



# **Silk Road CBT initiative:** *Connecting Central Asian Community-Based Tourism and European Markets*

Tashkent 18 September 2020



# Silk Road CBT initiative:

## *Connecting Central Asian Community-Based Tourism and European Markets*

### Preconditions

- Historical heritage of Central Asia (Tajikistan, Uzbekistan, Kyrgyzstan)
- State support for tourism development.
  - “Programs on the development of tourism for 2018-2021” in the Republic of Tajikistan
  - "Concept and action plan on the development of tourism in 2019-2025" in the Republic of Uzbekistan
  - «"Programs of the Government of the Kyrgyz Republic for the development of tourism sector for 2019-2023“
- Dynamics of growth of tourist inflow

**Trip Advisor in 2017** for the Program UNWTO survey «Tourism Trends along the Silk Road»: **46% will visit Silk road (out of 15 711 respondent), 47% would visit if they can get a single tourist visa for the Central Asian countries.**

### Challenges

- Limited business potential of micro, small and medium-sized enterprises in community based tourism
- Poor quality of tourism services
- Limited qualifications of business owners
- Lack of accessible financing

The survey of **Acted in 2019** for three countries - 61 MSME CBTs :  
not interested in getting loans - 45%  
Credit terms and credit interest rate doesn't satisfy - 27%  
There are previous unpaid loans - 44%  
High percentage - 62%V

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FACTFILE	
DONOR:	European Union
PROGRAMME:	Central Asia Invest V
TOTAL BUDGET:	1 281 388 EUR
TOTAL CO-FUNDING:	192 208 EUR
DURATION:	36 months
TENTATIVE DATES:	Jan 2020 – Jan 2023

**Aim:** To promote the **competitiveness** of the **community-based tourism sector (CBT)** micro-, small and medium enterprises (**MSMEs**) in Central Asia as drivers of inclusive economic growth

Uzbekistan

Tajikistan

Kirgizstan

+ Turkmenistan

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### Consortium

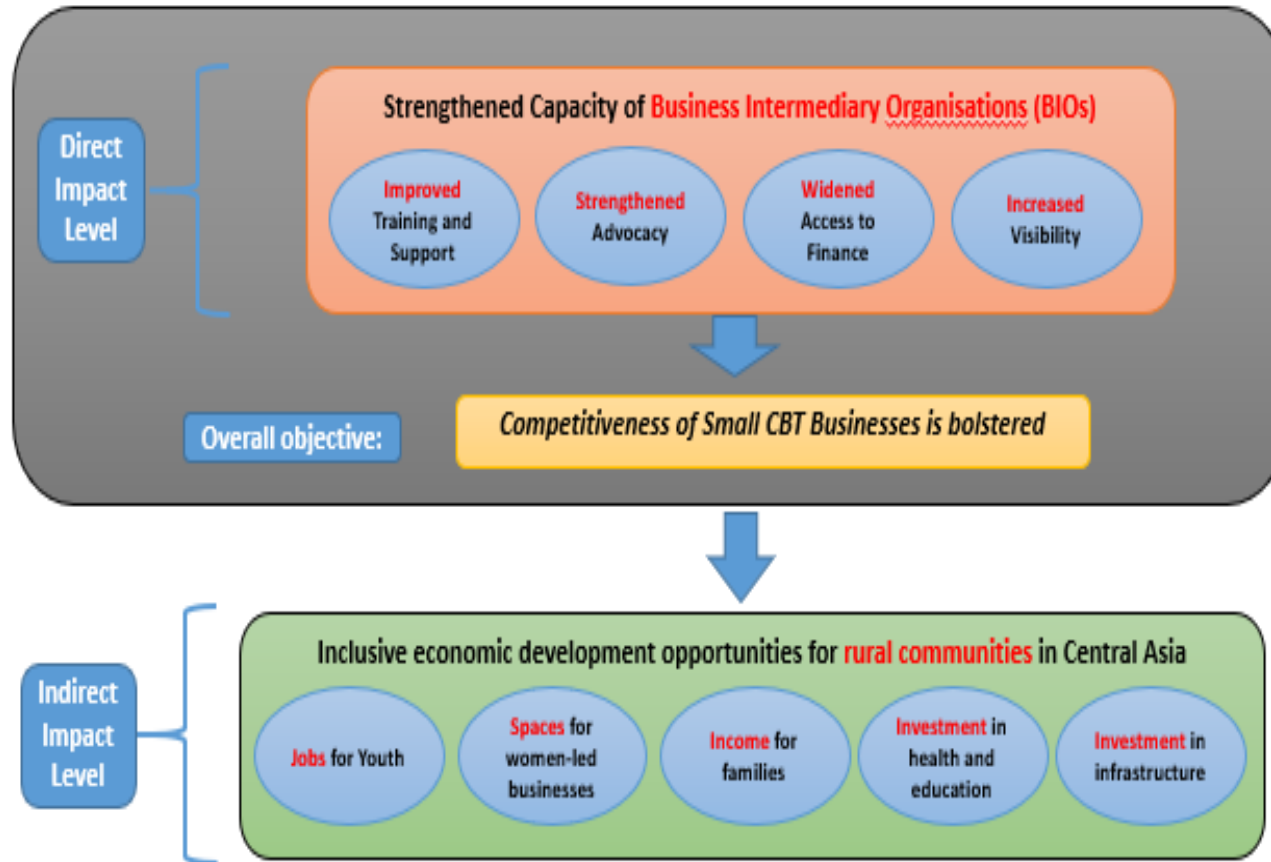
EUROPE	LEAD: ACTED (Uzbekistan)	European Center for Eco & Agro Tourism - ECEAT
UZBEKISTAN	Association of Private Tourism Associations - APTA	National Association of Microfinance Institutions - <b>NAMI</b>
TAJIKISTAN	Tajik CBT Association - TCBTA	Association of MicroFinance Organisations of Tajikistan - <b>AMFOT</b>
KYRGYZSTAN	Kyrgyz CBT Association - KCBTA	Association of Microfinance Institutions - <b>AMFI</b>

+ Turkmenistan

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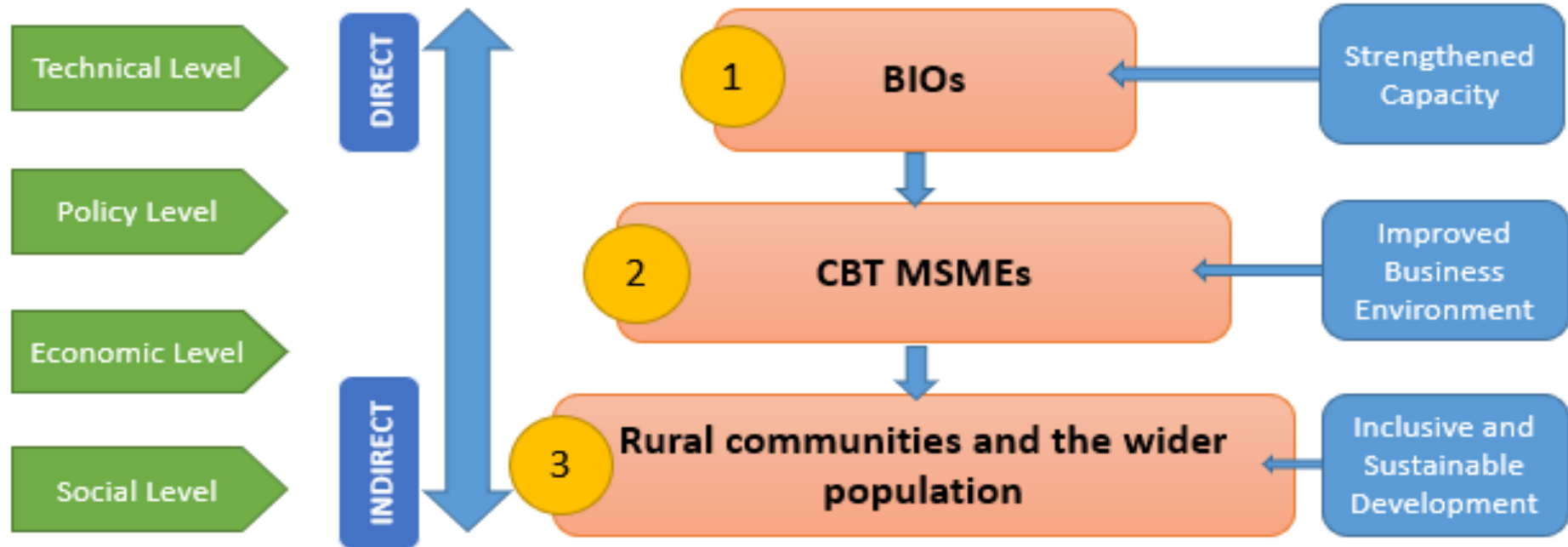
### Impact



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### Target Groups



**BIOs, MFIs** - TCBTA, APTA, KCBTA, NAMI, AMFI, AMFOT

**500+ MSME**

Stakeholders in **Turkmenistan**

Wider population – particularly **women, youth & rural** communities

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### TECHNICAL SKILLS

Improve the capacity of BIOs to provide services to MSMEs

### POLICY & ADVOCACY

Enhance the capacity of BIOs to represent CBT sector interests

### ACCESS TO FINANCE

Improve access to affordable micro-finance products for CBT MSMEs

### MARKETING & PROMOTION

Promote Central Asia regional tourism on the European market

#### Build capacity of TCBTA, APTA & KCBTA to provide training to MSMEs

- GOCA assessment & 2-day training for the CBT BIOs, and hire consultants to work with APTA & TCBTA
- Establish fee-based training hubs in UZ & TAJ
- Adapt & translate training manuals into Tajik & Uzbek and develop new training modules on business skills
- Тренинг для 10 тренеров для сообществ в UZ & TAJ обучение не менее 500 ММСП навыкам ведения бизнеса, стандартам обслуживания и правовой базе

#### Knowledge exchange with Europe

- Study tour to Europe for APTA, TCBTA, KCBTA and Turkmen stakeholders to observe quality service delivery
- Mentoring & twinning from European partners

#### Build capacity of Tourism Information Centres (TICs)

- Service improvement action plans for TICs & provision of equipment
- Develop interactive online map with travel information
- Improve [visitcentralasia.org](http://visitcentralasia.org) website and develop an app
- Study tour from UZ & TAJ to KYR

#### Expand CBT into new regions

- Mapping of cultural and historical sites using Mapping Mosaics methodology
- Support communities to start 250+ new businesses and receive training



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### TECHNICAL SKILLS

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### ACCESS TO FINANCE

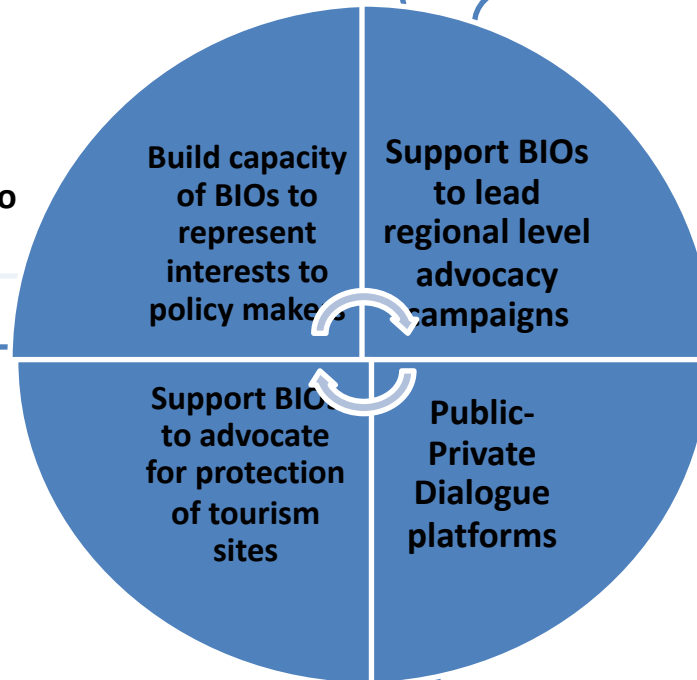
Improve access to affordable micro-finance products for CBT MSMEs

### MARKETING & PROMOTION

Promote Central Asia regional tourism on the European market

- Gap analysis of BIO's capacity to lobby and advocate
- 3-days training with advocacy expert
- Support to develop advocacy road maps
- Advocacy learning component during study tour to Europe
- Mentoring between APTA, KCBTA, TCBTA and Turkmenistan stakeholder

- Consultation with cultural and environmental sectors
- Develop a list of priority sites for preservation in each country
- Advocacy at the regional and national level



- Advocacy for visa regime cooperation and "Silk Visa"
- Regional roundtable event
- Advocacy for opening land-border crossings through working groups & advocacy meetings

- Roadmap for a National Tourism Organisation
- Establish a NTO platform in one of the countries
- Evaluate the process and produce recommendations



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### **TECHNICAL SKILLS**

Improve the capacity of BIOs to provide services to MSMEs

### **POLICY & ADVOCACY**

Enhance the capacity of BIOs to represent CBT sector interests

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### **ACCESS TO FINANCE**

Improve access to affordable micro-finance products for CBT MSMEs

### **MARKETING & PROMOTION**

Promote Central Asia regional tourism on the European market

## 1. Create a CBT social investment fund

- Market survey of existing products & access, Customer survey to analyse demand, needs, and barriers -> focus on women entrepreneurs
- Working group with MFIs to develop and pilot inclusive loan products
- Launch new loan products by MFIs in each country

## 2. Financial literacy training for MSMEs

- Develop new training modules on financial literacy & business plan development for CBT MSMEs
- ToT for TCBTA, APTA & KCBTA on financial literacy & business plan development
- Roll-out of trainings in the hubs to 300+ MSMEs
- Business plan competition
- Small grant prize and technical mentoring

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### **TECHNICAL SKILLS**

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### **ACCESS TO FINANCE**

Improve access to affordable micro-finance products for CBT MSMEs

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### **MARKETING & PROMOTION**

Promote Central Asia regional tourism on the European market

#### **Geographical Indications (GIs) & local tourism promotion**

- Establish online B2B platform on the [visitcentralasia.org](http://visitcentralasia.org) website for regional cooperation between businesses
- Promote new regional tour products on the website
- Central Asia Stand at Berlin Tourism Fair 2022

- Train TCBTA, KCBTA & APTA on GIs for tourism promotion
- Ferghana Valley Roundtable on regional branding
- Pilot GI for tourism project
- Establish 9 local Destination Management Committees (DMCs)
- Workshops for DMC members
- Develop & implement Destination Management Plans (DMPs)

#### **Developing regional tourism products**

- Silk Road Promotion Tour & International Conference on Silk Road Tourism
- Networking between European & Central Asian tour operators
- Develop content for the [visitcentralasia.org](http://visitcentralasia.org) platform

#### **Platforms for promotion to European tourists**

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**OO: To promote the competitiveness of the community-based tourism sector (CBT) micro-, small and medium enterprises (MSMEs) in Central Asia as drivers of inclusive economic growth**

**60% (300 out of targeted 500) of targeted MSMEs with business plans**

**60% of targeted MSMEs with more than 100 visitors per year**

**60% % of targeted MSMEs offering regional tourism products**

**60% of targeted MSMEs offering more than one type of tourism service**

**SO: To improve the provision of business intermediary services supporting the business growth of community-based tourism (CBT) MSMEs**

**SO-1. 300 of new community-based tourism (CBT) MSME members in national level Business Intermediary Organizations (BIOs) (APTA, TCBTA, KCBTA)**

**SO-2. Uzbekistan -10 Tajikistan-3 of new regions with community-based tourism (CBT) MSMEs**

**ISO-3. 40% of community-based tourism (CBT) MSMEs who report an improvement in representation of their interests at the national or regional level**

**Output 1: The capacity of Business Intermediary Organizations ( BIOs) to provide business development services to community-based tourism sectors MSMEs is improved**  
**TECHNICAL SKILLS**

**Output 2: The capacity of Business Intermediary Organizations (BIOs) is enhanced to represent collective community-based tourism (CBT) sector interests and advocate for regional integration of tourism service providers**  
**POLICY & ADVOCACY**

**Output 3: The community-based tourism (CBT) MSMEs' access to affordable micro-finance products is improved**  
**Service providers**  
**ACCESS TO FINANCE**

**Output 4: Central Asia is promoted as a regionally branded tourist destination in the European market**  
**service providers**  
**MARKETING & PROMOTION**

# Silk Road CBT initiative:

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### Indicators

Результат 1: Укрепление Бизнес Посреднических Организаций (БПО) по оказанию услуг ММСП в сфере Туризма Основанного на Сообществах улучшилось

Результат 2: Потенциал Бизнес Посреднических Организаций (БПО) повышен, для представления интересов Туризма Основанного на Сообществах (ТОС) и выступает за региональную интеграцию поставщиков туристических услуг

Результат 3: Улучшен доступ ММСП Туризма Основанного на Сообществах (ТОС) к недорогим микро финансовым продуктам

Результат 4: Центральная Азия позиционирована как региональное брендовое туристическое назначение на Европейском рынке

OPI-1.1. Targeted Business Intermediary Organizations (BIOs) who have **improved** their **organizational capacity** assessment score at least by one level

OPI-2.1. Business Intermediary Organizations (BIOs) with improved **knowledge** of key **advocacy** and **lobbying strategies**

OPI-3.1. 65% of targeted community-based tourism (CBT) MSMEs report **interest in taking loans to invest in their businesses** (55% base line)

OPI-4.1. Uzbekistan-3, Tajikistan-3, Kyrgyzstan-3 of local communities with **Destination Marketing Plans (DMP)**

OPI-1.2. Business Intermediary Organizations (BIOs) having **income generation from other than donor-funded sources**

OPI-2.2. 4 (one per BIO, including Turkmenistan) of **advocacy road maps developed** for Business Intermediary Organizations (BIOs) and **operationalized**

OPI-3.2. Uzbekistan-2, Tajikistan-2, Kyrgyzstan-2 of micro-finance institutions implementing a **new loan product suitable for rural MSMEs** launched

OPI-4.2. 12 (UZ,TJ,KG, TM) of Central Asian tour operators / community-based tourism (CBT) service providers represented at the **Berlin tourism fair**, under **joint Central Asian branding**

OPI-1.3. 500 of community-based tourism (CBT) MSMEs **trained on quality standards in service provision** by local Business Intermediary Organizations' (BIOs) trainers

OPI-2.3. 3 of **twining partnerships** between European and Central Asian & Uzbek/Kyrgyz and Tajik/Turkmen (BIOs) (to mentor the CA BIOs to improve their capacities in service delivery, advocacy and lobbying)

OPI-2.4. 60% of targeted government stakeholders report willingness to promote **policies for enhanced regional integration** in the tourism sector

OPI-4.3. 10 (UZ,TJ,KG, TM agreements signed) of **new collaborations established** between European tour operators and Central Asian community-based tourism (CBT) service providers

OPI-1.4. Uzbekistan-2, Tajikistan-2, Kyrgyzstan-4 of Tourism Information Centres' (TICs) **services upgraded (with training, equipment) and digitalized**

OPI-2.5. 1 (country to be determined) of **pilot public-private dialogue platforms** for tourism sector development established

OPI-4.4. 40% of **increase in visits** on 'visitcentralasia.org' website

# The theory of change

**IF (Result 1)** enhance the capacity of BIOs to fulfill their mandate as effective service providers and advocates for the CBT sector throughout the region;

**AND (Result 2)** BIOs will have platforms and potential to represent collective interest CBT sector at national and to advance regional integration efforts;

**AND (Result 3)** MSME CBT will receive affordable micro-credit products to improve the quality of services, and financial literacy of MSMEs will be increased in order to reduce the risks for creditors / lenders;

**AND (Result 4)** The international representation of Central Asia as a regional tourist destination is actively promoted in the European market:

## **THEN :**

- The potential of BIOS (Association of CBT MFO) Will be enhanced on provision of additional services, including training on skills;
- The access to affordable finance will be improved;
- The representativeness and promotion of MSMEs CBT sector at the national and regional levels will be improved;

**AND ALL TOGETHER** will enhance the competitiveness of the MSME CBT sector in Central Asia and promote local business growth and diversification of economy.

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*Thank you for your attention!*

