

Training 5:

Community Collaboration : Networking for Rural Tourism Success

LOGBOOK



- Introduction (5 mints)
- Concept and Importance of Networking in Rural Tourism (20 mints)
- Key Stakeholders in Rural Tourism (20 mints)
- Role of Stakeholders in Rural Community Development (20 mints)
- Financing Sources for Rural Tourism Investment (20 mints)
- Final Quiz (20 mints)

SAILMAP



OBJECTIVES

This module aims to emphasize the activities and guidelines on successful networking with local authorities and those involved in tourism in rural areas .

- Learning objectives:

- *understand the definition and significance of networking in the context of rural tourism and its impact on local development;*
- *identify and understand the roles of key stakeholders in rural tourism, including local authorities , tourism operators and community members;*
- *learn about various sources of financing available for rural tourism projects .*



INTRODUCTION

- ❑ For tourism to develop in rural areas that have a high potential in this respect, it is necessary to implement a policy of awareness raising in relation with the benefits that this activity generates economically, socially, culturally for the rural communities and regions where it is developed .
- ❑ In Romania, there are many examples of good practices, but, most of the time, the mentality and the attitude of certain persons stand in the way of progress .
- ❑ For tourism development and planning to work, coordination and cooperation among tourism stakeholders is crucial .



INTRODUCTION

- ❑ **Local authorities** need to support the involvement of rural tourism actors in:
 - ✓ the creation, implementation and improvement of innovative development schemes to increase quality standards ;
 - ✓ the establishment of organizational management structures, based on strong leadership ;
 - ✓ the establishment and the organization of partnerships between the public and private sectors that pursue the interests of the community ;
 - ✓ the creation of a strong local identity ;
 - ✓ increasing the level of education and training of human resources involved in tourism and in the related activities, etc .

INTRODUCTION

The cooperation and the partnership between rural tourism actors are very important and this is why it is essential to support the collaboration between rural tourism stakeholders by actions such as:

- ❑ establishing public - private partnerships (central and local authorities – entrepreneurs, tourism associations) for the promotion of a regional identity, and the creation of business clusters;
- ❑ creating partnerships between training institutions and local authorities ;
- ❑ creating a network of entrepreneurs in rural tourism ;
- ❑ creating partnerships between local rural tourism associations and local authorities (Mayoralties, Local Councils).



CONCEPT AND IMPORTANCE OF NETWORKING IN RURAL TOURISM

- ❑ In rural tourism, the survival of businesses in isolation is getting more and more difficult, and, therefore, it is essential to establish relations and work networks between suppliers of rural tourism products.
- ❑ Thus, **work networks** can be created, both **formal** and **informal**.
- ❑ **Informal networks** are made up of individuals who run their own small businesses or by the employees of these firms who interact with friends, relatives, and acquaintances, on an informal basis, in order to gain their support.
- ❑ **Formal networks** are based on the interaction between individual businesses and various private and public organizations, or between individual businesses.
- ❑ While informal networks in rural communities are rooted in local traditions and local culture, the creation of formal networks within rural areas is more difficult to achieve.

CONCEPT AND IMPORTANCE OF NETWORKING IN RURAL TOURISM

- ❑ In order to understand the network of social relations in rural tourism , it is necessary to:
 - ✓ analyse the relations between various actors and the context in which they emerged;
 - ✓ identify the tangible and intangible elements that interact and act upon the stakeholders' interests, actions, and connections.

- ❑ The interactions between the different nodes within a network are based on:
 - ✓ the power position of the actors,
 - ✓ their resources and knowledge,
 - ✓ their perception of their object of interest,
 - ✓ other participants in the talks,
 - ✓ the rules of the interaction itself.



CONCEPT AND IMPORTANCE OF NETWORKING IN RURAL TOURISM

- ❑ The elements that influence the formation of networks are (according to Morales - Hernández et al., 2022):
 - ✓ the participation of individuals in different types of associations, which allows them to acquire a wider list of contacts and subsequently, to access benefits such as resources and information ;
 - ✓ the opportunity to participate in decision - making in their areas of interest .
- ❑ Among the associations present in the rural area, there are the rural tourism ones, whose objective is to stimulate and develop this economic activity, based on the support of promoters .
- ❑ This allows for the development of formal networks that families and individual promoters can rely on, in the event in which their local informal networks become incapable of helping them to run their activity .

CONCEPT AND IMPORTANCE OF NETWORKING IN RURAL TOURISM

- ❑ The reasons for the establishment of these cooperation networks include the following (according to Morales -Hernández et al., 2022):
 - ✓ the integration of several actors in a single picture and strategic action,
 - ✓ the possibility of carrying out joint promotional and commercial activities,
 - ✓ the creation of a centralised booking system,
 - ✓ gaining access to training,
 - ✓ gaining access to grants and subsidies,
 - ✓ the implementation of quality systems,
 - ✓ the possibility to benefit from support and technical assessment, etc .



CONCEPT AND IMPORTANCE OF NETWORKING IN RURAL TOURISM

□ The importance of networks for the rural businesses :

- ✓ The inclusion in networks and the cooperation generate savings thanks to the large scale operations within networks, the better access to the market and the improved access to know-how, business innovations, and sustainable business and production models .
- ✓ In the context of local business development, exchanges include farmer - to - farmer (peer - to - peer) exchanges (e.g.demonstration farms), links between farmers and other stakeholders (e.g. researchers) and links between the urban and the rural area (e.g.by improving the quality of food supply chains) .
- ✓ For the successful production and delivery of services and products, stakeholders need to interact in so-called 'value chains' .



KEY STAKEHOLDERS IN RURAL TOURISM

- ❑ **Tourism stakeholders** can be defined as people who have an interest in regional development and can benefit from the development of their regions directly or indirectly .
- ❑ In the planning of rural tourism activities, **stakeholder involvement** is usually characterized **by a great diversity** , as they include (Wanner and Pröbstl - Haider , 2019):
 - ✓ representatives of the tourism industry ,
 - ✓ tourists,
 - ✓ entrepreneurs,
 - ✓ the community,
 - ✓ administrative bodies and non -governmental organizations ,
 - ✓ experts ,
 - ✓ the local population .
- ❑ Within tourism projects, **the variety of stakeholders is great** , due to the methodological approaches and the necessary time involvement .
- ❑ Therefore, stakeholder involvement takes shape in many different forms, with a typology ranging from symbolism to citizen control .

KEY STAKEHOLDERS IN RURAL TOURISM

- ❑ Stakeholders should not only be the recipients of rural tourism planning initiatives, but active participants and managers of the planning process (Wanner and Pröbstl - Haider, 2019).
- ❑ Hartley and Wood (2005) identifies a number of criteria to assess the conditions under which the benefits of stakeholder engagement can be maximised :
 - ✓ communication,
 - ✓ fairness,
 - ✓ synchronization,
 - ✓ accessibility,
 - ✓ provision of information,
 - ✓ influence on the process,
 - ✓ competence,
 - ✓ interaction,
 - ✓ compromise,
 - ✓ trust .
- ❑ Under these circumstances, bringing stakeholders together can lead to integrated and appropriate planning at a regional level, which will benefit the region as a whole .



KEY STAKEHOLDERS IN RURAL TOURISM

- ❑ A greater variety of stakeholders actively contributing to the planning process **increases their acceptance** .
- ❑ **Rural tourism management** is achieved with the help of **leaders** who possess the following skills: analytical skills, communication skills, capacity to offer support to others, and need for continuous improvement.
- ❑ Leadership can be provided through a **destination marketing organization (DMO)** that manages tourism networks (industrial stakeholders, the community, the Government, and the visitors) through the following actions (Sebby and Jordan, 2018):
 - ✓ providing information,
 - ✓ managing marketing meetings and campaigns,
 - ✓ establishing connections and building teams and partnerships.
- ❑ Managing tourism activities and the relations with local authorities and the community requires a set of soft skills :
 - ✓ being able to cope with vulnerability,
 - ✓ the ability to be humble,
 - ✓ being prone to promoting relations in order to establish trust;
 - ✓ the ability to ask for help.



KEY STAKEHOLDERS IN RURAL TOURISM

Types of stakeholder participation in tourism development (according to Aref and Redzuan , 2008):

- ❑ **Automobilization** - Locals can contact tourists directly and can develop the tourism service on their own. Some programs may be accepted by NGOs that are not involved in local community decision-making.
- ❑ **Empowerment** is the highest level of community participation, in which the locals are in control of the entire development without any external force or influence. The benefits are fully distributed in the community.
- ❑ **Part nership** . The conciliation between developers and locals is developed in the participatory process. Local organizations choose their leaders to give their opinion and negotiate with external developers. There are some degrees of local influence in the development process. Benefits can be distributed to the community in the form of collective benefits, jobs, and income for people.
- ❑ **Interaction** . The locals have a greater involvement at this level. The rights of the local population are recognized and accepted in practice at the local level. Tourism is organized by community-based organizations, however, it receives limited support from government agencies.

KEY STAKEHOLDERS IN RURAL TOURISM

- ❑ **Consulting** . The locals are consulted in a number of ways, e.g. by involving them in community meetings or organizing public hearings . The developers can accept some contributions from the locals who benefit from their projects, e.g. in terms of topography, local transport and goods .
- ❑ **Providing information** . locals are informed about the tourism development program, which has been already approved for implementing in the community . The developers carry out projects without considering the opinions of the locals .
- ❑ **Manipulation** . Tourism development projects are generally developed by a few powerful individuals or the government without any discussion with the locals or the community leaders . The benefits go to the elite . The lower classes may not receive any benefits . This level applies to most community tourism areas .



ROLE OF STAKEHOLDERS IN RURAL COMMUNITY DEVELOPMENT

- ❑ Cooperation and partnership between rural tourism actors are very important and that is why it is essential to support the collaboration between the rural tourism stakeholders, via actions such as:
 - ✓ Establishing public - private partnerships (central and local authorities – entrepreneurs, tourism associations) for the promotion of a regional identity (e.g. organization and promotion of local and traditional events and for the promotion of traditional crafts) by using effective marketing means ;
 - ✓ Creating business clusters that would provide support and guidance and will offer a better understanding of the business environment and will promote the idea that joining forces means greater benefits for all partners .
 - ✓ Establishing a network of entrepreneurs in rural tourism, for the creation of common booking systems, offering mutual support, ensuring an exchange of good practices and experiences, ensuring promotional activities, etc .
 - ✓ Creating partnerships between local rural tourism associations and local authorities (Mayoralties, Local Councils) .

ROLE OF STAKEHOLDERS IN RURAL COMMUNITY DEVELOPMENT

- ❑ The collaboration between stakeholders can generate significant benefits for rural tourism destinations, as it offers two important advantages :
 - ✓ Firstly, it ensured the active participation of stakeholders in the development of tourism
 - ✓ Secondly, it provides a form of management that facilitates wider support for the development of tourism .

- ❑ Local associations represent the voice of guesthouse owners and entrepreneurs, who are also voters/electors, and their opinions, desires, proposals will have to be taken into account by the public servants .

- ❑ Entrepreneurs are the ones who pay taxes at the local level and they are directly interested in how the money collected by the authorities is spent .

- ❑ A partnership between the two entities will support the development of rural tourism .

ROLE OF STAKEHOLDERS IN RURAL COMMUNITY DEVELOPMENT

- ❑ The creation of a permanent working group – a work group comprising tourism association and the authorities – will support the community in trying to identify the best measures to ensure the local economic and social development, in general, and to fuel tourism, in particular .
- ❑ The establishment of partnerships between the authorities and the local tourist association, and the economic agents in tourism or in other related fields can lead to a more efficient running, development, and promotion of rural tourism .
- ❑ Within these partnerships, tourism associations and economic agents involved in the tourism activity must contribute financially to the achievement of the objectives of general economic development of the locality (setting up access roads, ensuring water supply, heating, and telecommunications services, and building proper technical and urban facilities) .

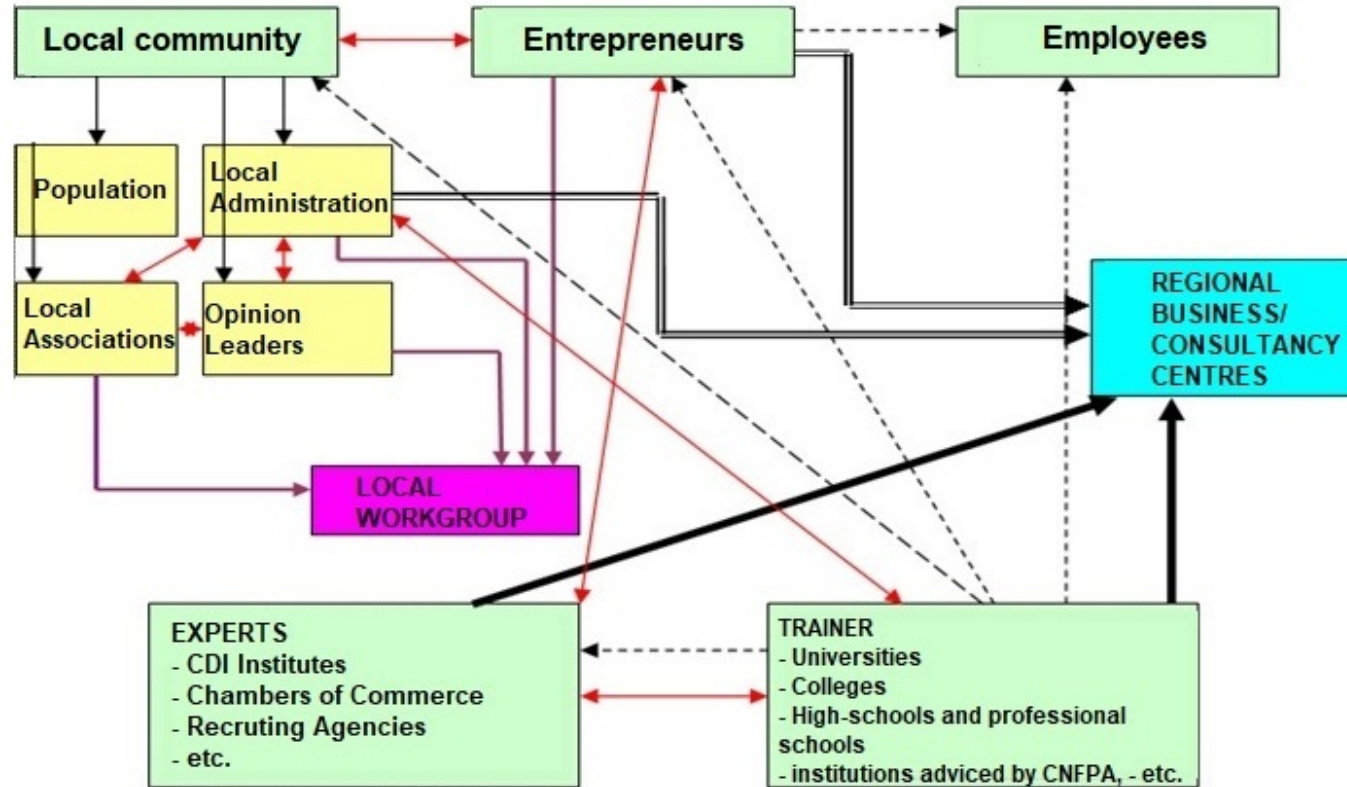
ROLE OF STAKEHOLDERS IN RURAL COMMUNITY DEVELOPMENT

□ Public - private and private - private partnerships can be created, especially in areas such as (McComb et al, 2017):

- ✓ environmental protection,
- ✓ marketing and promotion,
- ✓ setting up quality standards,
- ✓ market research,
- ✓ improvement of the technical infrastructure and ensuring basic training and professional development services,

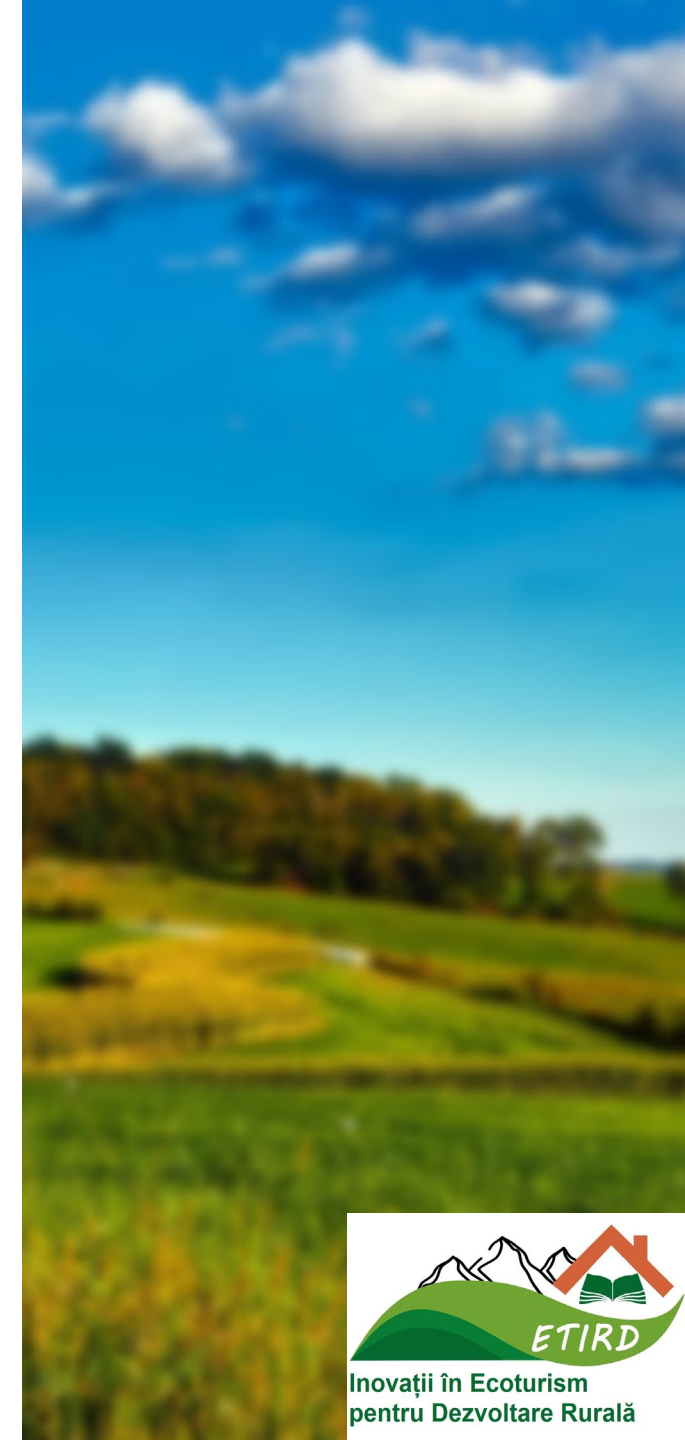
- ✓ improving safety and security,
- ✓ government lobbying, consumer protection,
- ✓ policy and planning,
- ✓ facilitating investments and financing,
- ✓ development of tourist facilities and services,
- ✓ conservation of the natural and the cultural resources .

ROLE OF STAKEHOLDERS IN RURAL COMMUNITY DEVELOPMENT



Legend:

- offers training and professional development services
- partnerships
- offers consultancy based on joint efforts
- benefits from the services of the Business/Consultancy Centres
- is involved in a collaboration for establishing a Local Work Group



FINANCING SOURCES FOR RURAL TOURISM INVESTMENT

Rural Start Up 2022 – The National Rural Development Program (NRDP) 6.2 – Support for the establishment of non - agricultural activities in rural areas

The PURPOSE of the investments supported under this sub - measure is to support the facilitation of diversification through the establishment and development of micro and small enterprises in the non - agricultural sector in rural areas, with a view to achieve a sustainable economic development, encourage job creation, and reduce poverty in rural areas .

BENEFICIARIES

- Farmers or members of an agricultural household in rural areas, who have the opportunity to diversify their work by taking on a non - agricultural activity for the first time ;
- Unauthorized individuals are not eligible ;
- Micro - enterprises and small enterprises in rural areas whose managers decide to take on non - agricultural activities, which they have not carried out before the date of application for support ;
- New micro - enterprises and small enterprises, established in the year of submission of the Financing Application or not earlier than in the last 3 fiscal years, which have not carried out activities until the time of submission of the project (start - ups).

FINANCING SOURCES FOR RURAL TOURISM INVESTMENT

- ❑ **The European Tourism Sustainability Monitoring 2030 (ETSM2030)** is a project funded by the European Union (EU) to promote the certification of sustainability and knowledge in SMEs, as well as to bring together SMEs who work together – in a sustainable matter – as part of a network, and where knowledge exchange is encouraged.
- ❑ The ETSM2030 project is part of COSME, which is a European programme developed with a view to support competitiveness among SMEs in the EU.
- ❑ The project consortium includes eight partners in six different countries: Austria, Germany, Italy, Slovenia, Romania, and Poland.
- ❑ The project partners combine science and practice: universities, Innsbruck Tourism as a destination management organisation (DMO) and sustainability experts (EURAC and TourCert) are part of the ETSM2023 Consortium.
- ❑ <https://www.etsm2030.eu/about>

FINANCING SOURCES FOR RURAL TOURISM INVESTMENT

- ❑ The National Strategic Plan (NSP) 2023-2027 of Romania NSP – DR-29 Investments in the creation and development of non-agricultural activities in rural areas .
- ❑ Non-reimbursable financing of maximum 200,000 Euros.
- ❑ Eligible applicants : Micro-enterprises in rural areas
- ❑ Principles for project selection :
 - Within the intervention, priority will be given to projects that contribute to encouraging the diversification of agricultural activity towards non-agricultural production activities, the development of digitization, environmental protection, bioeconomy and circular economy activities, in order to streamline the proposed activities.
 - Additionally, tourist activities focused on an agricultural/craft theme, agreement activities and public catering units will be prioritized.

FINANCING SOURCES FOR RURAL TOURISM INVESTMENT

The 'Entrepreneur Lady' Programme 2024

- ❑ Existing companies, as well as newly established ones, will be able to access – during this year – a non-reimbursable financial aid of up to 200,000 lei. The funds can be used for acquiring machinery and equipment, IT and software devices, paying salaries and social contributions, or for purchasing means of transport and workspaces.
- ❑ **Eligibility criteria :**
 - ✓ The company is 50% owned by women;
 - ✓ It is a micro-, small- or medium-sized enterprise;
 - ✓ It has no outstanding debts to the state budget;
 - ✓ Persons who are associates/shareholders in more than one company will apply for funding exclusively for a single company;
 - ✓ The applicant and its shareholders/associates has/have not received non-reimbursable funding from the EU on occasion of previous editions of the programme (regardless of the year) or under the framework of the Start Up Nation 2022 programme.
- ❑ The minimum required own contribution incurred by the organization is 5% of the eligible value of the investment.

FINANCING SOURCES FOR RURAL TOURISM INVESTMENT

Start - up Nation Programme in Romania

- ❑ Through the Start - up Nation Romania programme, entrepreneurs can benefit from grants for newly established companies, under the conditions provided in the implementation procedure . Applications are funded in a descending order of the scores obtained, under the following conditions :
- ❑ In case of the applicants that take on the creation and the maintenance of a single work position throughout the running of the programme : a Non - Refundable Financial Allowance (AFN) of maximum 100,000 lei/beneficiary, an amount that can represent a maximum of 95% of the value of the eligible expenses incurred under the project (including VAT for non - paying companies) ;
- ❑ In case of the applicants that take on the creation and the maintenance of two work positions throughout the running of the programme : a Non - Refundable Financial Allowance (AFN) of maximum 200,000 lei/beneficiary, an amount that can represent a maximum of 95% of the value of the eligible expenses incurred under the project (including VAT for non - paying companies) . <https://turism.gov.ro/web/start-up-nation/>

FINANCING SOURCES FOR RURAL TOURISM INVESTMENT

Trade & Services Programme

- ❑ The 'Trade & Services' Programme is a measure aimed to encourage and stimulate the development of SMEs operating in the sectors of selling and trading products and services and aims to support investments, increase the volume of activity and competitiveness of these companies, as well as to promote the digitization and a green transformation of the Romanian companies that carry out domestic and international trade activities .
- ❑ Companies from a wide range of sectors can benefit from the non-reimbursable financial support, for instance those that carry out wholesale and retail trading activities, those whose field of object is printing, offering repair, maintenance and installation services for machines, or companies in the field of water collection, treatment and distribution . Also eligible are waste collection, treatment and disposal activities, special construction works, activities related to offering transport, accommodation or food services, film production, advertising and market research activities, legal activities, accounting, architecture and engineering activities, as well as sports, recreational and entertainment activities, real estate transactions and many others .

<https://economie.gov.ro/programul-comertservicii-meat-va-acorda-finantari-de-pana-la-500-000-lei-antreprenorilor-romani-care-doresc-sa-investeasca-in-afacerea-lor/>

FINANCING SOURCES FOR RURAL TOURISM INVESTMENT

DEMINIMIS AID SCHEME regarding the support of tourism operators for the development of the incoming activity

- ❑ The implementation of the scheme is necessary in order to support the actions of tourism operators aimed at consolidating and developing the Incoming Tourism in Romania .
- ❑ The aid granted under this *de minimis* scheme consists of financial support from the state budget under the following terms:
 - a) 40 Euros for each foreign tourist who has purchased and paid for – in the year prior to submitting the application – a tourist stay or a tour extending over at least 4 overnights in Romania, through an incoming travel agency, either directly or through an external partner;
 - b) An additional amount of 2 Euros for each extra overnight stay over the 4 listed in paragraph a), within the same tourist stay or tour;

In order to obtain support for the development of the incoming activity, go to the following link: <https://turism.gov.ro/web/formular-inscriere/> which was created for this purpose on the website of the Ministry of Entrepreneurship and Tourism .

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https://ec.europa.eu/enrd/sites/default/files/tg_1_rural_businesses_brief_smart_networking.pdf



Is everything understood?
Proceed to take the Final Quiz!

FINAL QUIZ

- 1. Why is networking important for rural business development ?
- 2. What are the main categories of stakeholders you have identified in rural tourism activities ?
- 3. What do you think it is the role of stakeholders in the development of a rural community?
- 4. What are the main sources of funding you would resort to in support of the development of rural tourism at the local community level ?

Thank you for participation!