial reasons to invest in rural products, such as product diversification, or political pressure to expand economic impacts to poor areas (see Section 3).

- Rural development planners and extension workers are unlikely to focus on tourism, which is entirely alien to their agriculturally-focused professional training⁸.
- Lack of communication between government departments, or inconsistencies between policies, that occur in the capital city can be greatly magnified in rural areas. Administrative boundaries, reporting structures and mandates can impede collaboration.
- Rural areas may have little political priority across government offices, not just in the tourism ministry. Given the added costs of investment in rural areas, and the lower per person returns given lower population density, a policy to redistribute resources to rural areas is likely to require a strategic political choice (Start 2001).
- Even if political will is sufficient, there are administrative challenges to making things happen in rural areas given lower population densities, poorer infrastructure, more junior government staff, lower levels of skills and commercial activity.

The situation may be quite different in some countries, particularly in Europe, where tourism is more often under the Ministry for Economic Affairs, and where the main mandate is 'growth' in addition to the other cornerstones of economic development. At the same time tourism planning and development in rural areas often falls within the Ministry for Rural Affairs, or under decentralised government bodies (Federal States, Counties) which combine rural planning and tourism planning. Thus while the National Tourism Boards have a marketing mandate, planning happens elsewhere with a clearer growth and/or rural development focus.

Thus in reviewing the experience of the Czech Republic and Uganda, the paper aims to identify how the different institutional, commercial, and logistical challenges have been dealt with, and how the various benefits have been pursued. More specifically, several advantages of, and challenges to, rural tourism have been hypothesised. Have these advantages and challenges been encountered in the case studies? Given that at this stage we can learn more about the process than the impacts, key questions to ask of the case studies are how they have dealt with potential obstacles and how they have:

- developed the rural product
- ensured sufficient quality of facilities and inputs
- developed marketing capacity and increased visitor numbers
- dealt with other practical challenges such as accessibility of transport, availability of credit or investment
- built institutional capacity and sufficient political support to resource and develop rural tourism

⁸ A case study from the north of Selous Game Reserve, in Tanzania, argues that wildlife tourism and its contribution to rural livelihoods is below potential, partly due to lack of articulation between those with tourism, rural development and conservation mandates (Ashley, Mdoe and Reynolds 2002).

3 Different Approaches to Rural Tourism

This section makes some distinctions between different types of rural tourism and policy objectives relating to them. It lays the basis for understanding the objectives and contribution of the two case study initiatives, taking place in the different contexts of Eastern Europe and sub Saharan Africa.

3.1 Agri-tourism, farm tourism and rurally-located tourism

Rural tourism can be taken to mean farm tourism or agri-tourism, but both are sub-components of tourism in rural space:

- Agri-tourism is when the purpose of the visit has a specific agricultural focus such as being with animals, enjoying a vineyard.
- Farm tourism is when accommodation for rural tourists is provided on farms. The core activity is in the wider rural area (walking, boating) but the vast majority of visitors are accommodated on farms, either working farms or farms converted to accommodation facilities.
- Rural tourism, or rurally-located tourism, can include the above but also campsites, lodges, safari drives, craft markets, cultural displays, adventure sports, walking trails, heritage sites, musical events indeed any tourist activity taking place in a rural area.

In Europe, farm tourism plays an important role in rural tourism. For example, in some rural areas in East Germany (an example being Wittow on the island of Rügen), 80 per cent of accommodation is provided by working farms or farms that have been converted to accommodation facilities. In African rural areas there are some commercial guest farms and the emerging equivalent of home stays in traditional huts, but tourists often stay in purpose-built tourism accommodation (from luxury lodges to campsites) while visiting rural areas.

There is evidence that farm tourism generates proportionately higher benefits than other tourism using purpose-built accommodation in a similar area⁹. However, the relative benefits and also the costs of adapting farms for tourism purposes have often been evaluated incorrectly. The investment required to upgrade facilities can be high, and so can the marketing investment to service a number of fragmented non-experienced part-time entrepreneurs. Returns can be low given low occupancy rates and high seasonality.

Poland's experience since the early 1990s provides a case in point: rural farm-based tourism was seen as a cheap form of tourism that would utilise existing spare capacities in farm houses and small, unsophisticated catering facilities. However, investment needed was grossly underestimated (McMahon 1996), given that tourists demand creature comforts including adequate sanitary facilities. This was a high investment burden for generally small-scale farmers. Furthermore, marketing costs and the set-up of marketing networks co-ordinating a large number of small-scale entrepreneurs were added expenditures that were initially not foreseen. As a consequence farm tourism was far from a cheap option as was initially thought. Although rural tourism in Poland is thriving, the government has realised that the returns are very low and that a main constraint is the large number of small-scale stakeholders that need to be co-ordinated and marketed (MacMahon 1996).

⁹ A study by Slee, Farr and Snowdon (1997) analysed the impacts of *soft tourism* (tourism accommodation provided by locals in for example farms) and *hard tourism* (accommodation provided by *externals* such as time-share companies) on the local rural economy in Scotland. They found that a much higher proportion of expenditure remains locally or in surrounding areas when *soft tourism* providers are used (68.5% of expenditure), compared to *hard tourism* providers (only 25.3% of expenditure remains in the local or extended area).

3.2 Policy motives: rural growth, tourism product development

3.2.1 Rural tourism as a motor of growth

Strategies to use tourism as a motor of growth in rural areas emerge in different contexts. They are, at heart, about enabling rural producers to reduce reliance on agriculture, and engage in new economic opportunities that are competitive in the more globalised markets, which now reach their doorstep (or farm gate). In Eastern Europe, the emphasis has been more on tourism as a tool for rural regeneration following agricultural collapse, while in Africa, the emphasis is more on diversification of under-developed areas.

Regeneration in the face of agricultural decline

In Europe, tourism has long been considered a catalyst for *regeneration* of rural areas, particularly where traditional agrarian industries are in decline (Williams and Shaw 1998, Hoggart, Buller and Black 1995). Studies of rural tourism are predominantly set within a European (including Eastern European) or North American context, focusing largely on domestic visitors and economic restructuring. Farm facilities and infrastructure (such as basic transport) are in place, thus the strategy is to adapt them for tourism purposes, market the rural attractions, and draw clients, particularly domestic visitors, from the cities. There is evidence that in Europe rural tourism has made important contributions to rural incomes both at the level of the individual farmer and more widely in the local community (ETB 1991). While not necessarily substituting for agricultural income, it has delivered supplementary income and inter-sectoral linkages.

This approach to rural tourism has received priority attention in Eastern Europe since the fall of the iron curtain and the collapse of communism. The need for rural regeneration has been immense. In the early 1990s countries in Eastern Europe needed to respond quickly to previously unknown circumstances: high levels of industrial closure, a loss of Soviet-controlled markets, break down of the non-competitive and over-staffed agricultural sector and consequently high unemployment, price inflation and diminishing living standards. High unemployment due to privatisation of large-scale agricultural co-operatives, coupled with a new freedom to move to urban centres severely depopulated rural areas. At the same time the level of domestic travel was seriously reduced due to financial constraints, a thirst for the outside world, and loss of financial subsidies for previous forms of 'social' tourism. Interregional travel, on which former Eastern Bloc countries depended heavily, was reduced to a minimum.

At the same time, interest by Western visitors in previously unseen countries and attractions increased drastically. The early 1990s were characterised by large-scale, short-stay tourism, especially from Germany, to formerly closed-off countries such as the Czech Republic. Although, the overwhelming demand was initially for urban destinations, such as Prague, rural tourism made sense since Eastern Europe is generally more rural than Western Europe (in terms of levels of urbanisation, and socio-cultural characteristics). Rural areas in the East should be able to offer an appealing product to the West if appropriately developed and promoted. Furthermore, rural areas were in dire need of regeneration and means to operate in a market economy.

Rural diversification of under-developed areas

In developing countries, the language of policy-makers focuses more on *diversification* than regeneration of the rural economy. In this context, the problem is not so much the structural collapse of agriculture, but the insufficiency of agricultural livelihoods, and the search for new sources of growth and economic opportunity. Smallholder farming is facing growing constraints

(both in terms of local resource base and international competitiveness, Ashley and Maxwell 2001) and cannot meet the needs of a growing population. The last decade has seen consensus that social investment alone cannot reduce poverty, and that growth is essential. This applies equally to rural areas, despite their lower comparative advantage; thus attention is crystallising on the dilemmas of how to promote the non-farm rural economy (Start 2001).

In this context, tourism is promoted as a new activity, which is supplementary to agriculture. Although building on existing assets where possible, it is not a matter of simply switching existing infrastructure to a new purpose. New assets and infrastructure are invariably needed. Tourism is a means of bringing the concomitants of economic development (infrastructure, communications, services) to an under-developed area. There are of course some rural areas that have already been transformed into 'destinations', sometimes involving depopulation of large parts in the process: e.g. in Africa, the Massai-Mara in Kenya, the Ngorongoro Crater in Tanzania, the Okavango Delta in Botswana and Kruger National Park in South Africa are well-known examples.

3.2.2 Rural tourism to enhance or protect the tourism product

Tourism development planners may share the growth objectives outlined above, or may be subject to increasing political pressure to show their contribution to them. Even where tourism is run by a separate ministry with its own agenda, demonstrating and expanding the impact of their industry can be an important goal. A tourism ministry will have to demonstrate its contribution to national development plans and to poverty targets, to compete for scarce government resources.

In addition, there are other reasons for promoting rural tourism that relate to development of the tourism product, and this is quite different to the poverty-rooted objectives of promoting rural development. These are nevertheless important motivations to understand as they influence wider institutional support for rural tourism.

Enhancing the tourism product

An important objective for tourism planners is to diversify the tourism product (e.g. the development of culture, adventure tourism) with the aim to encourage visitors to stay longer and, ideally, spend more, and/or to develop a more distinguishable destination identity. These 'new' features of the rural product can provide the basis for a revised marketing programme (for example bird-watching in Uganda). Such niche products may well be promoted in quite isolated rural areas, sold as 'off the beaten track' rather than the more developed agricultural areas. Or they may be proximate to cities and resorts, in order to provide add-on excursions. Thus they have relevance to different types of rural areas.

Dispersion to protect tourism assets

Another objective of tourism managers, and one shared by conservation professionals, may be to disperse tourists away from existing 'honeypots'. There may be many good reasons to *encourage* concentrations of tourism activity in one area – such as to limit negative impacts spreading more widely, to take advantage of economies of scale, or optimise different land uses. But at times it becomes necessary to take pressure off key sites, particularly if resources are being over-used or if limits to capacity in peak season are being met. This requires *dispersing* tourists geographically, including into surrounding rural areas.

4 Promoting rural tourism in the Czech Republic

This section looks at initiatives undertaken by a non-governmental organisation to develop rural tourism in the Czech Republic, in a fairly non-supportive policy environment. While the scale of rural tourism resulting is fairly small so far, the process highlights many of the institutional and practical challenges, with particular reference to a post-communist transition economy.

4.1 Tourism economics and policy post 1989

The early 1990s produced a boom in tourism for Prague, as the city's architecture and rich culture were 'rediscovered' by Western Europeans curious to visit a country formerly hidden behind the Iron Curtain. The country's struggle during the Prague Spring in 1968 and its charismatic leader, Vaclav Havel's role in that struggle, increased the fascination of the city as a tourist destination. As a result, Prague became a synonym for the Czech Republic and the tourism boom brought US\$ 4 billion per annum to the state budget (Czech Tourist Authority 2000) with almost no marketing and promotion. While tourism revenue generated by Prague has been estimated at 60 per cent of total Czech tourism earnings, the city captures over 80 per cent of the total earnings since many companies are registered in Prague, although operating elsewhere.

In the early 1990s, tourism was the responsibility of the Ministry for Economic Affairs with the overriding objective to facilitate economic development. Little attention appeared to be paid to strategic development of a long-term, comprehensive tourism policy. Although the Czech Tourist Authority was established, its budget was relatively limited, less than US\$ 400,000 per annum. A proposal made to the Ministry for Economic Affairs by the European Centre for Eco Agro Tourism (ECEAT CZ) to develop alternative forms of tourism in rural areas was rejected on the basis that 'alternative' tourists were not 'big spenders' and this would therefore not be an economically viable market segment to develop (ECEAT CZ).

Box 1: ECEAT CZ – European Centre for Eco Agro Tourism

ECEAT CZ is an independent, non-profit, non-governmental Czech organisation. ECEAT CZ is a member of the Europe-wide ECEAT network, ECEAT International

ECEAT CZ's main aims are:

- to support sustainable rural development through small-scale, environmentally-friendly tourism
- to create new job opportunities for village people
- to enhance the experience and knowledge of village entrepreneurs (education, information, materials, quality control etc.)

(source: www.eceat.org)

During the 1990s, the structure of tourism to Prague changed considerably. The first boom of curiosity gave way to the cheaper end of the market, i.e. cheap package deals and student trips. At the same time competition from other Eastern European destinations such as Budapest increased. Although the number of inexpensive package arrivals continued to increase, total visitor numbers started to decrease marginally by the late 1990s, and total revenue declined markedly. Coupled with the increasing costs of maintaining and developing infrastructure, the 'Prague product' began to falter. Table 2 illustrates the impressive growth (in terms of arrivals and income) until 1996 followed by a subsequent decline.

Table 2: Growth of Tourism in the Czech Republic 1991–2000

	1991	1992	1993	1994	1996	1998	2000
Foreign arrivals (million people)	51	69	72	101	109	103	104
Foreign exchange income (\$US billion)	0.7	1.1	1.6	2.0	4.1	3.7	2.9

Source: Ministry of Regional Development, Tourism in the Czech Republic and Czech Tourist Authority, Annual Report 2000

Notes: 1. Comparable statistics for years before 88-90 are not available 2. Tourists account for approx 50% of total arrivals. 3. 1993 Czech and Slovak Republic separated

With problems emerging in Prague, and the European Union (EU) focusing on the economic development of rural areas, the attention given to rural tourism increased towards the end of the 1990s. The 'National Development Plan' developed for the EU accession agenda, included a plan for countryside development ('Programme for Countryside Renewal'). One of the EU funding criteria was that projects proposed under this plan had to be submitted by villages associations. Most funding was directed towards basic infrastructure, e.g. sewage reconstruction. Tourism development was initially just a small part of this programme, with cycle tracks being the main type of investment. Other more immediate priorities dominated, and a lack of access to credit to renovate or build new accommodation meant that small-scale tourism entrepreneurs were discouraged from participating in the programme. Nevertheless, tourism was one element of the Countryside Renewal Plan and since 2000 there has been an increasing trend to develop new products, in addition to improving infrastructure. Furthermore, since 1996 the responsibility for tourism development moved from the Ministry of Economic Affairs to the Ministry for Regional Development.

4.2 The context of a transition economy

Prior to the collapse of communism, the service sector (and hence the tourism industry) in the Czech Republic was weakly developed. The universal right to work, common to all ex-communist countries, favoured employment in heavy industries and/or collective agriculture. Neither private ownership of enterprises nor NGO activity was permitted. As in the rest of Eastern Europe, since the fall of the Iron Curtain in 1990 the economy underwent rapid transition, most notably the collapse of the primary sector and consequently rising unemployment. Between 1980 and 2000, the contribution of secondary industries to the GDP fell from 63% to 43%, while the contribution of tertiary industries increased from 30% to 53% (EBRD STAS).

For rural workers access to new forms of employment was hampered by the reduction, or absence, of previously subsidised transport. Even with new foreign investment, salaries remained low with the additional burden of non-subsidised transport costs. For many, paid employment offered lower remuneration than unemployment benefits. This led to resentment and frustration in rural areas.

In Hungary, the most open of the Eastern Bloc countries in the 1970s and 1980s, a basis for tourism and entrepreneurship had already been laid. Despite the general collectivist ideology of communism, in some sectors of the economy, including tourism, individual ownership and entrepreneurship were permitted under 'market socialism'. Foreign investment, ownership, and joint ventures were allowed, and western tourism facilities were developed. As a result, the country emerged as one of the leading destinations for West Europeans in the 1990s.

The Czech experience has been very different, resulting in two different but important implications for tourism development. Firstly, there was no basis of private entrepreneurship in tourism. Private ownership was not permitted during the 'communist' years, leading to the absence of entrepreneurial skills and also the complete lack of private investment capital. Thus, the creation of local quality products became a challenge. Secondly, there was a very strong feeling against the

notion of ‘partnerships’, or working together as embodied in collectivism, in the Czech Republic when the Soviet control broke up. New found, and permitted, individualism, a new competitive environment, and the legacy of state control using fellow citizens, lead to an initial distrust of both fellow members of society and the state. Degrees of mistrust also had particular implications for rural tourism, given the co-ordination issues that emerge in product development and marketing. Rather than collaborating on product development and marketing, the neighbour was seen as the ‘competitor’.

4.3 Initiatives to develop rural tourism

Despite the Ministry of Economic Affairs’s initial rejection, ECEAT CZ decided to continue to push for the development of tourism in rural areas. Since 1995, four different (though overlapping) approaches have been taken to achieve this:

- An initial programme from 1995 to 1998, ‘Tourism at the Service of Rural Development’ (TSRD) to start building capacity, skills and products;
- A project to develop ‘Heritage Trails’ in rural areas, from 1998 to 2000;
- Production of a rural tourism guidebook and other materials;
- On-going political engagement, including further expansion of the Heritage Trail materials and approach.

4.3.1 An initial project to lay the groundwork

Tourism at the Service of Rural Development (TSRD) started in 1995 and had three sub-themes: Institutional Capacity, Training in Tourism Skills and Product Development.

Institutional capacity: The first step in the project was to develop an understanding of the needs, strengths and weaknesses of all potential partners (government, private sector and civil society) in implementing a long-term tourism strategy. Capacity building was carried out in five regions, all of which were later to develop Heritage Trails. This involved a series of one-day motivational seminars¹⁰ exploring the potential for partnerships between local governments, entrepreneurs and NGOs. This focused on the understanding of potential mutual benefits arising from joint action, and hence changing attitudes towards adopting sustainable rural tourism development. The seminars formed the basis for co-operation and supported the Heritage Trails initiative when it started in 1998.

Training in tourism skills was initiated to serve two aims, a) to increase the quality of service provision and b) to raise tourism awareness. It was felt that residents of Czech villages were both suspicious towards outsiders and as well as unaware of the tourism potential of their surroundings, and thus uncertain about proposed tourism developments. Furthermore, participating in democratic decision-making processes was alien to many villagers due to the previous political context and structures. ECEAT CZ’s initiative involved a skills development programme which included group work, training and the publication of the book ‘Jedou k nám hosté’ (‘Guests are coming! or the guide to becoming a rural tourism entrepreneur’) describing the experiences of entrepreneurs who had been successful in their sustainable tourism activities. One-day seminars for beginners were financed by local or district governments.

¹⁰ Financed by Prince of Wales Business Forum

Training focused not only on standards for accommodation and service provision but also on the care for, and the protection of, the village's natural assets. For many villages in rural areas, the main, and often only asset, is their relatively unpolluted environment, pristine nature, and the traditional way of life. Securing local support in maintaining this environment was therefore seen as critical to the long term sustainability of tourism as a alternative economic livelihood.

The development skills project was initiated as a long-term programme, part of which was to develop a country-wide network of ECEAT CZ offices, offering advice to local entrepreneurs. One element of the skills project was concerned with the certification of quality standards.

Product development focused on the production of a guidebook to country holidays (discussed further below) and other promotional material.

4.3.2 Heritage Trails (HT)

Despite these small, but nevertheless positive beginnings, progress of the programme was constrained because of inadequate policy and financial support. Problems of establishing a consistent partnership with government continued in dealings with the Ministry of Regional Development. Efforts to build an institutional relationship were hampered by frequently changing political and civil service staff. As a result, in 1998 the ECEAT CZ board decided to extend its TSRD programme further and develop new activities that would strengthen its position with regard to the government.

The aim of this extension was not only to create a new tourist product that would build on the existing skills and products programme but also to:

- Capitalize on the global trend towards 'alternative' holidays;
- Realize the full potential of the country's natural and cultural assets –(the Czech Republic has 11 UNESCO World Heritage Sites, 6 UNESCO Biosphere Reserves, several national parks and protected areas, and many smaller but unique sights of natural, cultural and technical heritage);
- Motivate those rural areas that had not yet developed their own tourism brand;
- Move beyond accommodation provisions to include additional products that would involve the wider community;
- Expand co-operation to a wider range of accommodation providers;
- Attract higher income tourists to generate more income for rural communities;
- Strengthen ECEAT CZ's position as a partner for central government institutions.

By coincidence, a product that would meet these objectives was developed independently: the ambitious, 18 month EU PHARE¹¹ project managed by the English not-for-profit company Ecotourism Ltd. The project was implemented in three countries –(the Czech Republic, the Republic of Slovakia and the Former Yugoslav Republic of Macedonia) and aimed to implement an innovative product, the Heritage Trails.

The core principle of the PHARE project was that new Heritage Trails should be developed on the basis of a cross-sector partnership. Thus ECEAT CZ again began to build high level relationships with the Ministry of Regional Development and the Czech Tourist Authority (CTA) for project implementation. Concurrently, the Ministry started to prepare the 'National Development Plan' as a

¹¹ The EU PHARE programme was dedicated to Eastern, Central and South-Eastern European countries previously under Communist regimes and in transition to market economies. Support for sustainable tourism development has been one of its tools for regeneration of rural economies across these countries.

key tool for the EU accession process. The Ministry's willingness to listen and to understand the needs of rural areas was visibly higher than a year before. However, no financial support was received although institutional support slowly appeared. A *Manual for Operators* was produced as part of the PHARE project and this was promoted as a CTA product in return for CTA's support for the production of maps for the Heritage Trails, a website and electronic magazine (www.heritage-trails.cz). Thus ECEAT CZ gained the right to use the official CTA logo, and the Heritage Trails became a part of the official Czech tourist offer.

Box 2: Heritage Trails

Linking several tourism facilities and products located within a geographic area and marketing them in unity has been the essence of the 'heritage trails'. The aims are to design a marketable product; to increase the number of visitors and revenue; to increase synergy effects between the variety of producers; to cut marketing and administrative expenditure; and to ease access to the product. The individual enterprises within the trail remain separately owned but co-ordinated action is required in terms of developing infrastructure, signage, liaising with in-bound agents, pricing and marketing. The trail is not a fixed product in terms of opportunities to visit it. It can be visited in part or as a whole, guided or self-guided, and by various means of transport. However, it is also sold as a package to tourist via a tour operator.

Differing objectives of partners and participants emerged. For example:

- ECEAT wanted successful HTs in North and South Moravia that would provide a pilot scheme, which could be 'rolled out' in other regions within the Czech Republic and internationally through ECEAT's international network.
- During early implementation, environmental activists tried to 'highjack' the project for their fight against a planned road and tunnel connection under the Jeseniky mountains to Poland.
- Entrepreneurs in both Moravian regions expected immediate results in the form of increased visitor arrivals.
- Local and District Governments expected the establishment of an association that would be able to solve the bottlenecks related to tourism development within their own districts.

Within the time-frame of the project two Heritage Trails were developed, one in Northern Moravia and one in Southern Moravia. The process involved four key steps(described further in Box 3):

1. building partnerships;
2. identifying tourism products of the trail;
3. training stakeholders and developing strategies; and
4. marketing the trail.

Although the PHARE project ended in 2000, ECEAT has continued to roll out the concept and share the training materials and approach. Thus there are now five HTs:

1. The Pradede HT in Northern Moravia: Sumperk, Bruntal, and Jesenik Districts
2. The Winelands HT in Southern Moravia: Znojmo, Uherske Hradiste, Brno Districts

And three new HTs based on replication and transfer of skills:

3. Trebic, Jihlava, Jindrichuv Hradec Districts
4. Decin, Litomerice, Usti, Ceska Lipa Districts
5. Sumava

Box 3: Making a Heritage TrailStep 1: Establish partnerships to create the Heritage Trail

- Core partners needed to be identified before funds could be received for enterprise development: e.g. a UK based organisation, and one or two destination organisations as lead partners.
- Post receipt of funding, priority work in destination is to build on these partnerships and create further partnerships through a stakeholder process that evolves from the activities outlined in the steps below.

Step 2: Identify the area and tourism products of the 'trail' with partner organisation(s)

- Clarify geographic area of the trail. This can include, rural, urban, or a mix of these environments, usually dependent on the objectives of the enterprise development intervention.
- Clarify the products to be included, such as:
 - I. Heritage sites – natural and cultural (tombs, museums, castles, national parks, rivers, lakes)
 - II. Cultural interest – traditional and modern arts, crafts, music, dance, wine & beer making.
 - III. Accommodation, food and drink providers (hotels, guest-houses, B & B, self-catering, campsites, restaurants, inns)
- Decide on how these products will be accessed and how they will be linked to create the trail – i.e. what forms of transport can be used, but also what is 'unique' about the trail and what it has to offer.

Step 3: Train 'trail' stakeholders with partner organisation(s)

- Market analysis of tourism markets to identify which tourists to target
- Develop a marketing strategy that meets identified demand with tourism producer capacity.
- Train an in-bound tour operator and/or partner organisation(s) to manage arrivals, transfers, departures, and travelling between each location on the trail – walking paths, cycle routes, car hire, public transport. This includes ensuring HT sign-posts are in place on the trail and existing maps, and specially created HT maps, are available for tourist information packages.
- Decide on price that tour operators should charge for the HT package including transport to destination.

Step 4: Market the Heritage Trail

- Prepare marketing materials – brochures, maps for self-guided tourists, web site, video, CD ROM, e-zine.
- Distribute materials to identified markets – national tourist board offices, tour operators.
- Direct marketing through domestic and overseas tour operators contacted by HT management, either by visits (Travel Fairs, arranged appointments), or by email and telephone.

4.3.3 Materials and standards for rural tourism products

As part of the initial project, ECEAT CZ produced a guidebook ('A Countryside Holiday Guidebook') featuring all types of accommodation, including farms, campsites, self-catering, B&B and small hotels. Table 3 below illustrates the widespread use of the book and the increase in visitor numbers since 1993. To date, the majority of visitors have been Dutch, preferring simple campsites and attracted by landscape characteristics, affordability, and the absence of mass-tourism. Although these types of tourists generally spend limited amounts of money, the low investment required to establish simple campsites is seen as a cost effective way to develop tourism experience. Other tourists, such as the domestic, German and Belgian markets, seem to prefer self-catering accommodation, B&Bs and small village hotels. These types of accommodation have increased in number since 1999 in response to increased promotion in the tourist originating countries.

Table 3: Number of guests identifying accommodation through ‘A Countryside Holiday Guidebook’

1993	1994	1995	1996	1997	1998	1999	2000	2001
300	710	667	1903	1547	2355	2813	3487	3995

Source: ECEAT CZ

Marketing material specific to the Heritage Trails was produced, both in printed and electronic form, including maps, an e-zine, and a website. In addition, the HT project built relationships with tour operators in originating countries such as The Netherlands, Germany, UK, France and Belgium and CTA marketed the product through their offices abroad.

Efforts to develop a certification scheme made considerable progress and two different schemes are presently in operation in the Czech Republic. The first scheme relates to accommodation quality standards and includes several different rating schemes depending on the different types of accommodation provider. Most of these accommodation quality schemes are either run by tourism trade bodies or governmental agencies. The second certification scheme refers to contributions to ecological and heritage protection, and is run by ECEAT but implemented under bilateral contracts by the Union of the Czech Rural Entrepreneurs, a sub-organisation of the Ministry for Regional Development. The provider receives a certificate and right to show the logo which indicates their contribution to the protection of the environment and/or heritage of the area.

ECEAT CZ is now working with several ‘*kraj*’ (counties) to develop an integrated set of tools for sustainable tourism development replicating the methodologies used for partnership building, and producing a ‘Countryside Holiday Guidebook’ for each county. Additional HTs have also been created in Bohemia

4.4 Progress, challenges, impacts, and critical factors

The following section looks at the main areas in which progress has been made by the initiatives, and any indicators of impact. It particularly considers progress in dealing with the key issues (Section 2) for rural tourism product development:

- building capacity and quality
- marketing
- addressing practical constraints
- institutional support

While impacts on livelihoods of poor people need to be assessed, there is at this stage insufficient data available. Key elements of the approach that have emerged as useful are identified, along with the main challenges.

4.4.1 Progress and challenges

Product development

As indicated above, five HTs were created. Of the first two, the Northern Moravian HT has flourished. Despite the difficulties, at the outset of creating the HT, and of finding a common

denominator to unify local people's efforts to build a cultural identity¹², a follow on EU project¹³, 'Pradede' (Forefather's Land), did achieve this unity of purpose. In addition the HT team had a strong local project manager who was able to drive the project. This and the fact that a local association had already been developed for the HT, helped to ensure local ownership of the new product and to embed the process of collective decision-making, usually such an anathema in post-communist countries.

The Southern Moravia HT was based on viticulture, and the trail was marketed as the 'Moravian Winelands Heritage Trails'. This trail has stagnated due to the absence of a core team to build cohesion and purpose, but also because it did not have an additional follow-up project.

Attracting tourists

As indicated in Table 3, the Guidebook is used by approximately 4,000 tourists per year who book via ECEAT. In addition, it is estimated that two to three times as many book accommodation directly with the farms. The Heritage Trails project itself attracted a total of 500 tourists in both North and South Moravia between 2000 and 2002 (according to tour operator sales) of which by far the largest number visit the Northern Moravian Trail (between 110 and 170 visitors per year). As with the farms, it is difficult to estimate how many tourists visit the trails independently.

Building tourism capacity and skills

Approximately 15 one-day training sessions were held with about 225 potential, small-scale entrepreneurs in seven districts. The goal was to encourage entrepreneurial newcomers to start-up by sharing information with others that have just done so. It is difficult to measure the direct impacts of these training sessions since other factors may be involved in decisions to set up a new enterprise. However, the activities led to the setting up of the Jeseniky independent HT Association 'Pradedova rise' (Praded's land) which has been instrumental in the survival of the Northern Moravia (Pradede) trail. The training also helped to create a network of new tourism entrepreneurs which it is hoped will lead to longer-term capacity development through the sharing of experience.

Building institutional collaboration

Four one-day training sessions were held in order to bring together three stakeholders: governmental and public bodies, entrepreneurs and NGOs. –These training sessions were used for discussing tourist marketing, communication and co-operation. The results have been mixed. Although establishing partnerships was one of the first steps in the HT implementation process, in Southern Moravia this did not translate into setting-up a HT producers association as has happened in Northern Moravia. Initial participation demonstrated a willingness to develop and exchange ideas among the trail providers, and to implement those ideas (the Wine Trail), but joint action could not be maintained. The HT project did however consolidate an effective partnership between ECEAT CZ, the government (Czech Tourist Authority, and regional governments – '*kraj*') and private sector companies (inbound tour operators, foreign tour operators).

Generating local income

Revenue to local households that is directly attributable to these initiatives and easily measurable is quite small so far. Holiday packages for the Heritage Trails are priced at around €300 per person and this has generated a total of €150,000 to date. Of this, the local operator's received around 30

¹² This area had been resettled after World War 2, and there was no common cultural heritage.

¹³ Under Phare Credo, a cross-border programme that in this case is with Poland just north of the Praded mountain area.

per cent, (around €45,000), €90,000 remained with local entrepreneurs, while 10 per cent (€15,000) went to ECEAT CZ, for financing further development, funding and policy work.

Around 16 accommodation providers participate in the project resulting in an average income of €5,625 over the two years between 2000-02. This is about the same as an individual could earn in a year in the Czech Republic based on the average annual salary of CZK 13,000 (€433 per month, or €5,196 annually).

However, this does not include earnings from other tourists who do not pass through ECEAT bookings, and earnings from spin-off enterprise. Earnings to date are clearly just a start in what promises to be an expanding product.

For tourists booking farm accommodation via the Country Holidays guide (i.e not on the Heritage Trail package), the average length of stay is nine days. With an average expenditure per family of three people of around CZK 500 (€16.7) per night this amounts to a total income of over €200,000 per year, much of which would ideally benefit the local communities.

Estimating 'leakages' is difficult, but they do occur largely because providing food and drink for tourists in all types of accommodation is cheaper when bought from supermarkets, some of which are now owned or licensed by foreign retail companies. Small independent and organic producers of farm produce cannot compete against the low prices from large private sector farms. Besides, certain food, drink and other supplies needed to accommodate tourists are often not available locally.

Changing local attitudes towards tourism

A less obvious impact, but important over the long-term, is a change in attitudes towards sustainable tourism and its delivery by a large number of those stakeholders who participated in partnership workshops and marketing training. From limited understanding and a distrust of change, participants in the ECEAT CZ training programmes achieved a substantive shift in their attitudes to rural tourism development.

Both trail experiences to date suggest that positive social impacts occur only when strong leadership, and repeated and new training opportunities are offered. These enable collective action among trail providers to deliver consistently good standard products. When this happens, and tourists do return on repeat visits as in the case of Jeseniky, the community is likely to support rural tourism development, and new partnerships can be built, such as with Polish communities across the border.

Enhancing environmental sustainability of tourism

At the local level, the understanding of the relationship between commercial sustainability, protection and conservation of natural and cultural assets is taking time to develop. Evaluation suggests five rather than two years of intensive investment in education and support are needed to properly embed understanding of the importance of maintaining this balance. However, the ECEAT CZ environmental certification scheme has been accepted at national level, and tour operators who wish to use the HT name and logo have to pay 10 per cent of their HT revenue to ECEAT CZ. Recently, agreement has been reached with the Ministry of Environment for ECEAT CZ to start a programme for an eco-certification system throughout the Czech Republic to include urban areas and go beyond the rural areas in which it works at present.

Building policy support for rural tourism

Government support for tourism dispersion and diversification into the rural economy has partially come as a result of ECEAT CZ's persistence in presenting and demonstrating alternative forms of tourism development over the past eight years. Final adoption of the HTs as a CTA marketed product in 2000 was a substantial victory. Government policy towards dispersion is now more proactive. In early October 2002, a high profile, national seminar on the countryside was opened by President Havel and attended by government ministers (agriculture, economy, environment and culture). Here, proposals were put forward for joint action on sustainable rural tourism, calling for a joint forum of Ministries, the Tourist Board, 'Kraj' (county governments) to be established. The objectives are to change restrictive laws and to support the promotion of rural tourism entrepreneurs. The aim is to create an official country-wide unified tourism product with its own logo. Following the autumn elections however the new Minister for Regional Development has appointed a new director of CTA, who now decided to focus on Prague, Castles and Spas.

However at the county level it seems more successful. Some counties have now introduced a new local subsidy programme for the improvement of rural tourism infrastructure (operational in N. Moravia, while the Highlands county is planning this for 2003).

Some counties have also started to prepare local Countryside Holiday Guidebooks (for example N. and S. Moravia, Highlands, S. Bohemia) and it is hoped that eventually all counties will follow suit. The Heritage Trail concept still requires further promotion at the county level as its objectives and potential are still not fully understood and supported. It is anticipated that the products will be marketed by the counties themselves through exhibitions, regional road shows and travel fairs. In this way, the HT and countryside products will become national products supporting a national tourism strategy that does focus on dispersal and diversification of Czech tourism.

4.4.2 Key obstacles and ingredients of success

Key challenges to rural tourism development in the Czech Republic include:

- Lack of government support;
- Need for co-ordination and local leadership to make the concept of Heritage Trails work. Because they involve a range of small-scale tourism products and providers, and the very concept rests on linking these conceptually and logistically for the tourist, co-ordination is essential. But where the local leadership to achieve this has been lacking, the HT concept has not flourished;
- Lack of statistics and feedback (via government) for adaptive management and marketing.
- Lack of resources for updating marketing material;
- Slow pace, small scale of economic impacts to date;
- Uptake of the new product. HT is constrained by strong competition from other tourism destinations in the Czech Republic (in particular Prague), and from other packages also sold by tour operators. While commercial competitiveness is sufficient for some gradual success in at least some of the sites and areas, the investment in rural tourism cannot create a sudden boom.

However, some particularly valuable elements of the Heritage Trail strategy emerge:

- On-going and repeated attempts to build institutional collaboration. Although progress has been slow, institutional collaboration does occur.
- Defining the rural product through the creation of 'heritage trails'.

- Providing approach, tools, and marketing material that could easily be replicated and taken up by others (particularly at *kraj* level). Thus the initial project work could serve effectively as a demonstration for catalysing wider change. This is important to note given the donor shift away from projects.
- Addressing marketing and customer information at the same time as developing the product and resource.
- Working with counties (*kraj*) as they have gained an administrative role, and helping them develop their interest in rural tourism promotion in very practical ways.

5 Development of Rural Tourism through Heritage Trails in Uganda

5.1 Background: tourism trends, policy and rural tourism objectives

Historically, tourism was Uganda's second most important export after coffee. In 1970, 102,000 foreign visitors were recorded for Murchison Falls National Park. This contrasts with 5,800 recorded in 1996 for the same Park (Mann 1998). The collapse in tourism volumes has been mirrored by a collapse in the large mammal populations in protected areas, which were a key tourism asset.

Since the restoration of political stability in 1986, tourism has re-emerged on the policy agenda, but tourism development still faces many obstacles. An ambitious Tourism Master Plan drawn up a decade ago (UNDP/WTO 1993) set targets for development and arrivals that have so far not transpired. Inadequate government resources have been unable to provide the necessary framework for tourism development and the protection of its valuable natural and cultural resource base. The tourism sector has not been recognised as a priority development sector in wider government circles. In 1996, tourism moved from having its own Ministry, the Ministry of Tourism, Wildlife and Antiquities, to being part of the larger Ministry of Tourism, Trade and Industry (MTTI), and its financial and human resource capacity was heavily reduced. Tourism has lacked political support in the Ministry of Finance, Planning and Economic Development (MFPED) and therefore is not eligible for central Poverty Action Funds (PAF) and not given priority in the Medium Term Expenditure Framework. Despite the formulation of the new tourism policy, this situation is not expected to change in the near future. Hence donor resources will be highly significant in the implementation of the new tourism policy framework, but donor support to date has been fragmented. The capacity of the sector is likely to be further weakened by an impending merger of the Uganda Tourism Board (UTB), the Uganda Investment Authority (UIA) and the Uganda Export Promotions Board (UEPB) that has been highly contested by the private sector and UTB. The private sector has also been weak and fragmented.

Uganda's tourism product is also problematic. The legacy of Idi Amin and more recent insecurity on its borders has created an image problem (Holm-Petersen 2002). Uganda has to compete with other African destinations (eg. Kenya, Tanzania, Zimbabwe, Botswana, Namibia and more recently South Africa). Gorilla tourism has been the only niche where it had a competitive edge but this led to a monoculture approach to tourism development and effectively put a ceiling on the industry as only about 4,000 gorilla tracking permits are available annually. It is estimated that currently only 5,000 tourists visit Uganda each year and 10,000 expatriate residents participate in tourist activities (Mann 1998).

On the positive side, Uganda has by-passed mass tourism, albeit unintentionally, because of its past troubles, and is well positioned to take advantage of newer trends, and alternative forms of tourism that can protect natural resources and stimulate cultural diversity while generating economic growth. A new strategic plan and a tourism development policy have been developed to provide a framework to transform tourism into a major economic sector and a vehicle for poverty alleviation (MTTI 2002). The new tourism policy has been presented to Cabinet for approval, before being put into legislation. The overall policy objective is for tourist arrivals to reach a 'critical mass', for the sector to become a vehicle for development and to sustain Protected Areas (PAs). The policy emphasises 'large-scale participation of communities' and cultural tourism, including handicraft development, as a rural income generating activity. It also embraces a bottom-up principle of supporting developments at district level, again with a focus on community-based tourism development. Various donor programmes are supporting product and infrastructure development

that will encourage niche product diversification and promotion of avi-tourism (bird watching), mountaineering, sport fishing, white water rafting, primate viewing, eco-tourism, cultural and community-based tourism (Mann 2001).

Diversification and dispersal of tourism into rural areas have been strongly supported by the Government, particularly the UTB, for two main reasons. Firstly, UTB launched a diversification programme in the mid-1990s and community and cultural tourism were identified as important niche products to redevelop international tourism. Thus rural tourism is seen as a means to improve and expand the product. Secondly, it was recognised that community tourism could contribute to wider national development objectives enshrined in Uganda's Comprehensive Development Framework (CDF) and the Poverty Eradication Action Plan (PEAP) (which has guided government policy formulation since 1997).

In marketing Uganda, UTB emphasises a circuit of nature-based attractions predominantly in the west and south-west: Murchison Falls National Park, Kibale Forest National Park, Queen Elizabeth National Park, Bwindi Impenetrable Forest National Park and Lake Mburo National Park. Other important tourist sites outside this circuit include white water rafting, the Source of the Nile and the Ssesse Islands in Lake Victoria. Tourism development in the North has been constrained by insecurity. This approach is the antithesis of the traditional approach to tourism in developing countries, where 'honey pot' development entails the building of large and exclusive resort hotels by foreign investors, ring-fenced to keep the surrounding poverty at bay.

5.2 The Heritage Trails Initiative

The concept

Building on the marketing efforts of UTB, an initiative to develop and market a new rural tourism product, a Heritage Trail (HT), was conceived in the late nineties. A Heritage Trails Project 1999-2002 was established as a partnership between three organisations: the Kabaka Foundation, Action for Conservation through Tourism (ACT), and the Uganda Community Tourism Association (UCOTA). The Kabaka Foundation is an indigenous Ugandan NGO, established by the King (Kabaka) of Buganda – a traditional kingdom within Uganda restored by the current President Yoweri Museveni. ACT is a British charity and UCOTA is a tourism producers' association, formed in the mid-1990s 'to encourage quality community-based tourism with the aim of benefiting communities through sustainable development' (Williams, White and Spenceley 2001).

As in the Czech case, a Heritage Trail was seen as a way of defining and creating a rural tourism product. The project's aim was to establish a pilot heritage trail linking a number of cultural sites in the Buganda Kingdom to be marketed as one product. The link between the sites was the common promotional theme, the 'Kabaka's (King's) Trail', rather than a physical route. The project aimed to facilitate the creation of local community tourism associations at each site, which would develop and manage tourism services and facilities.

The design of the project rested on some core considerations and principles:

1. It explicitly evolved from community-based tourism, with a focus on the social and economic benefits of a trail-based tourism product for local communities.
2. It focused on the importance and potential of cultural revitalisation. In the Kingdom of Buganda, as elsewhere in Uganda, much of Uganda's rich cultural heritage fell into disrepair during the civil strife under Presidents Amin and Obote. The Kabaka Foundation and ACT

identified tourism as a tool to revitalise cultural sites and to reduce poverty amongst marginalised communities who are the traditional custodians of the heritage.

3. In connection with the first two points, the project focused on creating community institutions, not just supporting individual entrepreneurs. Community associations were seen as the guardians of culture, the developers of the tourism resource, and the agents for community benefit. This is more in line with a development approach in rural areas than a typical small business approach.

The design of the project was also influenced by security considerations. In 1999, a group of tourists on a gorilla-watching holiday in the Bwindi Impenetrable Forest National Park in the far south west of the country were killed by rebels from Rwanda. As a result it was decided to locate the development of a pilot heritage trail near to Kampala, and also to focus initially on the domestic tourist market (ex-pat residents, Ugandans and school children), since international arrivals had fallen sharply following the incident. Other strong reasons to develop the trail in this central area were that it fell within the traditional kingdom of Buganda and the project had the strong support of the Kabaka (King). Although these sites are within 45 minutes of the capital city, a baseline study, conducted for the project in 2000, showed that they remain on the periphery of mainstream economic activity, lack access to essential services and infrastructure and exhibit high levels of poverty.

The objectives of the heritage trail project were therefore defined as follows (HTU 2002):

- to demonstrate how tourism can be harnessed for poverty alleviation;
- to conserve natural and cultural assets through education and understanding of sustainable tourism development;
- to assist communities to participate in the tourism opportunity and to influence policy making in this area; and
- to strengthen local institutions, particularly UCOTA.

Approach and strategies

The sites to be included in the Buganda Heritage Trail were identified by stakeholders such as Kingdom officials and the Commissioner of Antiquities. Extensive field visits were undertaken and in November 1999 nine sites with the highest tourism potential were selected on the basis of:

- proximity to the capital
- accessibility
- attraction
- type of site
- historical significance
- marketable product theme
- community compatibility

However, project implementation only proceeded with six of the nine sites. The reasons why implementation couldn't proceed at three sites were varied. They included a lack of community cohesion and/or motivation, the community was difficult to define, insurmountable political sensitivities, other agencies were providing assistance and/or it was questionable whether incomes generated would benefit the intended beneficiaries. Details of the six remaining sites are included in Table 4.

Table 4: Community associations and attractions on the Kabaka's Trail

Community Association / Site	Attraction	No. of members
Baagalayaze Heritage Site	Burial tombs of a mother of a king	35
Kanyange Cultural Centre	Burial tombs of a mother of a king	22
Naggalabi Cultural Tourism Association (NACUTA)	Coronation site	25
Ssezibwa Falls Tourism Project (SFTP)	Traditional spiritual site for healing and area of natural beauty	29
Suuna II Wamala Tombs Tourism Association (SWATTA)	Burial tombs for a king	60
Tourism and Handicraft Association of Kalema (THAKA)	Prison ditch	40

Source: HTU, 2002

The main activities of the project have involved:

- On-site work with communities
- Community training programme
- Building institutional collaboration and strengthening
- Marketing

Table 5 shows the chronology of activities for developing the trail sites.

Table 5: Heritage Trails Uganda Project Activities

Year	Main Activities
1	<ul style="list-style-type: none"> • Trail site identification, market research and site selection; • Dialogue with local site stakeholders to confirm interest in participation and exploration of land user rights and/or revenue sharing agreements; • Creation of site community tourism associations where appropriate; • On-site handicraft workshops to facilitate income-generation in the short-term and mobilise community members; • Baseline socio-economic survey of communities and historical site research; • Tourism and conservation awareness building.
2	<ul style="list-style-type: none"> • Participatory business development planning; • Implementation of the community training programme; • Implementation of site plans.
3	<ul style="list-style-type: none"> • Production of promotional and educational materials; • Further community training; • Further site development; • Launch of the pilot trail and implementation of the marketing strategy; • Review and forward planning; • Development of other trails country-wide.

On-site community work

This initially focused on building the capacity of new legally-registered community-based tourism institutions. Community members were mobilised through local leaders such as elected councillors and cultural guardians and attended participatory seminars to develop a constitution and elect an Executive. To participate in the activities of the association, community members pay a membership fee. Of the 215 total members, 135 or 63 per cent are women.

Other on-site activities included a training programme, restoration of cultural assets (involving training in traditional building skills), exchange visits within Uganda and to Tanzania, and business planning. A number of potential income-generating activities were identified through a participatory planning process and assessed through business planning training. However, assessing the commercial sustainability of these micro-enterprises proved a particularly challenging part of the project due to low levels of education. Despite follow-up training, some of the community associations find the business plans difficult to use effectively.

Clarifying the land rights of the new associations was a critical factor in the project. The Kabaka Foundation acted as a facilitator in negotiations with the Kingdom of Buganda. The three tourism associations operating on King's land¹⁴ were given guaranteed use rights. A legal agreement was made stipulating that the three associations were required to give 30 per cent of the net entrance fee collected at each site to the Buganda Kingdom administration for maintenance of other sites. The remaining 70 per cent and all other income from their activities (e.g. guiding, handicraft sales, cultural entertainment) accrues to the association and its members. This agreement provided new incentives for the local community to work together with each other and the traditional cultural institution.

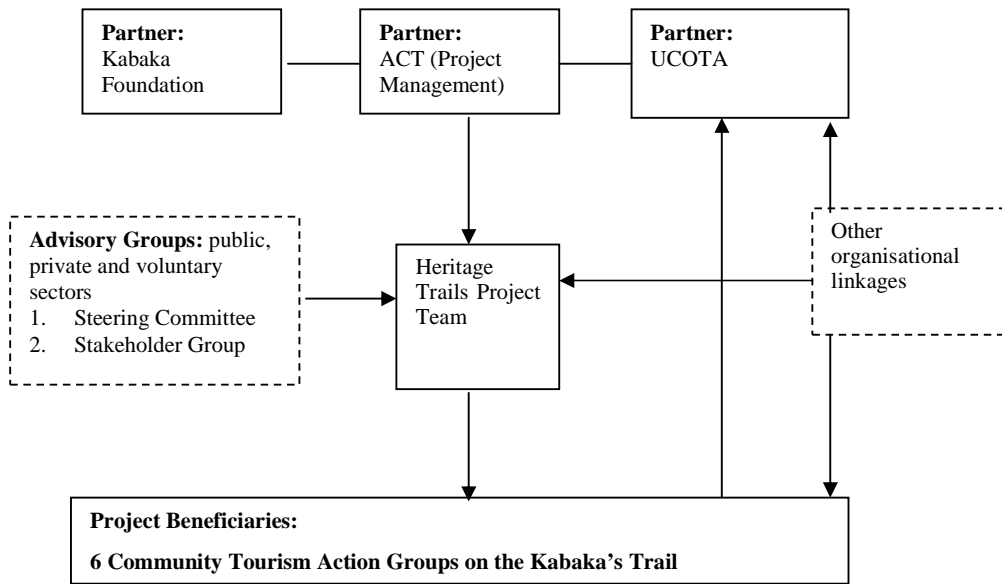
Institutional collaboration

In addition to institutional capacity building for each community tourism association, the project developed links with other institutions nationally, and an institutional strengthening programme for project partners and staff was undertaken. Two project advisory groups were established. A ten-member steering committee included representatives from private, public and voluntary sectors including the UTB, Uganda Tourism Association (UTA), Association of Ugandan Tour Operators (AUTO), Voluntary Service Overseas (VSO), the Department of Antiquities and Museums (DAMS), the Ministry of Gender, Labour and Social Development (MGLSD) and the Ministry of Tourism, Trade and Industries (MTTI). It increased the policy influence of the project and also played critical role in mediating political sensitivities between stakeholders and mobilising resources (Opio 2002). A larger stakeholder group (approximately 40 members) was established to guide site selection country-wide for future trails in the extension phase of the project. This group included a wider range of stakeholders, such as cultural institutions, UNESCO, the Uganda Wildlife Authority (UWA), and the National Curriculum Development Centre (NCDC). Institutional links were also established with a number of training and research organisations. Figure 1 illustrates the relationships between the different groups and organisations in the pilot trail project. The larger stakeholder group reached a consensus that the project initially run by the three NGOs should be transformed into an independent NGO, 'Heritage Trails Uganda' (HTU), to reflect its national remit. HTU was registered in December 2002.

Beyond these formal links, project staff participated in policy discussions on tourism and culture, and advocated more cultural education on the national curricula. The focus of engagement has been to encourage the recognition of cultural tourism as a tool for poverty reduction and heritage conservation. Such ideas have also been disseminated internationally, through media coverage, distribution of a video, and presentations at several international conferences.

¹⁴ Of the three other sites, two are tombs of queen mothers. These are owned by the traditional cultural guardian of the tomb, the Nnamasoles, who are the patrons of the respective community associations and encourage community participation in tourism and conservation activities. The third site, Ssezibwa Falls, is on land owned by the Church and by a tea company. The association secured a lease from the church and the tea company donated its land.

Figure 1 Institutional Relationships in Uganda’s Heritage Trail Project



Marketing

At the start of the project as part of the baseline study, a tourism survey was conducted at each site to compile information on visitor numbers, types and needs. It showed that most sites received few visitors and that these were mainly Ugandans with spiritual offerings and schoolchildren (ACT 2000). In early 2001, qualitative market research was carried out with the help of focus groups including tour operators, Kampala based ex-pats and Ugandans, and school children. The groups first concentrated on the HT concept, and then undertook an analysis of each site within the Kabaka’s Trail, and included both domestic and international potential markets for the trail. In November 2001, ‘Kabaka’s Trail’ was launched with promotional material and high profile marketing. Current marketing initiatives include linking up with private sector operators who have expressed support for the trail through UTA and AUTO. For example, the Sheraton Hotel sponsored a marketing briefing on the trail for tour operators in March 2002.

The project recently (August 2002) entered an extension phase which is intended to expand the heritage trail concept country-wide through the new NGO, Heritage Trails Uganda. The national stakeholder group developed a more detailed set of criteria for site selection based on lessons learnt in the pilot phase. There are currently insufficient funds to undertake professional market research to guide new site selection in the extension phase, hence site selection is likely to be oriented on a survey of AUTO members, and consultation with the NCDC for cultural education potential.

5.3 Progress, challenges, impacts and key factors

5.3.1 Progress and challenges

Assessing impacts

Methodologies for assessing the positive and negative impacts of tourism enterprise intervention on communities in developing countries in terms of poverty reduction are a recent development, and

still in the process of being tested (Ashley 1999, Holland 2002). Due to a lack of documented case studies, the Heritage Trails Project in Uganda has developed its own set of indicators for monitoring project progress. These cover both positive and negative impacts, with a focus on the impacts on livelihoods at local level. They cover the following impact areas:

- Empowerment, networking and dissemination (e.g. number of community association members, number of members elected to the UCOTA Executive, number of new partnerships formed, number of media exposures);
- Skills training (e.g. number of community association members trained in business development, guiding etc);
- Enterprise development (e.g. number of tourism services provided, number employed, number of visitors);
- Access to essential resources (e.g. number of community development projects benefiting from tourism enterprise development);
- Conservation of natural and cultural assets and values (e.g. number of renovated cultural structures, number of cultural guardians resuming and/or withdrawing from traditional roles).

Data collected on these to date is used below to consider progress against the key issues for rural tourism identified above, and also considered in the Czech case study. At the time of writing the community tourism associations have only been operational for one year and the marketing strategy has not been fully implemented, thus it is again early to assess impacts, particularly on livelihoods.

Product development

The foundations for a new tourism product in Uganda have been developed. The project has focused on creating associations, restoring sites as products, and developing skills. While the tourism products now exist they are not yet thriving. However, each association has developed at least three micro-enterprises including guiding around the cultural site, handicrafts and cultural entertainment.

Sourcing of raw materials such as spear grass and reeds for the traditional cultural structures pose a challenge. A recent needs assessment¹⁵ carried out in June 2002 highlighted that a main operational difficulty for most of the trail groups was a lack of raw materials. These raw materials used to be freely available locally or donated by loyal subjects, but due to agriculture practices (particularly livestock grazing) and increased settlement, the materials have to be transported, incurring transport costs.

Local capacity and product quality

The project has focused on institution building of associations as much as developing entrepreneurship, and it is still very early to make judgments with regard to acquisition of business skills. The quality of micro-enterprises inevitably varies across the associations depending on their capacity, as does their potential to diversify service provision. For example, the traditional performance group of Baagalayaze Heritage Site is of a very high standard and perform at local functions as well as on-site.

Maintaining service quality can be especially challenging as several sites lack reliable telephone communications for advance notice of bookings. In the basic needs assessment, five out of six trail groups identified the lack of telephones as a main operational challenge. Though UCOTA plays a

¹⁵ UCOTA Membership Information questionnaire survey, June 2002

role in facilitating bookings and providing other support to community associations, it is still also in need of external technical support.

A key challenge identified by the community tourism associations is a lack of financial resources to develop and maintain product quality and reliability. An initial low level of visitors is a barrier to gaining such finance. Marketing remains a challenge to the community associations, in particular the marketing of handicrafts from which they can generate income even when visitor numbers are low.

Local benefits: financial and other

The community tourism associations have earned some money from paying visitors to the sites, although visitor numbers are still too low to make a significant impact. However, visitor numbers to one of the better known sites, Ssezibwa Falls, have doubled and the association employs two paid guides (the other sites have volunteer guides). The site earned 875,300/= Uganda Shillings, (approximately GBP £340) between January and November 2002 from entrance fees.

In addition to visitor fees, sales of handicrafts to the UCOTA shop generated 425,000 Uganda Shillings (GBP £170) worth of business for five of the associations between January and August 2001 (the shop was temporarily closed after August 2001). Total income is thought to exceed this as crafts have also been sold on-site, for example, book keeping records at Baagalayaze show that 90 per cent of craft sales were made on-site in 2001. It is anticipated that craft sales through UCOTA will also increase through technical assistance from Traidcraft and the McKnight Foundation.

In addition to income, two forms of non-financial benefits are considered particularly important impacts of the projects. The first is the revival of cultural values and associated social networks and activities¹⁶. Before the project commenced, most of the trail sites were in a serious state of disrepair and in some cases were overseen by elderly cultural guardians with scarce resources. The wider community, especially the younger generation, had no attachment to the sites because of the abolition of the Kingdom during the political unrest. The project has initiated the regeneration of both physical structures (such as traditional receptions, ceremonial houses and tombs) and traditional, culturally specific, skills such as building, bark cloth making, music and dance. This has encouraged several cultural guardians to resume their traditional roles and for cultural functions at the sites to recommence.

Secondly, the involvement of community members in participatory and business planning is important for developing local capacity, even if this is not immediately reflected in enterprise development and revenue.

Marketing

To date visitor numbers have been low, partly because the marketing strategy has not yet been fully implemented (especially for the domestic market). It is anticipated that visitor numbers will grow, however, as several international schools in Kampala have expressed interest and local ground handlers are currently incorporating trail sites into their itineraries.

The proximity of the trail sites to Kampala should facilitate uptake by the domestic market, while the fact that three of the sites are also located on the main tourist routes increases their accessibility for international visitors. However, a constraint for two sites (Katereke and Wamala Tombs) is the poor state of the access dirt road, particularly in the rainy season.

¹⁶ See 'Key non-financial livelihood impacts by case study' in Ashley, Roe and Goodwin, 2001, Table 7, p.24

Perceptions of insecurity have also constrained growth of the international tourism sector. Security in protected areas in the west and south-west has improved but the situation has deteriorated further north due to a rebel insurgency.

Marketing material for the pilot trail in Uganda to date consists of brochures, flyers for international trade fairs, mini 'infopoint' cards, a web site (www.culturalheritagetrails.com). Familiarisation trips for local ground handlers and schools have been particularly successful. The project is currently reviewing its marketing strategy with more emphasis on cost-effective methods to attract the domestic market (e.g. radio and TV adverts, distribution of marketing materials through ex-pat networks). In the longer term UCOTA will be responsible for marketing the trail sites as part of its cultural product line. The pilot trail has the support of the Uganda Tourist Board and is featured on its web-site (www.visituganda.com).

Creating institutional capacity and supportive policy

The project focused on institutional strengthening of UCOTA, in terms of capacity building for organisational management, marketing, fund-raising and practical skills such as in computing and driving. An internal evaluation report concluded that overall the capacity building programme was a success (Dixey 2002). In particular, residential courses enabled the newly elected UCOTA Executive who reside in different parts of Uganda to constructively address a management transition. This capacity-building process was, however, just the beginning of a much longer institutional strengthening programme that is being continued throughout 2002 with additional resources.

In 1999 there was no Government tourism or culture policy although the wider policy framework and therefore UTB and MTTI were supportive of poverty alleviation through rural tourism development. A key achievement of the project was that it was very influential in shaping the new draft national tourism and culture policies (Opio 2002).

5.3.2 Obstacles and success factors

Among the challenges encountered, the main obstacles in the Ugandan context emerge as:

- Low level of development and lack of skills at community level. The formation of the community associations, their business planning, product development and marketing training took much longer than anticipated to reach a reasonable standard for foreign and domestic tourism markets. The practical concomitants of low development, such as lack of telephones and access to credit, also pose a challenge for building product quality.
- Limited international tourism in Uganda. While international visitors could provide a strong and culturally interested niche market, continued insecurity is constraining the growth of international arrivals. The domestic market for the trails is important but limited. Marketing to either group is slow and needs greater investment of resources. The knock-on effects on small-scale producers can be substantial: one year without tourists may mean the collapse of a small tourism enterprise without an adequate financial safety net to get through the tough times.
- Implementation obstacles: the initial project time period of two years was too short and the design over-ambitious. Resources and expertise in some areas have been insufficient, while funding delays exacerbated problems. The project did achieve most of its objectives over three years (Opio 2002) although the time period was simply insufficient to fully implement a bottom-up participatory approach to product identification and marketing and to help the

communities achieve their enterprise and management objectives. However, with this type of intervention, which is always likely to depend on donor support, short-term funding cycles are likely to remain a problem unless donors change their way of operating, or investors are found from elsewhere.

It is clearly early days for the project, particularly as far as delivering flourishing enterprises and livelihood impacts on the ground are concerned. Nevertheless, some important strategies for laying the foundations for rural tourism can be identified, including:

- Building community associations, not just entrepreneurs, in order to serve the social development objectives of the approach;
- Working with women and specifically with craft producers, to get activities going;
- Investing in training at community level, including exchange visits;
- Building on traditional cultural assets and tapping into the cultural niche in the market;
- Developing innovative land user rights agreements;
- Building partnerships with a range of national institutions, and building capacity in UCOTA. These partnerships become particularly important now that the concept is being extended to other sites;
- Developing a range of marketing strategies and readiness to focus on the domestic sector and on schools. Building links with tour operators;
- Focusing the pilot on sites near Kampala to minimise logistical and security problems, and maximise the benefit of support from the Kabaka (King).

6 Implications for Developing Rural Tourism

The two case studies share some similarities, despite the very different contexts. Both sought to develop a rural tourism product by marketing a package of attractions as a ‘trail’. Both invested much of their effort to work at the local level, and sought to build an association to co-ordinate the diverse community members or service providers. In both cases, there are associations that have thrived and others that have ground to a halt. Both also focused on building relationships with policy-makers and a network of other institutions, and have gone on to use this to replicate the trail concept. In both cases, marketing was undertaken by the project rather than by the local service providers.

There are also considerable differences. The Ugandan initiative benefited from a high level of government support from the start compared to relative disinterest in the Czech Republic. However, it also had to grapple with a much higher degree of underdevelopment, in terms of local skills and infrastructure.

This section briefly reviews what light can be shed on the key issues for rural tourism, based on the analysis of the strategies, progress and obstacles of the two case studies. In doing this, it returns to the themes and key issues outlined in Section 2, and also draws on other rural tourism examples to amplify points. In order to identify broader lessons, the analysis necessarily moves up from describing details to a level of generalisations, none of which will be applicable in all rural tourism situations. Thus this section should be interpreted as highlighting implications of wider relevance that *can* be drawn from *these* case studies, but not providing a blueprint for rural tourism development.

6.1 Key Issues

Creating a rural product

These Heritage Trails were not created in rural sites of exceptional tourism value but in attractive rural settings with some undeveloped assets (such as for example culture, horticulture). The heritage trails demonstrate the value of packaging an array of attractions as a ‘trail’. The trail concept is fundamentally a marketing tool, providing a brand image in the mind of the consumer. But it can also be an organising and mobilising tool to bring together producers on the ground. This is likely to be particularly important in rural areas, where most products and producers are small-scale, and need to work together to gain economies of scale (e.g. in marketing, accessing training). The value of promoting a rural product as a trail is also evident in a South African case described by Rogerson (2002). The implication is that for the more typical rural areas (not the exceptional sites), *use of a trail concept or other means of packaging and branding can be useful ways to strengthen local tourism product.*

Ensuring sufficient quality of the product and services

This has proved to be a big problem in Uganda, given the limited time frame to date, low levels of education, lack of any previous tourism experience in the rural areas, and lack of local investment funds. A similar example comes from the Amadiba Horse and Hiking Trail on South Africa’s Wild Coast, which is a community project based on a strong asset (beautiful undeveloped coastline) providing horseback trails and hiking. However, the NGO involved has also been struggling to raise

standards of guiding and accommodation to sufficient levels (Ntshona 2002). Quality appears to have been less of a problem in the Czech Republic where, although the enterprise culture was new, general skill levels were higher. In particular, the trails in the Czech Republic could make use of the existing certification programmes, which helped to set, and encourage, quality standards. The implication is that *ensuring sufficient quality of rural tourism services can be a big challenge, particularly in poor developing countries, and requires substantial investment in training.*

Investing in marketing and attracting visitors

It was suggested earlier, drawing on an example from Poland, that one problem in rural tourism is that a diversity of small producers struggle to invest sufficiently in marketing. This appears to have been borne out by these two case studies as in neither case are the local service providers themselves yet doing the marketing. ECEAT CZ and the Ugandan Heritage Trails Project have produced marketing material and made links with private operators, as well as the National Tourism Organisation. The same applies to the Amadiba trail in South Africa, where marketing is done by a NGO. Even with NGO resources invested in marketing, the number of visitors attracted so far has been low. In the Ugandan case, market research was highlighted as very valuable, though not extensive enough. The implication is that *marketing emerges as a major challenge for rural tourism entrepreneurs.* In such situations, it is important to link them to an outside institution that can invest in marketing for the initial period, whether this is a project, NGO, or Government Tourism Organisation. Market research from early stages onwards is a necessary requirement and invaluable.

Dealing with practical, logistical and implementation challenges

Both projects encountered a conflict between an ambitious design and limited time scale and resources. Training was delayed or too short and skills development not always sufficient. Project funding was too short. The implication here is that *building rural tourism is a long-term and slow process, and needs to be planned and resourced as such.*

Building local institutions at community level

The Czech project worked directly with new entrepreneurs, while also seeking to encourage local associations that would co-ordinate the entrepreneurs. These emerged as key elements: where the association thrived under strong leadership (as in Northern Moravia), the trail has been successful and continues to operate. Where leadership was lacking and the association weak (as in Southern Moravia), the trail has not flourished. The Ugandan project focused even more exclusively on building community institutions rather than entrepreneurs, given the different development context and the explicit socio-economic and cultural goals of the project. The associations, however, are micro-organisations, located at each individual site, rather than spanning across, and 'uniting' the 'trail'. The focus on associations may have resulted in relatively little development of entrepreneurship, or at least slow development of entrepreneurship. However, this has also built the capacity for collective management of the tourism assets and tourism development. The implication is that *the need for local associations, to unite entrepreneurs or manage collective assets needs to be assessed and may require substantial investment.* This is in addition to direct training and support of individual entrepreneurs. Whatever the external input, however, some may well grind to a halt for internal reasons.

Building institutional networks and policy support

Whereas the general picture is that support for rural tourism is better established in Eastern Europe than sub-Saharan Africa, the situation in the two cases reviewed here was the reverse: the Czech project struggled to win recognition from the Tourism Board, and even then was constrained by

lack of tangible support, while the Uganda project had strong policy backing from the start. This made a particular difference to the degree in which a common marketing strategy was developed and supported. On the other hand however, in terms of visitor arrivals the Heritage Trails in the Czech Republic have proven to be considerably more successful than the Ugandan trails. In addition to working directly with tourism policy makers, both projects sought to develop collaboration with a wider array of institutions: local councils in the Czech Republic, NGO's in Uganda. Several considerations suggest that this institutional collaboration was very important:

- In both cases, the initial Heritage Trails are only pilot sites, to act as the basis for wider replication. Replication depends on uptake of the concept and methods by others rather than perpetual expansion of a project.
- In both cases, a time-bound fixed-resourced project appeared to be too limited for the rural development process, making it all the more important that an on-going process to support rural tourism is built in other institutions.
- While both these cases have marked success in building institutional collaboration, examples from elsewhere indicate how the lack of institutional co-ordination can block rural tourism. For example, in South Africa's Wild Coast, an area of considerable tourism potential, the Amadiba trail and a new casino are among the very few tourism developments of recent decades. Ambitious tourism development plans by many different governmental bodies have floundered, and institutional weaknesses and rivalry have played a key part (Ashley and Ntshona 2002). Another case study on the northern edge of the Selous National Park in Tanzania highlights another extreme, where the objective of promoting rural tourism falls between different institutional mandates. It is neither a priority for national tourism planners, nor the rural Council, nor the conservationists running the community-based natural resource management programme or the reserve to take control over promoting rural tourism. This partly explains why there is no diversification into tourism enterprise in a location adjacent to a key tourism asset (Ashley, Mdoe and Reynolds, 2002).

Dependency of rural tourism on national tourism developments

In many cases, rural tourism is developed or expanded as a strategy for attracting tourists away from existing resorts (whether urban or rural) and dispersing them into new areas. In other cases it may be developed to offer an entirely new package to a new market (e.g. to Dutch campers, not Prague weekend-trippers, in the case of Czech Heritage Trails). But new tourism products are dependent, to varying degrees, on the overall growth of tourism, and particularly the image of the country as a whole, not just the rural area. This is evident in Uganda where perceptions of insecurity in the country have hampered development of the international market for the heritage trail sites. Thus the implication is that *successful development of rural tourism may be partly dependent on success of the national tourism product, or at least hampered by constraints or downswings that affect tourism. The linkage between the new rural product and existing products, whether it is an add-on for the same market or a new offering for a new market, needs to be identified as part of the development strategy.*

6.2 Can rural tourism contribute to poverty reduction?

Both case studies describe small, recently implemented projects and as such cannot demonstrate clear successes in creating rural tourism and reducing rural poverty. For some indication, we have to turn to comparable experience in countries with a longer investment. In Eastern Europe, one of the most successful examples in developing rural tourism is Hungary. A combination of a successful national tourism industry, a serious policy commitment to rural tourism, an attractive

rural setting, and many years experience of attracting Western tourists (in particular during the 'closed-off' communist days) have generated a well-established and important tourism sector. This does not mean that all the other East European countries can automatically do the same, particularly as they entered the post iron-curtain era without an existing western-oriented tourism industry, but it does suggest that the product potential is there. In sub-Saharan Africa, one comparative example to turn to is Namibia, where the work of the Namibian Community Tourism Association (NACOBTA) initially served as a model for the establishment of Uganda's UCOTA. NACOBTA focuses exclusively on community tourism, much of which is in the north-east and north-west communal (rural) areas. While community tourism there is still developing (rapidly in some areas) from a tiny base, and has its own share of problems, a review of NACOBTA in 2001 concluded that 'most CBTEs are making an income that has changed their communities from being poor or very poor to being better off. This has contributed significantly towards the equitable distribution of resources between urban and rural communities' (Nicanor 2001, p34).

Clearly there are cases where tourism is successfully developing and contributes to growth in rural areas. The extent to which the growth and opportunities generated are pro-poor is a different issue. As discussed in Section 2, the relative importance of small-scale enterprises and cultural attractions is likely to enhance opportunities for the poor, but Rogerson's (2002) analysis of the Highlands Meander in South Africa issues an important warning note: while the creation of the 'Meander' has been successful in creating and marketing a product, the all-white ownership of, and participation in, the tourism sector in the area has not been reversed. Thus from a pro-poor perspective, success needs to be measured in terms of both creating tourism-led growth in rural areas, and in terms of the distribution of opportunities among the poor and others.

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