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**Preparation of Destination Management Organization (DMO)
Development Model for the Republic of Armenia**

Ref. Number: DMO-01

ASSIGNMENT 2

TASK 4

Tourism Niches Identification and Development Plans

Niche 4: AGRITOURISM

ARS Progetti SPA

in association with ARPA Environmental Foundation



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Index

LIST OF ABBREVIATIONS	7
LIST OF TABLES	8
LIST OF FIGURES	9
1. EXECUTIVE SUMMARY	10
1.1. Articulation of the report	10
1.2. Key findings and recommendations	11
2. CONCEPTUAL FRAMEWORK	12
2.1. Definition of Agritourism	12
2.2. Profile of Agritourists	14
2.2.1. General profile.....	14
2.2.2. Travel motivations	14
2.2.3. Expected tourism experience.....	14
2.2.4. International markets and emerging trends	15
2.2.4.1. International markets for agritourism	15
2.2.4.2. Emerging trends for agritourism around the world.....	15
2.2.5. Key specialized tour operators.....	15
2.2.6. International best practice: Italy	16
2.2.6.1. Agriturismo Italia Brand	16
2.2.6.2. Educational farms.....	16
2.2.6.3. Farm Therapy.....	18
2.3. The Agritourism value chain	18
2.3.1. The value chain concept	18
2.3.2. Primary Activities for Agritourism	19
2.3.3. Foundation Activities for Agritourism.....	20
3. THE CURRENT SITUATION OF AGRITOURISM IN ARMENIA	21
3.1. Agritourism Supply	21
3.1.1. Key regional areas	21
3.1.2. Relevant current experiences	22
3.2. Agritourism Demand.....	23
3.2.1. International demand.....	23
3.2.2. Domestic demand	24
3.3. Key Stakeholders	24
3.3.1. The role of the government.....	24



3.3.2. <i>Public actors</i>	25
3.3.3. <i>Private actors</i>	25
3.3.4. <i>NGOs</i>	25
3.4. SWOT analysis.....	25
3.4.1. <i>Strengths</i>	25
3.4.2. <i>Weaknesses</i>	25
3.4.3. <i>Opportunities</i>	26
3.4.4. <i>Threats</i>	26
3.5. Key gaps to be filled for Agritourism development.....	26
3.5.1. <i>Investment</i>	26
3.5.2. <i>Capacity building for tourism customer service and management</i>	26
3.5.3. <i>Network and collaboration</i>	26
3.5.4. <i>Legal issues</i>	27
3.5.5. <i>Liability</i>	27
3.5.6. <i>Food safety and insurance</i>	27
3.5.7. <i>Zoning restrictions</i>	27
4. RECOMMENDED DEVELOPMENT POLICIES	28
4.1. Overall strategy	28
4.1.1. <i>Strategic objectives</i>	28
4.1.2. <i>Specific objectives</i>	28
4.1.3. <i>Key actions</i>	28
4.2. Locations for development	31
4.2.1. <i>Typologies of supply to be developed</i>	32
4.2.2. <i>Marketing and promotion recommendations</i>	33
4.2.2.1. <i>Marketing and promotion</i>	33
4.2.2.2. <i>Festival and events</i>	33
5. SUSTAINABILITY RECOMMENDATIONS	33
5.1. Enhancing economic benefits.....	33
5.2. Preventing environmental impacts	34
5.3. Preventing socio-cultural problems and encouraging community involvement	34
5.4. Manpower planning	34
5.5. Legislation.....	35
5.6. Investment policies and incentives	35
5.7. Organization and management of the tourism niche	35



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6. CLIMATE CHANGE VULNERABILITY ASSESSMENTS AND RECOMMENDATIONS-PROJECTS FOR THE DESTINATION	35
---	-----------

7. TIME SCHEDULE	37
-------------------------------	-----------

ANNEX 1 – Details of actions	i
---	----------

1. Promotion of widespread growth of rural tourism services and activities throughout Armenia ..	i
1.1. Increase collaboration of agritourism sector value-chain	i
1.1.1. <i>Creation of an agritourism business group of interest / association</i>	i
1.1.2. <i>Creation of an agritourism committee</i>	ii
1.1.3. <i>Elaborate a nationwide rural tourism strategy</i>	iii
1.2. Creation of agritourism activities and experiences.....	iv
1.2.1. <i>Survey of the most suitable agricultural and gastronomy products for active and passive tourist experiences</i>	iv
1.2.2. <i>Create a collaborative platform</i>	v
1.3. Increase quality levels of agritourism structures	vi
1.3.1. <i>Introduction of quality standards</i>	vi
1.4. Increase capacities of actors in the agritourism sector	vii
1.4.1. <i>Capacity building for agritourism actors</i>	vii
1.4.2. <i>Capacity building for small-scale farmers</i>	viii
1.4.3. <i>Organize study tours for agritourism actors</i>	ix
1.5. Introduction of educational farms	x
1.5.1. <i>Capacity building and technical assistance for educational farms</i>	x
2. Guarantee the market visibility and accessibility of such a portfolio	xi
2.1. Adopt effective marketing, promotion and dissemination activities.....	xi
2.1.1. <i>Enhance research and publication about agriculture and agritourism</i>	xi
2.1.2. <i>Implementation of marketing and promotion activities</i>	xii
2.2. Enhance international visibility and collaboration with international agritourism operators	xiii
2.2.1. <i>Participation at international agritourism fairs</i>	xiii
2.2.2. <i>Create international linkages with relevant partners</i>	xiv
3. Promote positive impact of agritourism on host community and Armenian economy	xv
3.1. Linking agritourism structures and experiences with other local service providers	xv
3.1.1. <i>Raise awareness about agritourism opportunities</i>	xv
3.1.2. <i>Start a match-making platform linking agritourism to the larger local economy</i>	xvi
3.2. Promote Community-Led Local Development.....	xvii
3.2.1. <i>Promote Local Action Groups (LAG)</i>	xvii
3.2.3. <i>Implement Local Action Plans (LAP)</i>	xviii



A.R.S. Progetti S.P.A.
Ambiente Risorse Sviluppo



3.3.	Provide incentives for private investment.....	xix
3.3.1.	<i>Survey about beneficiaries from incentives.....</i>	<i>xix</i>
3.3.2.	<i>Provision of incentives to SMES and SME in agriculture.....</i>	<i>xx</i>
4.	Update the institutional and regulatory framework for agritourism development.....	xxi
4.1.	Update and facilitate legislation about agritourism and educational farms	xxi
4.1.1.	<i>Review of current legislation on agritourism sector</i>	<i>xxi</i>
4.1.2.	<i>Elaboration of a legal framework for educational farms.....</i>	<i>xxii</i>
4.2.	Introduce investment schemes and PPP models for agritourism development.....	xxiii
4.2.1.	<i>Adoption of fiscal rules and incentives for agritourism.....</i>	<i>xxiii</i>
4.2.2.	<i>Elaboration of investment and funding schemes</i>	<i>xxiv</i>
4.2.3.	<i>Support in finding investment opportunities with international funding.....</i>	<i>xxv</i>
4.2.4.	<i>Adoption of a CCLD model based on LAGs.....</i>	<i>xxvi</i>
4.3.	Regulate the tourism statistics collection	xxvii
4.3.1.	<i>Implement visitors and residents' satisfaction surveys</i>	<i>xxvii</i>
5.	Improve the physical appearance and basic infrastructure of agritourism destinations	xxviii
5.1.	Improve the physical appearance of agritourism destinations	xxviii
5.1.1.	<i>Replace asbestos roofs from agritourism destinations</i>	<i>xxviii</i>
5.1.2.	<i>Move gas pipelines underground.....</i>	<i>xxix</i>
5.2.	Improve the basic infrastructure of agritourism destinations.....	xxx
5.2.1.	<i>Improve transport infrastructure towards key agritourism destinations</i>	<i>xxx</i>
5.2.2.	<i>Improve rural itineraries inside key agritourism destinations</i>	<i>xxxi</i>
5.2.3.	<i>Improve public utilities at key agritourism destinations</i>	<i>xxxii</i>
5.2.4.	<i>Introduce road signs and signage with site interpretation at key agritourism destinations</i>	<i>xxxiii</i>
	ANNEX 2 – Minutes of meetings	xxxiv



LIST OF ABBREVIATIONS

Abbreviation	Definition
AAA	Assisted Activity with Animals
AAE	Animal Assisted Education
AAT	Animal Assisted Therapy
B&B	Bed and Breakfast
CLLD	Community-Led Local Development
DMO	Destination Management Organization
EAFRD	European Agricultural Fund for Rural Development
EU	European Union
F&B	Food and Beverage
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GPS	Global Positioning System
LAG	Local Action Group
LAP	Local Action Plans
NAP	National Climate Change Adaptation Action Plan
NGO	Non-governmental Organization
MSMEs	Micro Small and Medium Enterprises
PPP	Public Private Partnership
RA	Republic of Armenia
RDP	Rural Development Programmes
SMEs	Small and Medium Enterprises
SWOT	Strengths Weaknesses Opportunities Threats
TC	Tourism Committee
TVET	Technical Vocational and Educational Training
UNDP	United Nations Development Programme
UNWTO	United Nations World Tourism Organization
UK	United Kingdom
USA	United States of America
USAID	United States Agency for International Development



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LIST OF TABLES

Table 1: Emerging trends and underlying drivers in agritourism demand	15
Table 2: Gastro Yards in Armenia	22
Table 3: Taste Local Food & Wine Experiences by My Armenia Program	23
Table 4: Agritourism Action Plan	30
Table 5: Attractions and activities for Agritourism development	32
Table 6: Marketing activities for Agritourism development	33



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LIST OF FIGURES

Figure 1 – The “Fattorie didattiche” experience and brand	17
Figure 2 – Example of pet therapy.....	18
Figure 3 - Components of the tourism product	19
Figure 4 - Locations identified by My Armenia Project	32



1. EXECUTIVE SUMMARY

1.1. Articulation of the report

This study refers to Assignment 2 of “Preparation of Destination Management Organization (DMO) Development Model for the Republic of Armenia”, whose main objectives are:

- Analyze and assess the top potential niches for tourism development, through desk review, physical visits, key informant interviews and focus groups;
- Provide conceptual 3 to 10 years’ approach to develop the niches, based on identified locations/towns/regions pertaining to each category based on historical or present data and/or future development potential;
- Provide through the conceptual approach the brief SWOT analysis and status quo data per each niche, followed by 3-10 years hard and soft infrastructure needs to develop each niche and identification of potential market sources/countries per niche.

Particularly, the present task analyses the niche “**AGRITOURISM**”.

► *Due to its contents, the report presents some **relations with Task 4 – Deliverable 2.3 – Gastro & Wine**. While the latter has a specific focus on eno-gastronomy, with particular regard to wine tourism, which is a promising driver of international demand, **Agritourism include gastro and wine but deals with the diversification of farmers’ activities so as to generate additional revenues from a broad range of tourism services: besides accommodation and F&B, also educational, recreational and active tourism**. The Consultant paid attention to have a clear demarcation between the two, however some overlaps necessarily emerge which nevertheless must be considered as an opportunity to merge solutions and strengthen the offer.*

The study is organized in **five sections**. The first one is intended to provide the **conceptual framework** for the interpretation of the tourism niche. It includes a definition of Agritourism along with a profiling of its travelers. A brief historical background is provided, along with a description of international visitors, which represent the market source for the niche. Travel motivations are investigated along with expected tourism experiences. Key data from main international markets are considered, with particular regard to European markets, particularly Italy, which is a recognized world leader in the field.

The Republic of Armenia has 10 regions. Each one has its own features and **agritourism development can be crucial for the wealth of their rural economies**, as it allows to valorize not only cultural and gastronomic heritage, but also artisan traditions and beautiful natural landscapes. It may offer various interesting experiences to tourists like participating at farm life, harvesting, engaging in soft rural adventures, such as walking and biking, enjoying nice family time, benefit from health activities, etc. However, there are many obstacles, that hinder agritourism advancement in Armenia, which are analyzed in the report and possibly overcome by envisaged actions.¹

For this reason, some international best practices for agritourism are introduced and described, **particularly from Italy**, as this was the first country to adopt a dedicated legislation to regulate the sector, which currently accounts over 25 thousand enterprises², besides rural tourism, B&B and guest houses, which are found in almost every municipality and have a special density in regions such as Tuscany and Umbria, whose tourism identity - and international allure - is much based on such strength.

The second section analyzes the current performance of **agritourism in Armenia**. This analysis is based on secondary data sources from various reports, studies, academic papers, among others. It includes the supply, demand and key stakeholders of the niche product. However, as agritourism currently hardly exists as such in Armenia, and tourism statistics are usually poor there are no relevant data available. The section concludes with a **SWOT analysis** of the Armenia agritourism niche, which highlights key gaps to be covered for its development.

The synthesis brings to the formulation of **Recommended Development Policies** (section three), where the strategy is illustrated, including main and specific objectives, followed by the action plan. This is driven by five **strategic objectives**:

¹ Source: [https://journals.org.ge/index.php/aans/issue/view/Vol%2017%20No%203%20\(2019\):%20Annals%20of%20Agrarian%20Science/3](https://journals.org.ge/index.php/aans/issue/view/Vol%2017%20No%203%20(2019):%20Annals%20of%20Agrarian%20Science/3)

² To have an idea of agritourism potential, should Armenia reach the Italian penetration rate (n. of agritourism per population, which in Italy is around 1:2,400), the number of agritourism would raise to around 1,300 from just some tens of current hybrid cases



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1. Promotion of widespread growth of rural tourism services and activities throughout Armenia;
2. Assurance of the market visibility and accessibility of such services and activities;
3. Promote positive impact of agritourism on host communities and Armenian economy;
4. Update of the institutional and regulatory framework for agritourism development;
5. Improve the physical appearance and basic infrastructure of agritourism destinations.

Borrowing from international experience, the underlying assumption is that “smart” innovation in legislation and organization would have a great impact on the growth of the sector without burdening on the public budget. However, hard interventions are recommended as well.

Each strategic objective corresponds to a hand of **specific objectives**, which in turn bring to **key actions**. Each action is represented by a sheet³ which illustrates key features, namely:

- a) Strategic objective;
- b) Specific objective;
- c) Description;
- d) Key activities;
- e) Key Performance Indicators;
- f) Key stakeholders involved;
- g) Source of funding;
- h) Time frame;
- i) Recommendations for implementation.

The fifth and final section provides a **sustainability assessment** of the action plan to highlight possible drawbacks and risks to be prevented, along with positive impacts. These include providing economic benefits, limiting socio-cultural problems and encouraging community involvement, as well as preventing negative environmental impacts. Planning of manpower, adaptation of legislation and implementation of investment policies and particularly micro-incentives are also considered as essential tools to ease the implementation of the plan. Governance and management of the tourism niche, both at the national and at the local level is finally discussed.

1.2. Key findings and recommendations

Agritourism currently does not exist as such in Armenia. However, it represents a relevant future tourism niche for the country, with a big grow potential and spill-over effect for a larger rural tourism development strategy.

The analysis of the current situation of agritourism shows that there are many opportunities and potentials to valorize provided that certain strategies and investments are carried in the next years.

A dedicated agritourism development strategy is described with a focus on creating a regional or national business association, dedicated marketing material including a website, capacity building activities, among many others.

- ▶ **Training and education** are a crucial issue, as agritourism is supposed to be started by farmers who own little if none experience in tourism and hospitality.
- ▶ As well, **legislation need to be adapted** so as to ensure that new agritourism start-ups stick to authenticity rules and, in change, might receive fiscal benefits.
- ▶ Such benefits must not be intended as a mere concession to farmers. European practice proves that their wealth is an **antidote against urban immigration and rural depopulation**, and as well an essential tool, if well and sustainably managed, for **preserving local ecosystem and preventing damages**, such as hydrogeological ones, generating from abandonment of lands.
- ▶ Particularly, agritourism development **should be embedded in broader tourism local development strategies, built on – and driven by – wide community involvement**.

³ In order to comply with the 40-pages rules set by the TC, such sheets - which represent a very valuable extra work provided by the Consultant - are put in annex.



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2. CONCEPTUAL FRAMEWORK

2.1. Definition of Agritourism

Agritourism is the combination of agriculture and tourism and is a wide-spread concept in rural areas of highly developed tourism countries. An agritourism structure is typically a **family-run agricultural business that can host tourists in a limited number of rooms, usually in the countryside or in mountainous areas**. The visitors are primarily attracted by the agricultural products which are based on small-scale breeding, production and processing techniques. Often, the visitors are offered to participate in cooking classes, production processes, harvesting and bottling activities, as well as to other interactive forms of visiting the farms.

Agritourism structures typically supply different services such as a restaurant, accommodation, seminar rooms, educational activities, inter-active experiences, farm related entertainment facilities, among others. Agritourism structures usually focus on some of previous services and does not offer all of the before mentioned activities, although **the evidence from most developed countries prove that multi-functional structures are the most successful ones**.

Simply stated, agritourism could be thought of as the **crossroads of tourism and agriculture**. Stated more technically, agritourism can be defined as a form of commercial enterprise that links agricultural production and/or processing with tourism to attract visitors onto a farm, ranch, or other agricultural business for the **purposes of entertaining and/or educating the visitors while generating income** for the farm, ranch, or business owner. In the EU experience, particularly, agritourism - as part the broader rural tourism - has been treated as an opportunity for rural development.

With regards to Europe, there exist various forms of agritourism in the different countries. While it is a strategy and national concept for tourism in rural areas, it is a supportive mechanism for family agricultural businesses in Italy. **Italian agritourism structures benefit from taxes that are applied to the agricultural sector and not to the tourism sector, therefore they are lower**. Moreover, agritourism in Italy is regulated according to a maximum number of rooms, while raw materials for food and beverages must be produced to a certain extent by the farm itself, while a certain percentage can be provided by products from the local areas and only very residual ones are admitted from other extra-regional areas, not to speak about international products, which are extremely discouraged⁴.

The Italian practice of Agritourism

In Italy, the exercise of the agritourism activity by agricultural enterprises is permitted only in compliance with specific rules which regulate the connection with the "agricultural activity" and the denomination "agritourism". According to the Civil Code, the agritourism activity is indeed considered an agricultural activity.

The term "agritourism" was coined in the mid-sixties and after a period of cultural and political promotion, it entered Italian legislation for the first time, at a local level, in 1973 (autonomous province of Trento). The first mention of agritourism (agritourism accommodation) in a state law dates back to the framework law on tourism of 1983⁵. The first framework law to regulate agritourism was issued two years later⁶.

The rules that regulate the sector in Italy are:

- a new state framework law⁷, which indicates to the Regions the general principles for defining agritourism activity;
- regional laws which indicate to companies, criteria and limits for the exercise of the activity itself.

More specifically, the Regions establish:

- the methods of recovery of the existing building heritage of the agricultural entrepreneur for the exercise of agritourism activities;
- the criteria for carrying out agritourism activities, in particular those for assessing the relationship between agritourism activities and agricultural activities, which must remain prevalent;
- the hygienic-sanitary requirements of the buildings and equipment to be used for agritourism activities;
- the procedures for issuing the certificate of qualification for the exercise of the agritourism activity

According to Law 96/2006, agritourism activities are intended as reception and hospitality activities carried out by agricultural entrepreneurs, also in the form of corporations or partnerships, or associated with each other, through the use of their own company in a connection relationship with land cultivation, forestry and animal breeding activities.

⁴ In any case it seems that there are few chances for foreign gastronomic products to find marketplace in Italy, as market researches show that around 2/3 of Italians are willing to pay at least up to 20% more in order to guarantee the Italian character of the product they bring to the table. Source: Authentico (2019). [Perché il cibo italiano è il più amato al mondo](#). Accessed on December 5th, 2022

⁵ Law 17 May 1983, n. 217).

⁶ Law No. 730 of 5 December 1985

⁷ Law 20 February 2006, n. 96



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The agricultural entrepreneur and his/her family members, as well as fixed-term, permanent and part-term employees, who are considered agricultural workers for the purposes of the social security, insurance and tax regulations in force, can be employed in carrying out the agritourism activity. The use of external subjects is allowed only for the performance of complementary activities and services.

The farm activities include:

- providing hospitality in lodgings or in open spaces intended for camping;
- administering meals and drinks mainly consisting of own products and products from farms in the area, including products of an alcoholic and spirited nature, with preference for typical products characterized by the DOP, IGP, IGT, DOC and DOCG⁸ brands or included in the national list of traditional food products.
- organizing tastings of company products, including wine.
- organizing, even outside the land assets available to the company, recreational, cultural, educational, sporting activities, as well as excursions (trekking, mountain biking, horse riding), also through agreements with local authorities, aimed at enhancing of the territory and rural heritage.

The agritourism activity can be carried out exclusively in pre-existing rural buildings on farms and no longer useful for running the fund. Regional financial aid is foreseen within the framework of the Rural Development Plans supported by the European Union.

The offer of agritourism in Italy is constantly growing. At first concentrated in small farms in hilly and mountainous areas, today it also affects large farms, even in the plains, giving valuable support to agricultural incomes and contributing to the conservation of the landscape through the recovery of abandoned rural buildings, the consolidation of employment in agriculture and the valorization of typical local products. Agritourism has also given impetus to the development of other forms of rural tourism (small charming hotels, bed and breakfasts, holiday homes) which attract customers equally interested in the agricultural world, but whose activity is not linked to the concrete work activity in the fields.

The demand for agritourism has also changed considerably in recent years: first it involved a small circle of enthusiasts of food and wine traditions and specialties; today it involves large sections of the population motivated by contact with nature, good food, peace, generally low prices. The companies, initially with mainly seasonal opening, are currently mostly active throughout the year, hosting for weekends as well as for longer periods during the summer holidays. Foreign guests are growing, estimated at around 30% of the total, while being the majority in some areas of Tuscany or Umbria.

In 2019 the current value of agritourism production was just over 1,6 billion USD and contributed 3.3% to the formation of the economic value of the entire agricultural sector in which the agritourism businesses account for 2.2%.

The average value of production per company (economic value of the sector divided by the number of companies agritourism) was over 45,000 euros.

In 2019, in Italy there were around 25,400 agritourism structures, which offered a total 285.000 beds. Tourist arrivals were 3.2 million, of which around 1/3 foreigners. The average stay (number of nights spent) was about 3 days for Italians and 5 days for foreigners. The contribution of agritourism to the total tourism sector in Italy was 2.9% for arrivals and 3.2% for overnights.

Although the Covid-19 pandemic hit Italy's tourism industry very hard, just a few structures closed their business in 2020. Agritourism is a family business and therefore it shows high resilience.⁹

In addition to accommodation, catering and tasting, which they represent the basic offer, seven other types of services were identified (hiking, horse riding, farms courses, mountain biking, naturalistic observations, sports, trekking). These activities, which are the most widespread in Italian agritourism companies, are in many ways connected to the peculiarities geography and traditions of the various localities that host the structures and, at the same time, characterize them both the economic-commercial specificity and the socio-cultural one¹⁰.

It is relevant to observe that the term "agritourism" is often used interchangeably with "agri-tourism," "agrotourism," "farm tourism," "agricultural tourism," or "agritainment."¹¹ Regardless of the exact definition or terminology, which only in Italy was exactly provided, any approach to agritourism should include the following four factors:

- combines the essential elements of the tourism and agriculture industries;
- attracts members of the public to visit agricultural operations;
- is designed to increase farm income; and
- provides recreation, entertainment, and/or educational experiences to visitors.

⁸ DOP, IGP, IGT, DOC and DOCG are quality and certification brands that apply to agricultural, food and wine products

⁹ Source: <https://www.universofood.net/2022/03/26/agriturismi-dati-2022/>

¹⁰ Source: various, including a recent statistical report ISTAT (2022). [Le aziende agrituristiche in Italia. Anno 2021](#)

¹¹ Source: <https://nationalaglawcenter.org/overview/agritourism/>

2.2. Profile of Agritourists

2.2.1. General profile

Generally seen, agritourists are very sensitive to the quality of food and come to the rural areas to enjoy tranquility. Hence, they are aware that such experiences have a certain price. Agritourists **are not price sensitive and like to spend more if they are convinced that the quality is of certain standards.**

They pay much attention to the quality of ingredients but **do not necessarily request a highly recommended chef in culinary arts.** The dishes can be of plain fare within a **rural and rustic setting.**

Profile:

- National and international visitors, and among these:
 - o Couples
 - o Families
 - o Family groups
 - o School and student groups

Travel behavior of agritourists:

- Like to purchase food products and souvenirs directly from the agricultural producer
- Like to take pictures of food and post them on social media
- Tend to be very active on social media and give ratings on dedicated platforms
- Food lovers
- Like to learn new things about cooking, ingredients and agriculture in general

2.2.2. Travel motivations

Travelers interested in agritourism share an **interest in several other types of tourism.** This suggests opportunities for cross-marketing and itineraries that may include a mix of activities.

The main travel motivations for visitors of agritourism structures are the following:

- Connection with nature – spending time in the green
- Travel away from urban areas
- Relax at the countryside making active or passive experiences
- Linking local food with hiking, biking, trekking
- Spending time with family and friends in a calm area
- Connect with rural families and learn about their life
- Find out something new about the countryside in my own country (for domestic travelers)
- Experience the way of life in the Armenian countryside (international travelers)
- Educational motivations, especially for groups of school kids. In particular, the educational farms as mentioned in § 2.2.6.2.

2.2.3. Expected tourism experience

Agritourism structures can offer different services. Hence, they can be mono-functional (only one service), bi-functional (two services) or multi-functional (three or more services). For example, in Italy the majority of structures is mono-functional and offers a restaurant only (40%). 30% of all structures are bi-functional (mainly restaurant and accommodation) and the remaining 30% are multi-functional.

► *According to recent researches, **most successful structures are those which are multifunctional, as they can cater both the fast-changing motivations of agritourists and the various preferences in their travel groups***¹².

Some visitors go to an agritourism structure to enjoy lunch or dinner, others prefer to stay overnight in the rural areas while travelling, and others are seeking the farm experience, while **children are usually enthusiastic with animals.**

What is expected by all tourist segments is the touch with the rural zones, the nature and, particularly adults, getting the feeling to eating local and sustainably produced healthy food.

¹² ISTAT (2022). Op. cit.



2.2.4. International markets and emerging trends

2.2.4.1. International markets for agritourism

International markets with growing interest for agritourism experiences are mainly **Germany, France, Italy, UK, Netherlands, Poland, Russia, USA, Canada**, among others.

Around the world, the demand for rural tourism is growing and the mentioned markets are also investing in the development of their rural areas in order to increase travel to remote zones.

► *The interest for agritourism has been also further stimulated by the globally life-threatening COVID-19 pandemic, as such activity was perceived both safe and affordable.*

2.2.4.2. Emerging trends for agritourism around the world

A number of trends can be highlighted with regard to agritourism, which include:

- Growing interest in knowing the source of food and how it is produced
- The rise of artisan production and respect for “making/makers” versus consumption
- Food and travel as a cultural experience
- Technology overload

Each trend has underlined drivers, which are reported in the table:

Growing interest in knowing the source of food and how it is produced	Rise of artisan production and respect for “making/makers” versus consumption	Food and travel as a cultural experience	Technology overload
<ul style="list-style-type: none"> - Nutrition - Health and safety - Environmental resiliency - Interest in strong food systems and “buying local” 	<ul style="list-style-type: none"> - Small-scale producers and small-batch production - Niche products - Value-added products - Not limited to food 	<ul style="list-style-type: none"> - Slow food movement (the Slow Food Association was founded in Italy in 1986) - Desire to experience an “authentic sense of place” - Interest in interactive learning while on vacation 	<ul style="list-style-type: none"> - “Unplugged” family time - Nostalgia for traditional skills and lifestyles - Reconnecting with nature - See stars in the dark open skies

Table 1: Emerging trends and underlying drivers in agritourism demand

2.2.5. Key specialized tour operators

There is only a very little number of tour operators that are specialized in agricultural tours. The biggest network of these is connected via “Agricultural Tour Operators International”: <http://www.atoi.org>

► *As agritourism is considered a niche of gastronomy tourism, usually gastronomy tour operators also include visits at agritourism structures in their packages.*

Tour operators with gastronomy and wine tour packages for the Caucasus region are the following:

- Silk Road Travel
- Intrepid Travel
- Arcadia expeditions
- Exotour¹³
- East West Tours¹⁴
- Kaukasus Reisen¹⁵
- Arara tours¹⁶
- Armenia Explore¹⁷

¹³ Source: <https://www.exotour.travel/en>, Georgia

¹⁴ Source: <https://www.east-west-tours.com>

¹⁵ Source: <https://caucasusjourneys.com>, German tour operator

¹⁶ Source: <https://araratour.com>, tour operator from Armenia

¹⁷ Source: <https://exploreamenia.am/en/>, tour operator from Armenia



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- Wine Tourism¹⁸

It must also be considered that agritourist offers can also be found in **packages provided by sustainable and responsible tour operators** around the world, particularly if they are linked to sensitive social or environmental issues.

2.2.6. International best practice: Italy

2.2.6.1. Agriturismo Italia Brand

Agritourism, often referred to as agrotourism or farm holidays, has by now become a cultural phenomenon that is spreading to many countries in the world, particularly in Europe, thanks to the great attraction the countryside holds for an increasingly urbanized society. Thus, the farm, surrounded by greenery and the rural landscape, becomes a place for a complete but simple rural experience, far from the formalities and bustle of the city.

As already mentioned, Italy is the country leading this trend, as agritourism is much rooted in its cultural and heritage identity with its recognition dating to the early 1990s. As already said, here agritourism is an original form of tourism in the countryside that can only be practiced on farms and by farmers, who are the true protagonists. In Italian, the word *agriturismo* is used both for the phenomenon of tourism in the country and for the tourist farm itself (e.g., “I went on holiday at an *agriturismo*”). Nowadays, even many foreign tourists prefer to use the word *agriturismo* instead of one of its many translations. Agritourism indeed gives its guests the opportunity to observe at close range the places where Italian art originated and developed, and which still preserve many treasures for the visitor to discover.



Starting in 2013 Italy has been using a sector trademark, “Agriturismo Italia”, accompanied by a new system of classification. The trademark, which distinguishes farms regularly operating in accordance with existing laws and regulations, shows a sunflower enclosing a farm.¹⁹

As in the case of hotels, the classification of farms is intended to give the public an overall idea of the level of comfort, the variety of services (liveliness of hospitality) and the quality of the natural environment (nature, landscape, tranquility) that each farm is able to offer.

To construct this system, the Ministry of Agriculture, in cooperation with all regional and national agritourism associations, undertook a wide-ranging national and international research project to assess the needs of Italian and foreign tourists regarding agritourism, highlighting those features best suited to their needs and desires, and the level of importance of each of these features on a value scale. The results of this research were converted into a simple points system by means of which each farm is classified.

The requirements and related scores are meant to apply throughout the whole country, although regional administrations can adapt the national requirements to the local agritourism context on the basis of the forms of agricultural production and hospitality, the size of businesses and productive systems, the characteristics of the landscape, or to highlight local customs and traditions.

The national system thus offers an overall guarantee which still takes account of specific regional characteristics. Each farm is assigned a classification from 1 to 5, marked by an appropriate symbol.

This system is meant to offer a harmonious representation of the spirit and “personality” of Italian agritourism in its various forms, while enhancing the agricultural aspect of the context of hospitality. This is indeed one of the most important expectations of visitors who choose agritourism for their holiday, and at the same time take into consideration the environment and landscape where agritourism activities take place.

2.2.6.2. Educational farms

Another relevant best practice example, which could be implemented in Armenia, is about the **educational farms**, which again originated in Italy. In 1997, the first group of educational farms opened their doors in the country, with today the wide network counting over 2600 farms.²⁰

¹⁸ Source: <https://www.winetourism.com/wineries-in-armenia/>, international tour operator specialized in wine tours

¹⁹ Source: <http://www.agriturismoitalia.gov.it/en/home>

²⁰ Source: <https://www.lentepubblica.it/buone-pratiche/fattoria-didattica/>



- ▶ The primary concept is to **bring nature, animals, agriculture and its products closer to children** from the age of 5 to young adults in school.
- ▶ The farms are called "**educational**" because it is a place where the visitors learn by doing. Children and young people are able to learn "in the field" and directly some of the farmer's activities and jobs, going beyond the practical aspect and absorbing important messages.

Among the benefits, there are:

- Raising awareness on the issue of environmental protection and the importance of adopting ethical and sustainable behaviors;
 - Learn "ancient" crafts and the essence of the rural world;
 - Know and approach quality raw materials and understand where food comes from.
- ▶ In Italy, in order to become an educational farm, **a request must be made to the regional or provincial administration**, depending on the territorial area of reference. The process, therefore, varies from region to region, but it is important to demonstrate that the structure complies with all the criteria established by the **Quality Charter**, also preparing the staff adequately, in order to be able to hold qualifying courses for educational animation on the farm.



Figure 1 – The "Fattorie didattiche" experience and brand

Among the essential requirements there are:

- **The location:** the educational farms outside the city are more difficult to reach, therefore, in case, it is important to offer services such as catering and accommodation for a longer stay;
- **Cultivation:** it must perfectly integrate with the territory in which the educational farm is located, to respect the standards of respect and protection of the environment;
- **The staff:** must be properly trained on the world of agriculture and livestock, since the goal is to re-evaluate the figure of the farmer. It is also important that the staff has a strong sense of communication, to better interact with the children, during the workshops;
- **Safety:** the environment must be safe for all its visitors, especially the little ones, so it is important to delimit the areas and equipment at risk and ensure the presence of allergies and intolerances of visitors, if product tastings are planned;
- **Teaching:** it is important that the educational objectives of the workshops are established, according to the age and characteristics of the guests.



2.2.6.3. Farm Therapy

A growing sector, which again has been regulated in Italy, but presents examples also in other countries, related to health benefits provided to people by staying in the countryside, and particularly by taking care of animals ("pet therapy").

In Italy the practice, which refers to the broader "health tourism" was regulated by the "National Guidelines for Animal Assisted Interventions (A.A.I.)" of 25 March 2015 and subsequent amendments, which provide that:



Figure 2 – Example of pet therapy¹

- a) the A.A.I. are provided by specialized centers and public or private structures that meet the requirements of such Guidelines, and are in possession of authorization issued by the territorially competent Health Authorities;
- b) such structures can be of a different health type, including traditional hospitals, but also farms;
- c) based on the areas of activity, the A.A.I. are furtherly classified into:
 - Animal Assisted Therapy (A.A.T.), which deals with **intervention of therapeutic value** aimed at treating disorders of the physical, neuro and psychomotor, cognitive, emotional and relational sphere, aimed at subjects with physical, psychic, sensory or multiple pathologies. The procedure is customized to the patient and requires a specific medical prescription;
 - Animal Assisted Education (A.A.E.), which foresees **educational intervention** that aims to promote, activate and support, relationship and social inclusion of people in difficulty. The intervention can also be group intervention and promotes the well-being of people in their own living environments;
 - Assisted Activity with Animals (A.A.A.), which includes intervention that have a **ludic-recreational and socialization purposes** through which the improvement of the quality of life and correct human-animal interaction are promoted.

► As it happens for Educational Farms and Agritourism more broadly, Farm Therapy is **encouraged and incentivized by national and EU institutions**, particularly through the Rural Development Policy, as it not only provides extra-income to farmers, but **it also helps differentiating and specializing their offer, while allowing for reduction of public spending on health.**

2.3. The Agritourism value chain

2.3.1. The value chain concept

According to the approach recommended by the UNWTO²¹, a tourism product must encompass a range of services which include primary and foundation activities. These represent the **tourism product value chain**, which shall be tailored to address the specific needs of segments of the tourism demand.

Each tourism product ideally owns its value chain, consisting of primary and foundation activities. These are partly peculiar to certain tourism products and partly shared with other products.

Agritourism presents a unique opportunity to combine aspects of the tourism and agriculture industries to provide a number of financial, educational, and social benefits to tourists, producers, and communities. Agritourism gives producers an opportunity to generate additional income and an avenue for direct marketing to consumers.

²¹ UNWTO (2007). *A Practical Guide to Tourism Destination Management*. Madrid



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It enhances the tourism industry by increasing the volume of visitors to an area and the length of their stay. Agritourism also provides communities with the potential to increase their local tax bases and new employment opportunities.

Additionally, agritourism provides educational opportunities to the public, helps to preserve agricultural lands, and allows states to develop business enterprises. While agritourism may create new potential revenue streams, it also presents new legal issues for farmers and landowners.

PRIMARY ACTIVITIES	Product development	Destination and product packaging	Promotion	Distribution and sales	In and outbound logistics	Destination operations and services	Aftercare
	<ul style="list-style-type: none"> New airline alliances and destinations Development of environmental and cultural resources Upgrading and development of visitor services and facilities Exploiting new markets and market segments New routes, themes, hub/spokes and itineraries -Quality (standards) management and assurance systems Improved service delivery and visitor management 	<ul style="list-style-type: none"> Producing marketing materials Collectively packaging attractions of cities, areas and regions Negotiating commission and pricing contracts with suppliers Wholesale packaging 	<ul style="list-style-type: none"> Consumer advertising, PR and promotions Trade exhibitions, workshops, sales visit Marketplace representation Familiarisation trips Media liaison/educationals 	<ul style="list-style-type: none"> Enquiry and info mail service Distributing destination information Brochure display Tour operators alliances Retail (travel agency) sales E-business Reservations Payment and ticketing Insurance Seat pricing and scheduling 	<ul style="list-style-type: none"> Visa and passport provision Airport facilities and services VAT reclaim Emigration services Check in and gate operation Baggage handling In-flight services 	<ul style="list-style-type: none"> Airport transfers Taxi services Public transport Visitor centres Accommodation Catering Tours Attractions Car rentals Entertainment Health and beauty Sport and recreation 	<ul style="list-style-type: none"> Database management Consumer and client tracking and feedback Industry feedback and follow-up

FOUNDATION ACTIVITIES	Destination planning and infrastructure	Public transport systems, roads, airports, rail, ports, public toilets, etc.	Bulk infrastructure telecoms, water, electricity, recreation, etc.	Destination planning, design, layout and land-usage	Energy, water and resource management	Aesthetic, environmental and social quality enhancement	Safety and security management	Road signage, information networks and other navigation	Public/private partnerships, strategic alliances, mergers and acquisitions	Institutional coordination and business deregulation
	Training and skills development	Community tourism awareness and acceptance	Skills training and education.	Personnel management – recruitment, motivation, incentives, etc.	Customer care, hospitality culture	Career pathing, staff development, staff stability	Labour relations and negotiations	Job creation and intensifying projects		
	Technology and systems development	Computerised reservation systems	Market research and intelligence	Management systems and procedures	Security systems	Information systems and communication				
	Related Industries and procurement	Equipment and component supplies	Fuel, food and beverages	Contracted services	Professional services	Other services	Real estate/buildings			

Figure 3 - Components of the tourism product

2.3.2. Primary Activities for Agritourism

Primary activities are the core business of public and private tourism actors and involve the packaging, promotion and delivery of the tourism experience to the visitor. They include the followings:

- **Product development.** It ensures constant rejuvenation of the destination supply. It includes attractions and activities (natural, cultural and man-made products) that provide the major reasons for travelers wanting to visit and experience the rural areas, its population and families, local food and typical accommodation facilities. It is of utmost importance that they are constantly improved and expanded in accordance with new trends and developments in the marketplace.

► *In Armenia, the agritourism product development shall be based on an overall rural development strategy that stretches out over the whole country. Moreover, a certain kind of quality control, innovation and creativity shall be introduced based on international best practice examples, particularly in order to differentiate and specialize rural tourism supply.*

- **Destination and product packaging.** The intangible tourism product should be packaged as conveniently, attractively and accessibly as possible. Packages consist of a range of attractions and activities, experiences, products and services that are offered according to theme, suggested itineraries or geographical locations.



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- ▶ *Agritourism needs to be connected to cultural and heritage as well as to eno-gastronomy tourism. Only then, it might be considered a proper packaging that is sold by dedicated tour operators.*
- **Promotion.** The destination needs to be promoted to the marketplace either directly to the consumer or to the intermediaries (travel agents and tour operators) using a range of promotional methods
- ▶ *Agritourism shall be promoted together with eno-gastronomy and cultural tourism and not as an alone-standing product. Agritourism should be part of the national cultural and culinary heritage.*
- **Distribution and sales.** Generic and commercial information should be distributed through the most appropriate channels. These include destination websites, consumer enquiry lines, mailing services, brochure display facilities, retail travel agency networks.
- ▶ *Agritourism is sold through specialized tour operators, which should be targeted through focused trade marketing actions, including fam trip and educational tours.*
- **In and outbound logistics.** Ease and speed of access is essential for visitor choice. Choices to visit can be influenced by convenience factors such as availability and cost of flights, visa and passport provision, airport facilities and services, VAT reclaim facilities, emigration services, check in and gate operation, baggage handling, in-flight services, seat pricing and scheduling, etc.
- ▶ *Agritourism often take place in remote areas, which should be made more accessible through a national website, such as <https://www.agriturismo.it/> to shorten psychological distance.*
- **Destination operations and services.** The largest part of the tourist experience happens at the destination and this has a determining effect on the enjoyment levels and value experienced. These include all aspects of the tourists visit including transfers, taxis and public transportation, visitor services and centers; accommodation, food/catering, tours, Attractions and activities, car and car rentals, entertainment, health and beauty services, sport and recreation, etc.
- ▶ *Quality service standards should be adopted, such as showed in international best practice, so as to create a widespread system of rural hospitality.*
- **Aftercare.** Client care and follow-up is essential to establish loyalty and positive attitudes among clients. Aftercare services include establishing, managing and maintaining client databases, tracking consumer attitudes and profiles and conducting feedback and follow-up programmes.
- ▶ *Agritourism can be used to promote sales of farmers' product, which are bought during the on-site visit, but may continue, addressing loyal customers, through direct marketing and on-line sales.*

2.3.3. Foundation Activities for Agritourism

Foundation Activities include support activities (destination planning and infrastructure, training and skills development, technological and systems development, related industries and procurement), which help increasing the efficiency of the primary value chain and/or increasing the economic and social impacts of tourism development.

These activities are those where the value delivery is indirect and supports the visitor experience e.g. infrastructure, planning, human resources development, technology and related industries such as construction, retail, etc. The provision of these foundation activities is especially challenging, since they are delivered by a range of public and private agencies that do not have tourism as their core businesses.

The efficient delivery of these activities and their performance are however a fundamental foundation for building a tourism destination and as such are vital to the destination's success. The destination must live up to its brand promise, otherwise there will be high levels of dissatisfaction. Ensuring these foundation activities are in place requires strong leadership from the DMO. Such delivery can only occur within the framework of public/private partnerships and strategic alliances and effective institutional coordination among the various players in the value chain.

These activities include:

- **Destination planning and infrastructure.** The physical image, environment integrity and infrastructure of the destination are key determinants of the quality of the visitor's experience. The industry is not be able to function without an appropriate and operational transportation network (e.g., public transport, roads, airports) as well as bulk infrastructure (telecommunications, water, electricity, recreation and access to communication channels). The threat of diseases such as COVID 19, etc. puts also pressures on destinations to provide high quality basic infrastructures and services.



- ▶ *Successful international agritourism destinations adopted focused destination planning for preserving the typical characters of their rural areas. Italian and French rural destinations have strict planning rules, which aim to conserve the rural image, with regard to color and size of rural farms, conservation of unpaved roads (such as “white streets” in Tuscany), etc.*
- **Training and skills development.** Tourism is a service industry and the quality of the visitor experience is largely determined by the quality of service and personal interaction experienced at the destination. Therefore, the development of quality interactions with the people tourists encounter at the destination is an important element of the tourism value chain.
- ▶ *Armenia lacks specialized tour guides in gastronomy, rural and cultural tourism, along with guides who will be able to work with people with learning difficulties. This also reminds to the necessity to enforce capacity building actions at different levels, starting from professional school and University education in tourism services. Moreover, training and skills enhancement need to be carried out for tourist customer service, languages, and business management.*
- **Technology and systems development.** Technology has become a driving force in support of the tourism value chain. Internet based booking services have revolutionized the concept of online reservations by providing access to a far greater number of restaurants, accommodation facilities and other related activities. Operational and management information systems are also of major importance.
- ▶ *For rural tourism, online and GPS maps are important for logistics and making remote areas accessible to visitors.*
- **Related industries and buying local produce.** Primary tourism industry activities such as accommodation, transportation, restaurant, entertainment and recreation are underpinned by a wide range of related enterprises that supply services to primary tourism sectors. These are an integral part of the tourism “cluster” and the success of the value chain is highly dependent upon the effective provision of these services and products, which also help to spread economic and social impacts. These include equipment and component supplies, fuel, food and drink, contracted services, professional services, real estate/buildings, etc.
- ▶ *Agritourism is intrinsically related to primary sector development. Successful agritourism destination enjoy not only a growth in production and sales of farm products but also innovation from the launch of by-products such as wine or mulberry cosmetics²², etc.*

3. THE CURRENT SITUATION OF AGRITOURISM IN ARMENIA

3.1. Agritourism Supply

3.1.1. Key regional areas

At the moment, agritourism experiences as such do hardly exist in Armenia, a part of the Gastro Yards²³. These are excellent examples of how agritourism could look like in the future although the concept is different. We replicate hereafter the table that was already provided in task 4 – Report 2.3 – Gastro & Wine Tourism.

Denomination	Location	Region	Concept
<i>Davyans’ Gastro Yard</i>	Ashtarak	Aragatsotn	It includes home wine making experience to be shared with visitors by the Davtyans’ family. The village of Achajur, in Tavushit is also possible to taste home-made white wine, authentic Armenian dishes, listen to music played on national Armenian instruments and chat with family members who tell about local traditions and culture.
<i>The Ashatarakats Cellar</i>	Ashtarak	Aragatsotn	Historical and cultural place where guests can get acquainted with the process of making vodka and prepare Armenian confectionery products while visiting the museum of local life.

²² See, for instance: <https://www.cosmeticsdesign.com/Article/2021/11/23/Wine-making-byproduct-potential-as-upcycled-cosmetic-ingredient> or Hoss, I., Rajha, H.N., El Khoury, R., Youssef, S., Manca, M.L., Manconi, M., Louka, N. and Maroun, R.G., 2021. Valorization of Wine-Making By-Products’ Extracts in Cosmetics. *Cosmetics*, 8(4), p.109.

²³ Gastro Yard is a concept that was the result of the “Integrated Rural Tourism Development” project, which was launched in 2016 covering 60 villages across Armenia. The project, funded by the Russian Federation, was implemented by UNDP Armenia in close cooperation with the Ministry of Territorial Administration and Infrastructure

<i>Vagharshyan's Gastro Yard</i>	Saghmosavan	Aragatsotn	It is located in the banks of the Kasakh Gorge, where the harmony of soul and nature is mixed with delicious Armenian food and the possibility to visit Saghmosavank Monastery, founded in 1215.
<i>Teger Gastro Yard and Pottery Center</i>	Teger	Aragatsotn	It offers master classes in pottery (ceramics and stained glass) and culinary master classes. It includes restaurant and guest house.
<i>Mnatsakanyan's Gastro Yard and Byurakan Art Studio</i>	Byurakan	Aragatsotn	Here it is possible to watch the wine production process and take part in master classes in preparing national Armenian dishes. The restaurant provides traditional dishes prepared by the Mnatsakanyan family members and homemade wine. The Mnatsakanyan family tried to make this place unique and included in their menu the dish "Gharshim" made of lentils and nuts, which is difficult to find elsewhere else. Byurakan Art Studio also functions here, with handmade paper produced with visitors allowed to participate in the process. The studio employs professional artists and specialists.
<i>Yeganyans' Gastro Yard</i>	Ashtarak	Aragatsotn	The vineyard of Yeganyans' covers an area of 5000 m ² growing over 10 varieties of grapes, with the possibility to stay in a guest house. It offers traditional food and the chance to get acquainted with the process of wine making, go through pastry workshops and use the services of a local guide who tell about Armenia and the local people.
<i>Arakelyans' Gastro Yard in Pokr Vedi</i>	Pokr Vedi	Ararat	It is located in the village of Pokr Vedi in the immediate vicinity of Khor Virap Monastery, the place of pilgrimage and the holy place of the Armenian Apostolic Church. It offers culinary master classes in cooking barbecue, lavash bread and much more, as well as a bed & breakfast hotel. As Arakelyans are artists, a distinctive feature is master class in drawing.
<i>Mikayelyans' Family Farm</i>	Gavar	Gegharkunik	It is a family farm that offers the chance to enjoy different types of cheese prepared using traditional technology and learn about the production process, while enjoying the hospitality of the Mikaelyan family.
<i>Stepanyans' Gastro Yard</i>	Areni	Vayots Dzor	Stepanyans' vineyard covers an area of 7,000 m ² . Guests are offered homemade wine and food and can be introduced to fruit harvesting and wine making processes, as well as master classes in beekeeping. Services include guided tours to the medieval churches of the area.

Table 2: Gastro Yards in Armenia

3.1.2. Relevant current experiences

Ideally, the gastro-yard concept is combined with the possibility of overnight stays. Certainly, agritourism structures shall be able to offer more experiences than just eating and sleeping, as further explained in § 4.2.1.

Therefore, current experiences are not only limited to the gastro-yards, but potentially include also those enlisted in the My Armenia Program, funded by USAID and implemented by the Smithsonian Institution. Such Program was mentioned in the Gastro & Wine Tourism Niche too. Some of main relevant experiences might be considered for agritourism purposes, at least when they present a strong connection with farms.

Region	Location	Experience
Aragatsotn	Ashtarak	Learn to make sweet Armenian sujuk
Aragatsotn	Ashnak	Cook, eat, dance - Feast at Noosh! ²⁴
Aragatsotn	Ashtarak	Learn to cook Syrian-Armenian fusion cuisine
Aragatsotn	Ashtarak	Cook tolma and make pickles at Tatoents Qotuk
Ararat	Pokr Vedi	Tour an orchard and taste homemade wine
Gegharkunik	Mtnadzor	Explore medieval history and local fish cuisine
Lori	Alaverdi	Cook tanov spas, a favorite soup of Armenians
Lori	Akhtala	Traditional Armenian culinary classes
Lori	Alaverdi	Cook Armenian pumpkin dish, ghapama, and bread in a pur

²⁴ Established in 1917, the village of Ashnak became a new home for those fleeing genocide from the Western Armenian region of Sassoun. Here, the customs and traditions of the Sassoun peoples endure through their food, dance, and song.



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Lori	Dsegh	Forage for dinner & cook with grandma's recipes
Shirak	Gyumri	Visit the studio of an award-winning blacksmith
Shirak	Gyumri	Learn how to cook traditional favorites from the city of Gyumri
Shirak	Gyumri	Cook traditional Gyumri dishes at Chalet Gyumri
Syunik	Sisian	Secrets of gyalagyosh and tasting ceremony
Syunik	Goris	Learn how to cook an Armenian feast
Syunik	Goris	Learn how to cook traditional Armenian pastries and other dishes
Syunik	Sisian	Cook a village style feast at Hatsatun
Syunik	Verishen	Make a special tolma with bean leaves at Loby
Syunik	Vorotan	Cook your dinner in the wild
Syunik	Goris	Beekeeping and hand-cream making
Tavus	Ijevan	Tour and wine tasting at an Armenian winery ²⁵
Tavush	Aghavnavank	Make losh and barbecue in a special tonir
Vayots Dzor	Areni	Try Armenia's "Best Homemade Wine"
Vayots Dzor	Yeghegnadzor	Vodka distillation and tasting master class ²⁶
Vayots Dzor	Areni	Winery tour and tasting at Areni Winery Factory
Vayots Dzor	Areni	Winery tour and tasting at Old Bridge
Vayots Dzor	Arpi	Winery tour and tasting at Trinity Canyon Vineyards ²⁷
Vayots Dzor	Yeghegnadzor	Learn how to make gata with a local baker
Vayots Dzor	Areni	From vine to wine: follow a grape's journey
Vayots Dzor	Yeghegis	Smbataberd fortress hike & gata baking
Vayots Dzor	Martiros	Learn to cook with wild herbs in Old Martiros

Table 3: Taste Local Food & Wine Experiences by My Armenia Program

► Building on results of interviews with local entrepreneurs, it can be assumed that there is interest for offering agritourism activities. However, these entrepreneurs do not have a clear understanding or exact ideas of how an individual agritourism concept could really look like. Therefore, **much training and education is needed.**

3.2. Agritourism Demand

3.2.1. International demand

Based on a survey carried out by Gayane Tovmasyan et. al. (2020)²⁸ around 18% of international visitors declare to be interested in agritourism experiences while travelling in Armenia. Among the main reasons for choosing Armenia as a place for organizing agritourism were mentioned: beautiful nature (91%), clean air and water (89%), natural food (48%), the tranquility of rural areas (41%), field walks and mountaineering (38%), collection of fruits and vegetables (25%), opportunities to participate in agricultural activities (13%).

Those that are in favor of agritourism further replied that they would like to make such experiences with their families and friends.

From the same study, we obtain that the activities for tourists who prefer to participate in agritours in Armenia are: harvesting different fruits, collecting mushrooms, gathering berries and vegetables (46%), tree planting (41%), collecting medicinal plants and making herbal medicines (24%), Agricultural works (10%), Grass haying (6%), training on farming (17%), milking of cows and sheep (11%), sheep shearing (6%), beekeeping (4%), preparation of national dishes, baking lavash and bread (50%), cheese making (37%), special cultural activities – making souvenirs (34%), embroidery, carpet weaving (pottery) (16%), fishing (21%), animal hunting (19%), horseback riding (59%), snowmobile ride (27%), sleigh ride (11%), carriage ride (16%), tractor ride (13%).

► Most of the international arrivals to Armenia are people with Armenian diaspora and are tendentially very much interested in travelling to rural areas. In general, **Russians are those visitors who mainly consider Armenia as a rural tourism destination.**

²⁵ Founded in 1951, the Ijevan Wine Factory is one of the oldest wineries in Armenia

²⁶ Vodka distillation is still a widespread practice in many Armenian households. Nearly every home has a zavod (distilling equipment), or at least can borrow the equipment from their relatives or neighbors. Because the distillation process takes several days, you are not able to distill your own vodka from start to finish; however, you can get a taste of the steps and of some finished products with experienced vodka-makers.

²⁷ Trinity is a member of DiVine Group, which operates several wine bars and restaurants in Yerevan and promotes Armenian wines in Armenia, France, and United States. It also owns In Vino, a hip wine bar in Yerevan that is pioneering Armenia's wine drinking culture.

²⁸ Source: https://armgpublising.com/wp-content/uploads/mmi/volume-11-issue-4/A445-2020-07_Tovmasyan%20et%20al_0.pdf



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3.2.2. Domestic demand

Domestic tourists represent an important tourism segment and consisted of 1.09 million visitors in 2018.²⁹ This statistic, however, is based on the number of Armenians who stayed overnight in their own country. Many Armenian tourists frequently visit local monasteries and other archaeological sites along with spas and wellness centers.

- ▶ The gastronomy and wine festivals in Armenia are mainly visited by domestic tourists.

However, given the little opportunities of agritourism in Armenia there is no relevant data available about its domestic demand.

- ▶ Nevertheless, building on international experiences, it can be assumed that the agritourism concept would be an interesting alternative for domestic travelers.

3.3. Key Stakeholders

3.3.1. The role of the government

The Government of Armenia plays a **crucial role when it comes to the development of rural agritourism experiences**. This regards in particular the Ministry of Economy, as it currently detains the institutional competences in Agriculture. Driven by the TC, they should join forces for eventual policies that regard the running of dedicated family owned and small size businesses.

- ▶ This includes the **financial support** (in form of subsidies, grants, loans, special projects, etc.), **organizational and operational support** (for dedicated farmer, restaurant and business associations), and support in **marketing** (for the export or internal distribution of products and the promotion of specific tourism experiences).

EU Policy and tools for Rural Development

In Europe, Rural Development is a key pillar of the EU budget for Common Agricultural Policy (CAP), since its first inception in 1990. The common agricultural policy supports the vibrancy and economic viability of rural areas through funding and actions that support rural development. Rural development is the 'second pillar' of the common agricultural policy (CAP), reinforcing the 'first pillar' of income supports and market measures by strengthening the social, environmental and economic sustainability of rural areas.

The CAP contributes to the sustainable development of rural areas through three long-term objectives:

- fostering the competitiveness of agriculture and forestry;
- ensuring the sustainable management of natural resources and climate action;
- achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment.

The CAP's contribution to the EU's rural development objectives is supported by the European agricultural fund for rural development (EAFRD). EU countries implement EAFRD funding through rural development programmes (RDPs). RDPs are co-financed by national budgets and may be prepared on either a national or regional basis. While the European Commission approves and monitors RDPs, decisions regarding the selection of projects and the granting of payments are handled by national and regional managing authorities.

When designing their rural development programmes (RDPs), EU countries may apply funding from the European fund for rural development (EAFRD) through a number of measures. These include, among the others³⁰:

- a) Vocational training and skills acquisition actions;
- b) Demonstration activities and information actions;
- c) Investments in creation and development of non-agricultural activities;
- d) Investments in setting-up, improving or expanding local basic services for the rural population including leisure and culture, and related infrastructure;
- e) Investments for public use in recreational infrastructure, tourist information and small-scale tourism infrastructure
- f) Studies/investments for the maintenance, restoration and upgrading of the cultural and natural heritage of villages, rural landscapes and high nature value sites including related socioeconomic aspects and environmental awareness actions;
- g) Support for LEADER local development.

Rural development is much driven by diversification of farmers' income through tourism activity. The public intervention is however not limited to training and grants/loans concessions (measures a, b, c), but include broader investments to

²⁹ Tourism Committee, 2019

³⁰ Source: European Commission (2022). [Rural development measures](#). Accessed on December 5th, 2022



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upgrade the attractiveness of rural areas and provide them with tourist and recreational public services and infrastructure (measures d, e, f). A key action is also the support for LEADER³¹ local development, which is conducted according to the Community-Led Local Development (CLLD³²) approach. This is a bottom-up approach to policy development that encourages local people to form a Local Action Group (LAG³³) – a partnership that designs and implements an integrated development strategy for their area.

3.3.2. Public actors

Regional and local authorities shall be integrated into decision-making processes when it comes to the development of certain areas. These entities shall have a support character for private actors along the agricultural and eno-gastronomy tourism value-chain.

► As shown in the box above (§ 3.3.1), starting from pilot-areas endorsed with key rural resources, public actors might drive the creation of **Local Action Groups** involving private actors and NGO to formulate **Local Action Plans** for rural development.

3.3.3. Private actors

The private actors are those that make the big difference when it comes to the success of a destination. Key stakeholders are therefore specific associations for certain products and services such as a wine consortium / association; hotel / accommodation association; association of farmers producing specific food items and agricultural products; etc.

► In case of lack of such associations / business groups the public authorities, including chambers of commerce, should try to **promote their establishment**. This might be preparatory to the establishment of Local Action Groups joined by public and private actors.

In any case, private actors should be addressed by proper training and education activities in the field of tourism and hospitality.

3.3.4. NGOs

These entities play a significant role when it comes to the creation of farmer and business networks, skills enhancement and education, preservation of the environment and natural heritage as well as conservation of biodiversity, among others.

3.4. SWOT analysis

3.4.1. Strengths

- Strong gastro-yard network around the country is a basis for the development of a larger agritourism offer around the country
- Rich cuisine connected to history and heritage as a basis for attractions and activities for multi-functional agritourism businesses
- Each region in Armenia has a large number of specific dishes and particular ingredients
- Large number of organic products from small-scale family farmers
- Local wineries can be integrated into the agritourism network
- Considerable number of existing festivals and events dedicated to agriculture, gastronomy and wine

3.4.2. Weaknesses

- Low investment opportunities from farmer families
- Low skills in managing agritourism businesses and tourist customer service
- Lack in legal concerns about insurance, property rights, taxation, business permits and licenses, etc.
- General low awareness about the opportunities of agritourism in Armenia among national business owners and farmers
- Lack of ideas and understanding of what agritourism actually is

³¹ It stays for “*Liaison entre actions de développement de l'économie rurale*”

³² Comitato Europeo delle Regioni (2019). [Community-led local development: strengthening territorial cohesion](#). Accessed on December 5th, 2022

³³ Pursuant to article 32 paragraph 2 point b) of the EU Regulation no. 1303/13 the Local Action Groups are composed of “*representatives of the local public and private socio-economic interests in which, at a decision-making level, neither public authorities nor any single interest group represent more than 49% of the voting rights*”. They should thus be considered as an actual form of public-private partnership. See also the [LComJAG Database](#)



- Rural areas face difficult accessibility
- There is no concept of strategic plans for agritourism development at the moment
- Low level of current situation and conservation of the environment and natural resources
- Very low numbers of accommodation facilities in rural areas
- No specified agritour or rural tour packages promoted by tour operators

3.4.3. Opportunities

- Growing international demand for alternative tourism in rural areas, also as a consequence of COVID
- Growing international demand for health and wellness tourism
- Awareness raising among family farmer businesses about the economic opportunities of agritourism
- Availability of many EU best practices and rules related to rural and agritourism development
- Big Armenian diaspora travelling to the rural areas of Armenia

3.4.4. Threats

- Political instability in the Caucasus area with frequent military operations
- Strong and growing competition from Turkey, Georgia and Azerbaijan for agritourism
- Ongoing global energy crisis and inflation hampers tourist movements to the country and the larger Caucasus area
- Desertification of rural areas, with particularly youth migration from rural areas to urban areas
- Unemployment and low-income level of the rural population

3.5. Key gaps to be filled for Agritourism development

The strategy and policy recommendations for the development of agritourism in Armenia is dependent on an overall strategy for rural development, particularly for rural tourism development.

3.5.1. Investment

In order to generate a considerable number of agritourism businesses running in Armenia a grants aid or loan scheme for private investment in family farming structures is necessary. Farmers already have high costs for the maintenance of equipment and machinery and only a few will be able to do investments in the construction works for a restaurant and accommodation space. Fiscal exemptions, as in the case of Italy, would be of great help.

Furthermore, a strategic rural development concept with a focus on agriculture is necessary, given that more than a third of the population is living in rural areas and a third of the country's workforce is working in the agricultural sector.³⁴ As for example, UNDP is doing work around the country with a focus on integrated support to rural communities³⁵, which will be beneficial for the introduction of an agritourism network in the future. Also, IFAD is working on elaborating strategic opportunities for the sector.

3.5.2. Capacity building for tourism customer service and management

The opening of a tourism related business with close contact to national and international customers will be something new for many of the farming families that are interested in agritourism. Hence, it is recommended to offer specific customer service and agritourism management capacity building to those farmer families that have been selected for the above-described investment schemes.

3.5.3. Network and collaboration

Without a proper network of actors in the agritourism business the product will face lots of difficulties. Therefore, this gap needs to be filled from the very beginning. Such network should include cooperation with public institutions too.

³⁴ Source: <https://www.ifad.org/en/web/operations/w/country/armenia>, retrieved in January 2023.

³⁵ Source: <https://www.undp.org/armenia/projects/integrated-support-rural-communities>, retrieved in January 2023.



3.5.4. Legal issues

The following legal challenges need to be taken into consideration when a specific agritourism concept is introduced in Armenia. At the moment, none of the following topics such as liability, food safety, insurance, zoning, among others are considered for agricultural or tourism enterprises in Armenia.

A formal recognition of agritourism businesses is necessary to have a clear legal framework for the enterprises, its employees and the visitors. For example, the Italian “agriturismo” model has a clear framework with regards to taxes, tourism visitor registration and personal data, origin of agricultural products sold at the premises, food safety, licensees for additional services, business insurance, among many others.

3.5.5. Liability

Liability is a significant concern for farmers, ranchers, and others who operate agritourism enterprises. Simply stated, a landowner who opens his or her land to the public faces the risk that he or she could be considered liable if an entrant is injured while on the property.

The duty of care owed to someone who is on a landowner’s property has traditionally depended on whether the entrant is classified as a trespasser, a licensee, or an invitee. The classification of invitee is the most relevant to agritourism operators, though either of the other two categories could apply under certain circumstances.

Trespassers are persons who are on the land without the landowner’s permission. As a general rule, landowners owe trespassers no duty of care except to avoid intentionally injuring them. However, children who are trespassers may be owed a higher duty of care depending on the situation and jurisdiction.

A licensee is someone who is on the property with permission but does not provide any economic benefit to the landowner, such as a hunter or fisherman who does not compensate the landowner for access to the land. Generally, licensees must be told of hidden dangers and the landowner owes a duty of care to not act in a way that would harm the licensee.

Invitees are persons who enter upon the premises with the permission of the landowner or operator. Invitees provide an economic benefit to the landowner or operator and are owed the highest duty of care. The landowner must warn invitees of potential dangers and must keep the premises relatively safe for them. The term “invitees” not only includes paying customers at the agritourism operation but may also include employees that are staffing the event. This heightened standard for invitees necessitates the creation of a risk management plan to address issues before they become a problem.

3.5.6. Food safety and insurance

Agritourism enterprises may involve a variety of other legal issues, depending largely on the activities involved and the laws of the state where the business is located. Producers who provide food stands or restaurants must consider local food safety and public health laws that may apply and laws governing liquor licenses if alcohol is served on the premises. In addition, agritourism operators should be aware that many of their activities may not be covered by standard farm insurance policies and that additional liability coverage may be needed to cover injuries arising from agritourism activities.

3.5.7. Zoning restrictions

Agritourism operations may also face issues with zoning restrictions, building codes, compliance with the taxation, and business permits. Zoning restrictions are an issue that many new agritourism operators do not think about, but disputes with neighbors caused by increased traffic, noise, etc. have led to costly litigation. It is important to note that agritourism operations face many unique challenges because of location and the type of services that they offer.



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4. RECOMMENDED DEVELOPMENT POLICIES

4.1. Overall strategy

4.1.1. Strategic objectives

The main goal of the strategy is to develop Armenia widespread rural tourism services and activities so as to cater to the needs of growing “country experience” demand originating from international market; and the rewarding, enriching and learning expectations generated by the domestic demand, while contributing to provision of economic and social infrastructure for the benefit of the host communities too.

The pillars of the strategy, which correspond to its strategic objectives are:

- **Growth of widespread rural tourism services and activities throughout Armenia**
- **Guarantee the market visibility and accessibility of such services and activities**
- **Increase the economic impact of agritourism**
- **Provision of institutional support for agritourism development**
- **Improve the physical appearance and basic infrastructure of agritourism destinations.**

4.1.2. Specific objectives

Each strategic objective is linked to specific objectives, as showed hereafter.

- 1. Promotion of widespread growth of rural tourism services and activities throughout Armenia**
 - 1.1 Increase collaboration of agritourism sector value-chain
 - 1.2 Creation of agritourism activities and experiences
 - 1.3 Increase quality levels of agritourism structures
 - 1.4 Increase capacities of actors in the agritourism sector
 - 1.5 Introduction of educational farms
- 2. Guarantee the market visibility and accessibility of agritourism**
 - 2.1 Adopt effective marketing, promotion and dissemination activities
 - 2.2 Enhance international visibility and collaboration with international agritourism operators
- 3. Promote positive impact of agritourism on host community and Armenian economy**
 - 3.1 Linking agritourism structures and experiences with other local service providers
 - 3.2 Promote Community-Led Local Development
 - 3.3 Provide incentives for private investment
- 4. Update the institutional and regulatory framework for agritourism development**
 - 4.1 Update and facilitate legislation about agritourism and educational farms
 - 4.2 Introduce investment schemes and PPP models for agritourism development
 - 4.3 Regulate the tourism statistics collection
- 5. Improve the physical appearance and basic infrastructure of agritourism destinations**
 - 5.1 Improve the physical appearance of agritourism destinations
 - 5.2 Provide basic infrastructure to agritourism destinations

4.1.3. Key actions

In order to reach specific objectives, key actions can be defined. They are reported in the synoptic scheme hereafter. Each action will be further analyzed in Annex 1.

Strategic objective	Specific objective	Action
1. Promotion of widespread growth of rural tourism services and activities throughout Armenia	1.1 Increase collaboration of agritourism sector value-chain	1.1.1 Creation of an agritourism business group of interest / association with specific objectives and goals 1.1.2 Creation of an agritourism committee with the participation of the agricultural, wine and gastronomy business groups of interest, key private tourism stakeholders, key public tourism authorities 1.1.3 Elaboration of a nationwide rural tourism strategy
	1.2 Creation of agritourism activities and experiences	1.2.1 Survey of the most suitable agricultural and gastronomy products for active and passive tourist experiences 1.2.2 Creation of a collaborative platform with the gastro-yards (nationally) and international agritourism associations
	1.3 Increase quality levels of agritourism structures	1.3.1 Introduction of quality standards for agritourism
	1.4 Increase capacities of actors in the agritourism sector	1.4.1 Capacity building for agritourism actors (structures, wineries, tour guides and operators for wine and gastronomy tourism) 1.4.2 Capacity building for small-scale farmers 1.4.3 Organization of study tours for agritourism actors to best practice destinations
	1.5 Introduction of educational farms	1.5.1 Capacity building and technical assistance to educational farms
2. Guarantee the market visibility and accessibility of agritourism	2.1 Adopt effective marketing, promotion and dissemination activities	2.1.1 Enhancement of research and publications about the agricultural heritage of Armenia 2.1.2 Implementation of marketing and promotion activities (such as a dedicated website, social media channels and other material)
	2.2 Enhance international visibility and collaboration with international agritourism operators	2.2.1 Participation at international agritourism fairs 2.2.2 Creation of international linkages with relevant partners
3. Promote positive impact of agritourism on host community and Armenian economy	3.1 Linking agritourism structures and experiences with other local service providers	3.1.1 Raise awareness about agritourism opportunities 3.1.2 Start a match-making platform linking agritourism to the larger local economy

	3.2 Promote Community-Led Local Development	3.2.1 Promote Local Action Groups (LAGs) 3.2.2 Implement Local Action Plans (LAPs)
	3.3 Provide incentives for private investment	3.3.1 Survey about beneficiaries from incentives 3.3.2 Provision of incentives to MSMEs and SMEs in agriculture
4. Update the institutional and regulatory framework for agritourism development	4.1 Update and facilitate legislation	4.1.1 Review of current laws on agritourism 4.1.2 Elaboration of a legal framework for educational farms and therapy farms
	4.2 Introduce investment schemes and PPP models for agritourism development	4.2.1 Adoption of fiscal rules and incentives for agritourism 4.2.2 Elaboration of investment and funding schemes 4.2.3 Support in finding investment opportunities with international funding 4.2.4 Adoption of a CCLD model based on LAGs
	4.3 Regulate the tourism statistics collection	4.3.1 Implement visitors and residents' satisfaction surveys
5. Improve the physical appearance and basic infrastructure of agritourism destinations	5.1 Improve the physical appearance of agritourism destinations	5.1.1 Replace asbestos from agritourism destinations
		5.1.2 Move gas pipelines underground
	5.2 Improve the basic infrastructure of agritourism destinations	5.2.1 Improve transport infrastructure towards key agritourism destinations
		5.2.2 Improve rural itineraries inside key agritourism destinations
		5.2.3 Improve public utilities at key agritourism destinations
5.2.4 Introduce road signage and signs with site interpretation at key agritourism destinations		

Table 4: Agritourism Action Plan



4.2. Locations for development

Agritourism shall be developed in agricultural zones all around the country. Logically, the core zones at the beginning of agritourism development could be around existing structures and attractions such as the Gastro-yards, for example in Areni; in the agricultural areas of Meghri; or locations that have benefitted from the My Armenia Program in the last years.

My Armenia Program stakeholders are not directly agritourism related but they seem to be concentrated in rural areas where agritourism could be introduced. These and other places, that have already developed a certain reputation as eno-gastronomy or vibrant farming destinations, could be the “dray-horse” for upcoming agritourism locations and structures.

The “*Strategy of the main directions ensuring economic development in agricultural sector of the Republic of Armenia or 2020-2030*”, approved by the Ministry of Economy, which outlines the key priorities of the agricultural policy of the Republic of Armenia, defines the scope of priority issues, as well as the Action Plan for the implementation of the Strategy for 2020-2022 provide us with the following inputs:

- No geographical priority is mentioned, but for introduction of agricultural insurance system, which is foreseen in 6 marzes of RA (Ararat, Armavir, Agagatsotn, Kotayk, Vayots Dzor and Tavush, so as to insure apricot, grape, peach, apple and cereal);
- Agro-tourism is mentioned as an opportunity for rural development, which deserves active support, but in concrete any indicator is foreseen;
- Priority VI – Support Sustainable Rural Development foresees to develop measures to encourage rural entrepreneurship development, by promoting agro-tourism development in rural communities based on the specific identities of the communities, but no concrete actions is mentioned in the Action Plan;
- Development of Ecotourism is mentioned among opportunities, but – again - no concrete actions are mentioned in the Action Plan.

Based on territorial vocations, Aragtsotn, Ararat, Armavir, Tavush and Vayots Dzor should be prioritized, as they are mentioned by the Vine and Wine Foundation to be key wine regions³⁶.

Some other studies provide useful insights³⁷, which allow us to specify some distinguishing features of other marzes:

- Gegharkunik is the main fish supplier of Armenia;
- in Lori, production of cereal crops, potato, vegetables, and animal produce make a significant portion of the overall agricultural product;
- in Kotayk, agriculture is specialized in poultry production, fruit growing, dairy cattle breeding, and cereal production;
- in Shirak, the most developed agricultural industries are cereal production and animal husbandry, with beekeeping being a developing and prospective sector;
- in Syunik, agriculture, which is a leading sector, is mainly specialized in crop production (in particular, cereals and potatoes) and animal husbandry (in particular, cattle breeding).

▶ Although My Armenia project has been closed already for more than a year, since agrotourism development requires, as the most relevant requirement, the possession of tourism hospitality capacities, it is wise and prudent to start from Gastro-yards locations, using them as catalysts for promoting Community-Led Local Development and involve other agricultural businesses (see action 3.2). Below is a map with all locations that have been identified by the My Armenia project.³⁸

³⁶ Source: [REGION – Wine and Vine \(vwfa.am\)](http://REGION – Wine and Vine (vwfa.am))

³⁷ We referred, among the others, to Avetisyan, S., 2010. *Agriculture and food processing in Armenia*. Yerevan (AM): Limush Publishing House.

³⁸ Source: <https://myarmenia.su.edu/en/guide/experiences/food-drink/>

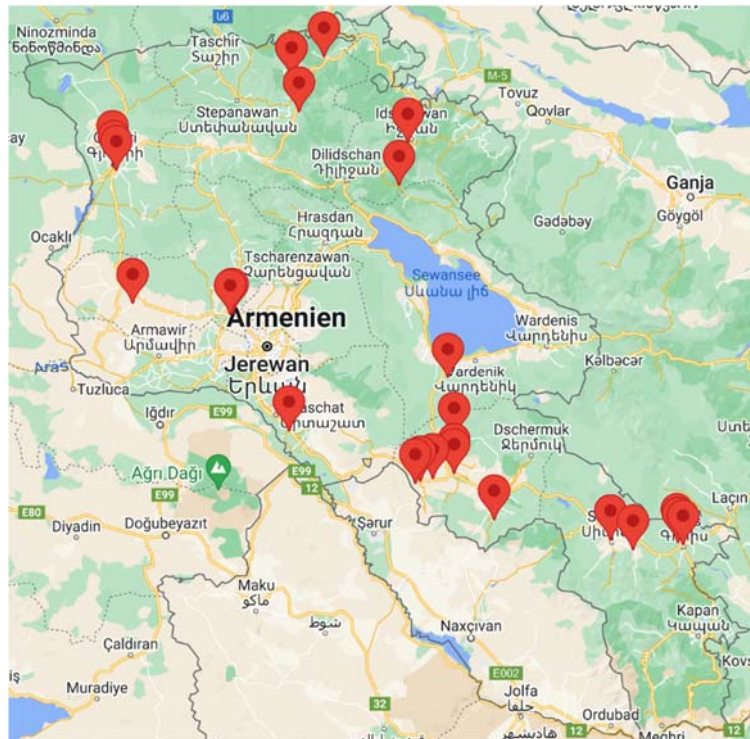


Figure 4 - Locations identified by My Armenia Project

4.2.1. Typologies of supply to be developed

In the following table several attractions and activities linked to agritourism are mentioned, grouped in various activity sectors and services. These are considered as ideas for implementation. They include:

- a) Accommodation facilities
- b) Combined activities
- c) Active experiences
- d) Passive experiences

Accommodation Facilities	Combined activities	Active experiences	Passive experiences
<ul style="list-style-type: none"> - Rural Bed and breakfast - Guesthouse - Homestay - Agri-camping" 	<ul style="list-style-type: none"> - Sport activities - Hiking and trekking - Biking - Horseback riding 	<ul style="list-style-type: none"> - Educational courses such as cooking classes, bread making, cheese production, etc. - Demonstration farms - Pumpkin picking patches - Self-picking (fruit and vegetables) operations - Participation at the processing for example, nuts, dried fruits, etc. - Corn maze - Animal petting and feeding - On-farms farmer's market - Garden tours - Educational farms 	<ul style="list-style-type: none"> - "Educational courses, seminars and conferences - Agricultural museum - Living history farms - Degustation and tastings - Restaurants

Table 5: Attractions and activities for Agritourism development

4.2.2. Marketing and promotion recommendations

4.2.2.1. Marketing and promotion

Every tourism niche product needs a specific marketing and promotion strategy. In the following we differentiate between:

- a) Online and web-based marketing activities
- b) Offline marketing activities
- c) Other marketing activities

Online and web-based	Offline	Other marketing activities
<ul style="list-style-type: none"> - Creation of a dedicated website for agritourism in Armenia, featuring the locations and businesses, its activities, event calendar, and other news - Integration of specific information, features, tours, activities, locations, etc. about agritourism experiences onto the existing tourism marketing website (Armenia.travel) - Creation of an individual agri- and rural tourism accommodation booking platform³⁹ - Creation of specific agritourism brochures for digital dissemination - Specific social-media campaigns (paid, unpaid, viral, etc.) - E-mail marketing strategy 	<ul style="list-style-type: none"> - Participation at international tourism fairs and promotion of niche tourism products - Dissemination of printed brochures - Participation at dedicated international wine and gastronomy fairs with specific wineries and chefs for show-cooking at events - Collaboration with international travel magazines and travel guides for special features 	<ul style="list-style-type: none"> - Collaboration with national and international airline carriers for strategic marketing alliances - Organization of FAM tours for journalists, bloggers, tourism professionals - Organization of promo-road-shows at key source markets, especially for incoming tour operators and travel agents

Table 6: Marketing activities for Agritourism development

4.2.2.2. Festival and events

Agritourism will always exist in strong connection with the offer of eno-gastronomic experiences in Armenia. Hence, there is no need to organize an event or festival that is solely dedicated to agritourism.

Well organized and well implemented eno-gastronomy events are the best promotion for agritourism in the country.

5. SUSTAINABILITY RECOMMENDATIONS

5.1. Enhancing economic benefits

A holistic and systemic look at various functions of a rural system, such as conservation, recreation activities, and non-use values and avoidance from reducing its functions to mere production, is one of the most important policies for complementary income generation and value adding in a farming system and improving its competitiveness. Establishing connections between agriculture, tourism and other sectors along the value-chain can create ample benefits for communities, through developing backward and forward linkages. Tourism is an important sector that can contribute to fair and sustainable agricultural marketing formation and reverse rural-urban outflow.

- ▶ In order to enhance the economic benefits of agritourism at the community, regional and national level, the following steps should be considered:
 - Elaborate a **strategy on tourism in rural zones in Armenia** in which the agritourism structures are features as the highlight experiences. As stated in the best practice example of Italy's

³⁹ This could be a national/international "umbrella platform", such as the one currently in place in Italy: <http://www.agriturismoitalia.gov.it/en/home>



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agritourism network, this type of combined agriculture and tourism business is very resilient as it is based on family operations;

- For developing tourism in the rural zones, the development of **critical infrastructure** is necessary;
- Create **eno-gastronomy tourism experiences** at local, regional, national levels based on existing activities which will promote touristic visits to those places;

5.2. Preventing environmental impacts

The increasing demand of travelers, particularly from metropolitan areas and industrial cities, for outdoor recreation has created appropriate opportunities for income generation through agritourism development. However, just like with any development, it may cause issues regarding the **change of agricultural land use**.

- ▶ As shown by the Italian case, thanks to agritourism, the Italian countryside has been able to **save a very significant number of valuable historic farm buildings and preserve traditional agriculture in areas difficult to cultivate**. A large percentage of tourist farms is in fact located in hilly and mountainous areas where large-scale agriculture requiring vast expanses of land and heavily mechanized production systems cannot be developed. Agritourism instead favors small-scale production systems, integration with the environment – particularly with woods, forests and Mediterranean scrub, as well as proximity to the cities and their art and to ancient towns and medieval or Renaissance villages.

In particular, the following environmental impacts and preventive activities should be considered:

- Promotion of eco- bio- and organic agriculture practices (e.g., replacing chemical fertilizers and pesticides, etc.) and certification in agritourism sites/local services and productions, which support soil fertility with essential nutrients for plant growth, biodiversity conservation, and sustainable use of natural resources.
- Introduction and development of climate-resilient farming practices, capacity building, and awareness raising among agritourism managers/visitors and farmers about climate change impact and adaptation measures.
- Exclusion of traditional agricultural burning practices of pasture lands and crop residues at the agritourism sites/farms/productions can have a significant positive impact on the environment and human well-being.
- As in the case of other tourism niches and products, agritourism sites/local productions and services face a lack of waste management, including agricultural waste, etc. An increase in tourism flow generates more solid and agricultural waste. Therefore, waste management practices and schemes should be part of the local development plans, especially in small rural communities.

5.3. Preventing socio-cultural problems and encouraging community involvement

Tourism shall contribute to the preservation and protection of rural communities, small-scale farming businesses, culinary traditions and practices.

In order to enhance the socio-cultural benefits of agritourism at the community level the following steps should be considered:

- ▶ Community members (farmers, accommodation providers, restaurants, etc.) should be **engaged in decision making processes** in their communities regarding the planning of tourism development in their destinations.
- ▶ This can be pursued through **local-level rural development plans**, following schemes and rules such as those foreseen by the CLLD in Europe, based on LAGs.

5.4. Manpower planning

The plan assumes the **qualification of relevant tourism operators**, a pre-requisite for achieving above described social and economic benefits.

- ▶ It therefore dedicates broad attention to the support and creation of unified certification and training system, vocational school system and TVET, installation of training facilities, capacity building, among others.



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5.5. Legislation

The development of agritourism as described in the present report requires the review and assessment of present legislation and regulations along with the approval and of proper legislation.

► Legislation should apply to various issues:

- **Legal framework of agritourism, educational farms** and rural tourism in general;
- Setting of **Local Action Groups and inherent PPP rules**;
- Setting of rules regarding **skills certificates and definition of quality standards**;
- Collection of proper **tourism visitor data collection** from farmers.

Those entrepreneurs who work in the micro-entrepreneurship system (most of rural guesthouses) are exempt from income tax, VAT or sales tax. However, if they perform other activities simultaneously with the production of agricultural products, then they are subject to VAT payment. To avoid the confusion of taxation systems related to multi-sectoral activity, it would be beneficial to clearly define the agritourism as one type of activity.

5.6. Investment policies and incentives

Building on the experience of other international destinations, the development of the agritourism niche might benefit from various direct and indirect incentives and fiscal benefits.

► These include:

- Provision of **dedicated micro-grants and loans** aimed to stimulate youth, women and residents' participation;
- **Transfers to municipalities or Local Action Groups** to invest in public tourist services and infrastructures⁴⁰;
- Business support in **finding investment opportunities**;
- Business support in **finding export partners**, among others.

The entrepreneurs dealing with the agricultural sector have significant tax benefits. In particular, disposal of agricultural products by producers is currently exempted from profit tax. Hence, it is important to have clear legal definition that the entrepreneurs involved in agritourism activities and sell their own production during the tourism activities shall have the same tax benefits as the primary producers of agriproducts (e.g. the owners of guesthouses or village food-courts, who sell their own agricultural products).

5.7. Organization and management of the tourism niche

At the regional level, this tourism niche product shall be managed by a regional DMO entity. One of the most important activities of a DMO is indeed the management, development and marketing of tourism products. It shall coordinate the tourism actors (farmer families, tour guides, accommodation structures, restaurants, etc.) and provide useful support. **In case of adoption of the LGAs scheme, the DMO shall cooperate with the LAG by providing upper-level services, such as marketing and training.**

The implementation of the action plans relies on the collaboration of key stakeholders, which include, besides the Ministry of Economy with the Tourism Committee, the Ministry of Education, Science, Culture and Sport, and others.

The establishment of dedicated agritourism business interest groups shall be incentivized, supported and guided by the public sector entities.

6. CLIMATE CHANGE VULNERABILITY ASSESSMENTS AND RECOMMENDATIONS-PROJECTS FOR THE DESTINATION

Armenia is one of the vulnerable countries facing various impacts of climate change. According to the Fourth National Communication on Climate Change, it is projected to raise the temperature in the country up to 4.7°C by 2100 and reduce annual precipitation (-8.3%). Tourism is significantly affected by heavy precipitation, floods, droughts and heat waves. In Armenia these phenomena increased during the recent decades.

On May 13, 2021, the Government of Armenia adopted Resolution 749-L "On Approving National Climate Change Adaptation Action Plan (NAP) and List of Measures for 2021-2025". The list of measures incorporates

⁴⁰ In the EU LEADER experience, LAGS do also operate as Managing Authorities for micro-grants provisions to rural MSMEs and SMEs



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the development of RA draft Government Decree "On Approving Climate Change Adaptation Program in Sector of Tourism". The document has been developed and discussed with general public. It incorporates adaptation measures for the tourism sector, including winter tourism. The document guides the implementation of climate change adaptation measures in the tourism sector, enabling the identification, addressing and review of adaptation needs, issues, priorities and necessary resources.

According to the draft Governmental Decree "On Approving Climate Change Adaptation Program in Sector of Tourism", tourism destinations such as Jermuk and Ashotsk are the most vulnerable locations in relation to heat waves, whereas Syunik and Shirak provinces for cold waves. Increasing temperature and low level of precipitation results in droughts, which affect different tourism products, such as kayaking, rafting etc. Floods are also periodically registered in the major tourism destinations including Garni, Geghard, Jermuk. The snowstorms are another important phenomena influencing agritourism.

According to the above-mentioned National Communication, lack of data on tourism sector is a major barrier to assess the vulnerability of the winter tourism sector to climate change impacts.

The list of adaptation measures for the period of ~~2023~~²⁰²³-~~2027~~²⁰²⁵ are proposed by the draft Government Decree "On Approving Climate Change Adaptation Program in Sector of Tourism". The measures include various activities such as capacity building or needs assessments for different stakeholders, infrastructure development for key touristic destinations, etc.



7. TIME SCHEDULE

Strategic objective	Specific objective	Key action	Years																		
			1	2	3	4	5	6	7	8	9	10									
1. Creation of a competitive and sustainable portfolio of eno-gastronomy tourism products	1.1 Increase collaboration of wine and gastronomy businesses with the tourism sector value-chain	1.1.1 Creation of a wine business group of interest with specific objectives and goals																			
		1.1.2 Creation of a wine and gastronomy tourism committee																			
	1.2 Creation of eno-gastronomy activities and experiences	1.2.1 Creation of the first wine-route in Armenia																			
		1.2.2 Organize study tours for eno-gastronomy actors to best practice destinations																			
	1.3 Increase quality levels of wine and food tourism	1.3.1 Introduce quality standards for wine and gastronomy tourism																			
	1.4 Increase capacities of actors in the eno-gastronomy sector	1.4.1 Capacity building for wineries, tour guides and operators for wine and food tourism																			
1.4.2 Capacity building for small-scale farmers and related companies																					
2. Assurance of the market visibility and accessibility of such portfolio	2.1 Adopt effective marketing, promotion and dissemination activities	2.1.1 Enhance research and publications about the wine and culinary heritage of Armenia																			
		2.1.2 Implementation of marketing and promotion activities																			
		2.1.3 Introduce signage and site interpretation																			
	2.2 Enhance international visibility and consumption of Armenian wine and gastronomy products	2.2.1 Organise the participation at international wine fairs and events																			
2.2.2 Linking Georgia with Armenian wine route																					
3. Promote positive impacts on host community and Armenian economy	3.1 Linking wine experiences with other local products of food and handicraft	3.1.1 Raise awareness about wine and gastronomy tourism opportunities																			
		3.1.2 Link wine and gastronomy tourism to the creative																			
	3.2 Create a wine and gastronomy education concept	3.2.1 Set-up of a unified certification and training system for the gastronomy industry																			
		3.2.2 Vocational school system and TVET for gastronomy																			
		3.2.3 Installation of training facilities for business owners, chefs, and other workers																			
4. Update the institutional and regulatory framework for gastro and wine tourism development	4.1 Update and facilitate laws	4.1.1 Review of current laws on wine production and export opportunities																			
		4.2 Support in foreign investment attraction																			
	4.3 Regulate the tourism statistics collection	4.2.1 Support in finding investment opportunities with international funding																			
		4.2.2 Support in finding export partners for their products																			
5. Improve the physical appearance and basic infrastructure of agritourism destinations	5.1 Improve the physical appearance of agritourism destinations	4.3.2 Implement visitors and residents' satisfaction surveys																			
		5.1.1 Replace asbestos from agritourism destinations																			
	5.1.2 Move gas pipelines underground																				
	5.2 Improve the basic infrastructure of agritourism destinations	5.2.1 Improve transport infrastructure towards key agritourism destinations																			
		5.2.2 Improve rural itineraries inside key agritourism destinations																			
		5.2.3 Improve public utilities at key agritourism destinations																			
		5.2.4 Introduce road signage and signs with site interpretation at key agritourism destinations																			

ANNEX 1 – Details of actions

1. Promotion of widespread growth of rural tourism services and activities throughout Armenia

1.1. Increase collaboration of agritourism sector value-chain

1.1.1. Creation of an agritourism business group of interest / association

Action 1.1.1	Creation of an agritourism business interest group
Strategic objective	Promotion of widespread growth of rural tourism services and activities throughout Armenia
Specific objective	Increase collaboration of the agritourism sector value-chain
Description	Set-up of a business association for agritourism
Key activities	<ul style="list-style-type: none"> - Awareness raising among agritourism businesses and gastro-yards as well as farming companies about the importance of collaboration - Strategic meetings with potential members - Preparation of an action plan of the association for the first and second years
KPIs	<ul style="list-style-type: none"> - 20 agritourism businesses are part of the interest group within 1 year - 50 farmers are part of the interest group within 1 year¹
Subject responsible	Ministry of Economy
Key stakeholders involved	Agricultural sector
Source of funding	No relevant fund needed
Time frame	Year 1
Recommendations	Members should be representative from all regions of Armenia



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1.1.2. Creation of an agritourism committee

Action 1.1.2		Creation of an agritourism committee	
Strategic objective	Promotion of widespread growth of rural tourism services and activities throughout Armenia		
Specific objective	Increase collaboration of agritourism sector value-chain		
Description	Set-up of an agritourism committee which decides together about the future of agritourism in Armenia		
Key activities	<ul style="list-style-type: none"> - Organization of a round-table discussion with agritourism businesses, wine and gastro associations, farmer associations, DMOs, Ministries, key tourism stakeholders, etc. - Preparation of an action plan of the committee for the first and second year of operation - Setting of goals to achieve for the first two years of operation - Awareness raising work among the industry 		
KPIs	- 10 different participating groups within the first years		
Subject responsible	TC		
Key stakeholders involved	Agritourism businesses, farmers, wineries, restaurants, DMOs, business associations, tour operators, tour guides, ministries, regional authorities		
Source of funding	No relevant fund needed		
Time frame	Year 1		
Recommendations	Members should be representative from all regions of Armenia		



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1.1.3. Elaborate a nationwide rural tourism strategy

Action 1.1.3		Elaborate a nationwide rural tourism strategy	
Strategic objective	Promotion of widespread growth of rural tourism services and activities throughout Armenia		
Specific objective	Increase collaboration of agritourism sector value-chain		
Description	A decent strategy for nationwide rural tourism is necessary for the development of agritourism		
Key activities	<ul style="list-style-type: none"> - Organization of a round-table with key public stakeholders such as regional authorities about rural tourism zones - Start of a national rural tourism committee with relevant members for discussion the future of rural tourism - Rural tourism potential and business opportunity analysis - Inclusion of other nature tourism products and activities for mountains, etc. 		
KPIs	<ul style="list-style-type: none"> - Initial round table discussions were held with all relevant regions of Armenia - At least 50 members are part of the rural tourism committee 		
Subject responsible	TC		
Key stakeholders involved	Agritourism businesses, farmers, wineries, restaurants, DMOs, business associations, tour operators, tour guides, ministries, regional authorities		
Source of funding	Public sector		
Time frame	Year 2		
Recommendations	Members should be representative from all regions of Armenia		

1.2. Creation of agritourism activities and experiences

1.2.1. Survey of the most suitable agricultural and gastronomy products for active and passive tourist experiences

Action 1.2.1	Survey of the most suitable agricultural and gastronomy products in Armenia
Strategic objective	Competitive and sustainable portfolio of products
Specific objective	Creation of agritourism activities and experiences
Description	Agritourism is rather new in Armenia, a survey is needed to understand the full potential of products and activities to be developed
Key activities	<ul style="list-style-type: none"> - Survey of all potential rural tourism zones and its current businesses in the agritourism, wine and gastronomy sectors - Needs analysis of private key stakeholders for the running of successful and interesting businesses - Evaluation of the most interesting products and activities to create a competitive set of experiences - Recommendations for the creation and implementation of agritourism workshops, active and passive experiences, etc.
KPIs	<ul style="list-style-type: none"> - 100 key stakeholders analyzed - 100 new ideas for interesting workshops and activities
Subject responsible	TC
Key stakeholders involved	Agro-businesses, Wineries, DMOs, business associations,
Source of funding	Ministry
Time frame	Year 2
Recommendations	The ultimate goal is to generate new ideas for innovative and interesting tourist experiences that are different from the market competitors



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1.2.2. Create a collaborative platform

Action 1.2.2	Create a collaborative platform with the gastro-yards (nationally) and international agritourism associations
Strategic objective	Competitive and sustainable portfolio of products
Specific objective	Creation of agritourism activities and experiences
Description	Agritourism is rather new in Armenia, therefore, a platform for collaboration with national and international actors is necessary
Key activities	<ul style="list-style-type: none"> - Create strong bonds with all existing gastro-yards in Armenia - Create links and communications with international organisations supporting agritourism - Work together with national and international universities for agriculture and biodiversity to generate ideas and concepts for Armenia - Participate at international conferences, seminars and events related to agritourism and biodiversity - Link up with Slow Food and its international network of actors in the agricultural sector
KPIs	- 10 international strategic partners are part of the platform
Subject responsible	TC
Key stakeholders involved	Agro-businesses, gastro yards, international organizations
Source of funding	Public sector
Time frame	Year 2-3
Recommendations	Cloud based, inter-active

1.3. Increase quality levels of agritourism structures

1.3.1. Introduction of quality standards

Action 1.3.1. Introduction of quality standards	
Strategic objective	Competitive and sustainable portfolio of products
Specific objective	Increase quality levels
Description	Agriculture and agritourism actors shall participate in a process in order to increase the quality levels of products and services
Key activities	<ul style="list-style-type: none"> - Definition of goals that are feasibly achievable in terms of quality levels - Collaboration with agritourism actors that are active members of the interest groups - Decision-making process together with the agritourism tourism committee - Benchmark analysis of agritourism products and services quality levels - MoU with relevant ministries and actors about its responsibility to increase quality levels of products and services - Recommendations for increasing the quality of products and services - Introduction of quality standards
KPIs	<ul style="list-style-type: none"> - A communication platform for all relevant actors has started - 50 agricultural products for quality level increase have been selected
Subject responsible	Ministry of Economy
Key stakeholders involved	Agritourism and agricultural businesses, wineries, business associations, ministries
Source of funding	Public sector
Time frame	Year 3
Recommendations	International best practices shall be considered



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1.4. Increase capacities of actors in the agritourism sector

1.4.1. Capacity building for agritourism actors

Action 1.4.1	Capacity building for agritourism actors
Strategic objective	Competitive and sustainable portfolio of products
Specific objective	Increase capacities of actors
Description	Agritourism actors shall benefit from a nationwide capacity building program
Key activities	<ul style="list-style-type: none"> - Skills gap analysis of agritourism actors such as wineries, restaurants, businesses offering gastronomy experiences, including tour operators and tour guides - Creation of specific modules for capacity building for customer service - Modules about how to plan/organize/manage/conduct an active experience; - Implementation of capacity building modules
KPIs	<ul style="list-style-type: none"> - Creation of 20 different capacity building modules in the first years - 100 relevant companies participated at the trainings in the second year
Subject responsible	Ministry of Economy
Key stakeholders involved	Agritourism businesses, wineries, business associations, ministries
Source of funding	Public sector
Time frame	Year 3-5
Recommendations	Participating companies should be representative from all regions of Armenia

1.4.2. Capacity building for small-scale farmers

Action 1.4.2 Capacity building for small-scale farmers	
Strategic objective	Competitive and sustainable portfolio of products
Specific objective	Increase capacities of actors in the agritourism sector
Description	Small-scale farmers and related companies need to be aware of the strategic linkage and the opportunities with the tourism sector
Key activities	<ul style="list-style-type: none"> - Skills gap analysis of family farming companies - Creation of specific modules for capacity building about sustainable agriculture, reduction of pesticides, utilization of natural fertilizers, business management, collaboration with the wineries and restaurants, etc. - Modules about how to plan/organize/manage/conduct an active eno-gastronomy experience; - Implementation of capacity building modules
KPIs	<ul style="list-style-type: none"> - Creation of 10 different capacity building modules in the first years - 100 relevant farming companies participated at the trainings in the second year
Subject responsible	Ministry of Economy
Key stakeholders involved	Farming companies that are relevant for agritourism businesses
Source of funding	Public sector
Time frame	Year 3-5
Recommendations	Participating companies should be representative from all regions of Armenia



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1.4.3. Organize study tours for agritourism actors

Action 1.4.3 Organize study tours for agritourism actors	
Strategic objective	Competitive and sustainable portfolio of products
Specific objective	Creation of agritourism activities and experiences
Description	agritourism actors, such as farming families, wineries, restaurants and tour operators as well as tour guides visit best practice destinations
Key activities	<ul style="list-style-type: none"> - Selection of best practice destinations such as in Georgia, Turkey or Italy - Fund raising for the payment of travel for Armenian participants - Visit of destinations with capacity building and on-hands experience
KPIs	- 10 actors have participated in the study tour
Subject responsible	TC
Key stakeholders involved	Farming families, agritourism businesses, Wineries, restaurants, DMOs, business associations, tour operators, tour guides, ministries, regional authorities
Source of funding	Public sector
Time frame	Years 3-5
Recommendations	Members should be representative from all regions of Armenia



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1.5. Introduction of educational farms

1.5.1. Capacity building and technical assistance for educational farms

Action 1.5.1		Capacity building and technical assistance for educational farms	
Strategic objective	Competitive and sustainable portfolio of products		
Specific objective	Introduce educational farms		
Description	Due to the new business idea and legal framework, the actors need qualified capacity building and eventually technical assistance for running their educational farms		
Key activities	<ul style="list-style-type: none"> - Skills gap analysis of educational farms - Creation of specific modules for capacity building about teaching to the kids topics such as cultivation, animal welfare, sustainable agriculture, agrobiodiversity, etc. - Modules about how to plan/organize/manage/conduct the educational activities with kids and school classes; - Implementation of capacity building modules 		
KPIs	<ul style="list-style-type: none"> - Creation of 10 different capacity building modules in the first years - 50 relevant educational farming companies participated at the trainings 		
Subject responsible	Ministry of Economy		
Key stakeholders involved	Farming companies that are relevant for educational farms		
Source of funding	Public sector		
Time frame	Years 4-6		
Recommendations	Participating companies should be representative from all regions of Armenia		

2. Guarantee the market visibility and accessibility of such a portfolio

2.1. Adopt effective marketing, promotion and dissemination activities

2.1.1. Enhance research and publication about agriculture and agritourism

Action 2.1.1 Enhance research and publication about agriculture and agritourism	
Strategic objective	Guarantee the market visibility and accessibility of such a portfolio
Specific objective	Adopt effective marketing activities
Description	Research and relevant publications about agriculture, biodiversity, wine in Armenia hardly exist, such a process is important to understand the real potential and create the documentation about facts
Key activities	<ul style="list-style-type: none"> - Create a team of national researchers for endemic agricultural products, biodiversity, etc. - Creation of a data platform to store the research findings - Publication of an Armenian rural and agricultural tourism journal - Transform research findings into content for marketing and promotion
KPIs	<ul style="list-style-type: none"> - Creation of 20 different capacity building modules in the first years - 100 relevant companies participated at the trainings in the second year
Subject responsible	TC, Universities
Key stakeholders involved	Farmers, wineries, business associations, ministries
Source of funding	Public sector
Time frame	Years 3-6
Recommendations	Participating companies should be representative from all regions of Armenia

2.1.2. Implementation of marketing and promotion activities

Action 2.1.2 Implementation of marketing and promotion activities	
Strategic objective	Guarantee the market visibility and accessibility of such a portfolio
Specific objective	Adopt effective marketing activities
Description	A marketing strategy for agritourism is necessary to adopt various activities for international promotion
Key activities	<ul style="list-style-type: none"> - Elaboration of a decent marketing and promotion strategy for agritourism in Armenia - Participation at specific agriculture and agritourism and gastronomy events with selected national actors - Online marketing: Create a dedicated agritourism and rural tourism experiences website; including the opening and management of social media channels; e-mail marketing strategy; - Offline marketing: creation of specific brochures, an agritourism map with gastronomy and experience highlights, etc.
KPIs	<ul style="list-style-type: none"> - Website about agritourism in Armenia is online after 1 year - 10 international events have been selected; - Agritourism locations and experiences are integrated into specific brochures for the main source markets
Subject responsible	TC
Key stakeholders involved	Agritourism businesses, wineries, restaurants, business associations, ministries
Source of funding	Public sector
Time frame	Years 3-10
Recommendations	Participating companies should be representative from all regions of Armenia



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2.2. Enhance international visibility and collaboration with international agritourism operators

2.2.1. Participation at international agritourism fairs

Action 2.2.1	Participation at specific international wine and food fairs
Strategic objective	Guarantee the market visibility and accessibility of such a portfolio
Specific objective	Enhance international visibility and consumption of Armenian wine and gastronomy products
Description	The international presentation and sale of dedicated products increase the overall awareness of the destination Armenia as an attraction for wine and gastronomy
Key activities	<ul style="list-style-type: none"> - Selection of relevant wine and food product fairs - Fund raising for the participation of selected wineries and gastronomy producers - Collaboration with national and regional chamber of commerce for wine and agricultural products - Participation at international contests for wine and food quality
KPIs	<ul style="list-style-type: none"> - Website about wine tourism in Armenia is online after 1 year - 10 international events have been selected; - 5 different wine and gastronomy tourism brochures have been created and translated into 3 languages for the main source markets
Subject responsible	TC
Key stakeholders involved	Wineries, restaurants, business associations, ministries
Source of funding	Public sector
Time frame	Years 4-10
Recommendations	Participating companies should be representative from all regions of Armenia

2.2.2. Create international linkages with relevant partners

Action 2.2.2		Create linkages with international partners	
Strategic objective		Guarantee the market visibility and accessibility of such a portfolio	
Specific objective		Enhance international visibility and consumption of Armenian agritourism, wine and gastronomy products	
Description		Georgia, as one of the most important international partners in the region has achieved considerable results with respect to agritourism, wine and gastronomy tourism. Armenia should benefit from the Georgian reputation and link products and routes for international tourists	
Key activities		<ul style="list-style-type: none"> - Collaborate with the Georgian Tourism Board and the actors especially along the Georgian wine route - Organize a meeting with Georgian and Armenian rural tourism business partners - Organize a meeting with Georgian and Armenian tour operators and guides specialized on wine tours for further collaboration - MoU between Georgian and Armenian wine regions as well as tourism boards 	
KPIs		<ul style="list-style-type: none"> - 10 tour operators from both countries decide to collaborate - 10 wineries in 2 wine regions sign the MoU 	
Subject responsible		TC	
Key stakeholders involved		Wineries, DMOs, tour operators	
Source of funding		Public sector	
Time frame		Years 3-5	
Recommendations			

3. Promote positive impact of agritourism on host community and Armenian economy

3.1. Linking agritourism structures and experiences with other local service providers

3.1.1. Raise awareness about agritourism opportunities

Action 3.1.1	Raise awareness about agritourism opportunities
Strategic objective	Promote positive impact of agritourism on host community and Armenian economy
Specific objective	Linking agritourism experiences with other local product and service providers
Description	Agritourism is hardly known in Armenia, an awareness raising campaign is needed to catch the people's attention
Key activities	<ul style="list-style-type: none"> - Online awareness raising campaign about the benefits of agritourism for the country, especially for rural regions - Create strategic partnership with business leaders in agriculture, wine, gastronomy and tourism - Organize awareness raising activities with business leaders in agriculture, wine, gastronomy and tourism to motivate rural actors as suppliers and actors - Implement an agritourism opportunity road show in schools and universities
KPIs	<ul style="list-style-type: none"> - 5 online campaigns - 5 local campaigns in all regions of Armenia - Visit of 100 public schools - The partnership consists of at least 30 strategic leaders
Subject responsible	TC
Key stakeholders involved	Regional authorities, ministries
Source of funding	Public sector
Time frame	Years 4-6
Recommendations	



3.1.2. Start a match-making platform linking agritourism to the larger local economy

Action 3.1.2		Match-making platform	
Strategic objective	Promote positive impact of agritourism on host community and Armenian economy		
Specific objective	Linking agritourism experiences with other local product and service providers		
Description	Agritourism is hardly known in Armenia, a match-making platform for farmers and businesses is needed to link the actors along the value-chain		
Key activities	<ul style="list-style-type: none"> - Value-chain analysis of the sectors of agriculture, agri-businesses, farmers, wineries, restaurants, tourism service providers - Detailed analysis of each cross-sector of the value-chain - Installation of an online match-making platform for all relevant business sectors along the value-chain - Online awareness raising campaign about the benefits of participating at the platform - Organize awareness raising activities with business leaders in agriculture, wine, gastronomy and tourism to motivate rural actors as suppliers and actors 		
KPIs	<ul style="list-style-type: none"> - Detailed value-chain analysis for 5 different cross-sectors - 5 local campaigns in all regions of Armenia 		
Subject responsible	Ministry of Economy		
Key stakeholders involved	Regional authorities, ministries, private companies		
Source of funding	Public sector		
Time frame	Year 5		
Recommendations			

3.2. Promote Community-Led Local Development

3.2.1. Promote Local Action Groups (LAG)

Action 3.2.1 Promote Local Action Groups (LAG)	
Strategic objective	Promotion of widespread growth of rural tourism services and activities throughout Armenia
Specific objective	Increase collaboration of agritourism sector value-chain
Description	The action consists in the formal recognition of Local Action Groups (LAGs), which will be called to devise a strategy - Local Action Plan (LAP) - for local rural development and later assigned funds to small-scale public and private investments
Key activities	<ul style="list-style-type: none"> - Recognition of Community-Led Local Development, based on LAGs at the national level by joint decision of the Ministry of Economy and the Ministry of Agriculture - Launch of a tender for collecting proposals from public and private coalition of operators to establish LAGs, based of perspective LAPs - Selection of LAGs admitted for financial provision
KPIs	- 10 LAGs activated in Armenia
Subject responsible	TC
Key stakeholders involved	Agro-businesses, Wineries, DMOs, business associations,
Source of funding	Ministry of Economy
Time frame	Year 3-4
Recommendations	<p>For each region one LAG should be activated</p> <p>LAGs should be composed of representatives of the local public and private socio-economic interests in which, at a decision-making level, neither public authorities nor any single interest group represent more than 49% of the voting rights</p>

3.2.3. Implement Local Action Plans (LAP)

Action 3.2.2 Implement Local Action Plans (LAP)	
Strategic objective	Promotion of widespread growth of rural tourism services and activities throughout Armenia
Specific objective	Increase collaboration of agritourism sector value-chain
Description	The action consists in the incentivization of Local Action Groups (LAGs), which will devise a strategy - Local Action Plan (LAP) - for local rural development and later assigned funds to small-scale public and private investments
Key activities	<ul style="list-style-type: none"> - Provision of finance to LAGs admitted by previous action - Implementation of private and public interventions of a 5-year time scale
KPIs	<ul style="list-style-type: none"> - 10 LAPs implemented - 100 new agritourism businesses activated - 10 marketing strategies implemented - 50 small-scale investments in public services and infrastructures implemented
Subject responsible	TC
Key stakeholders involved	Agro-businesses, Wineries, DMOs, business associations,
Source of funding	Ministry of Economy
Time frame	Year 5-10
Recommendations	<p>The governance and management of financial provision should be kept at the LAG level</p> <p>Technical assistance should be provide to support LAPs' implementation</p>



3.3. Provide incentives for private investment

3.3.1. Survey about beneficiaries from incentives

Action 3.3.1		Survey about beneficiaries from incentives
Strategic objective	Promote positive impact of agritourism on host community and Armenian economy	
Specific objective	Create incentives for private investment	
Description	Tourism is an industry with a long value-chain, covering many different service sectors. It is important to understand how many sectors and businesses would benefit from a rural tourism investment	
Key activities	<ul style="list-style-type: none"> - Survey about all potential persons, businesses, regions, that would benefit from rural tourism - Economic impact analysis of potential beneficiaries - Elaboration of an estimation analysis of how much investment would be needed to achieve a well-working rural tourism sector - Create indicators for a successful and sustainable rural tourism concept 	
KPIs	<ul style="list-style-type: none"> - Detailed value-chain analysis for 5 different cross-sectors - 5 local campaigns in all regions of Armenia 	
Subject responsible	TC	
Key stakeholders involved	Regional authorities, ministries, private companies	
Source of funding	Public sector	
Time frame	Years 2-5	
Recommendations		



3.3.2. Provision of incentives to SMES and SME in agriculture

Action 3.3.2		Provision of incentives to SMES and SME in agriculture	
Strategic objective		Promote positive impact of agritourism on host community and Armenian economy	
Specific objective		Create incentives for private investment	
Description		Tourism is an industry with a long value-chain, covering many different service sectors. It is important to understand how many sectors and businesses would benefit from a rural tourism investment	
Key activities		<ul style="list-style-type: none"> - Survey about all potential persons, businesses, regions, that would benefit from rural tourism - Economic impact analysis of potential beneficiaries - Elaboration of an estimation analysis of how much investment would be needed to achieve a well-working rural tourism sector - Create indicators for a successful and sustainable rural tourism concept 	
KPIs		<ul style="list-style-type: none"> - Detailed value-chain analysis for 5 different cross-sectors - 5 local campaigns in all regions of Armenia 	
Subject responsible		TC	
Key stakeholders involved		Regional authorities, ministries, private companies	
Source of funding		Public sector	
Time frame		Years 2-5	
Recommendations			

4. Update the institutional and regulatory framework for agritourism development

4.1. Update and facilitate legislation about agritourism and educational farms

4.1.1. Review of current legislation on agritourism sector

Action 4.1.1. Review of current legislation on agritourism sector	
Strategic objective	Update the institutional and regulatory framework for agritourism development
Specific objective	Update and facilitate legislation about agritourism and educational farms
Description	The legislation for the agritourism sector needs to be reviewed as it is a rather new business sector
Key activities	<ul style="list-style-type: none"> - Review of the existing legislation of the agritourism sector - Benchmark analysis of the legislation of agritourism in successful countries - Creation of beneficial changes to the legislation to facilitate agritourism services and business operations
KPIs	- Update of legislation in favor of agritourism companies
Subject responsible	Ministry of Economy
Key stakeholders involved	Regional authorities, ministries, private sector
Source of funding	Public sector
Time frame	Year 2
Recommendations	



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4.1.2. Elaboration of a legal framework for educational farms

Action 4.1.2		Elaboration of a legal framework for educational farms	
Strategic objective		Competitive and sustainable portfolio of products	
Specific objective		Introduce educational farms	
Description		Educational farms are new in Armenia and a legal framework needs to be elaborated. This concerns the business license, quality criteria, the educational aspect, among others.	
Key activities		<ul style="list-style-type: none"> - Benchmark analysis of educational farms in the international context - Verification if a certain business license is needed for such an activity - Elaboration of certain quality criteria - Standards for the protection of the environment - Standards for safety measures 	
KPIs		- A feasible legal framework for opening and running educational farms	
Subject responsible		TC	
Key stakeholders involved		Ministry of Economy	
Source of funding		Public sector	
Time frame		Year 2	
Recommendations			



4.2. Introduce investment schemes and PPP models for agritourism development

4.2.1. Adoption of fiscal rules and incentives for agritourism

Action 4.2.1	Adoption of fiscal rules and incentives for agritourism
Strategic objective	Provision of institutional support for agritourism development
Specific objective	Adoption of fiscal rules and incentives for agritourism
Description	Identification of tax-exemptions mechanisms and incentives schemes for agritourism
Key activities	<ul style="list-style-type: none"> - Identification of specific schemes for tax-exemptions and/or reductions for products and services of rural tourism businesses - Identification of specific incentive schemes for investment in a sustainable rural and agritourism sector, this shall contain: infrastructure, energy-efficiency, sustainable agriculture, accommodation services
KPIs	<ul style="list-style-type: none"> - Investment schemes for national and international companies in the rural areas of Armenia - Incentive schemes for local SMEs in the agriculture and agritourism sectors
Subject responsible	Ministry of Economy
Key stakeholders involved	Regional authorities, ministries, private companies
Source of funding	Public sector
Time frame	Years 2-5

4.2.2. Elaboration of investment and funding schemes

Action 4.2.2		Elaboration of investment and funding schemes	
Strategic objective	Competitive and sustainable portfolio of products		
Specific objective	Update and facilitate legislation about agritourism and educational farms		
Description	Based on the survey of action 1.3.1. certain actions need to be done by the agritourism actors, for its implementation funds will be necessary		
Key activities	<ul style="list-style-type: none"> - Creation of a fund for specific financial support for infrastructural development, tourism experiences and agricultural products, and accommodation services - Elaboration of a tender procedure, mechanism for procurement, fund dissemination 		
KPIs	- 100 businesses have received relevant funding		
Subject responsible	Ministry of Economy		
Key stakeholders involved	Agritourism and agricultural businesses, wineries, business associations, ministries		
Source of funding	Public sector		
Time frame	Years 3-4		
Recommendations			

4.2.3. Support in finding investment opportunities with international funding

Action 4.2.3 Support in finding investment opportunities	
Strategic objective	Update and facilitate laws
Specific objective	Provision of institutional support
Description	Rural, agricultural and agritourism businesses that are relevant for tourism development shall receive support for more investment
Key activities	<ul style="list-style-type: none"> - Review of current investment support and business opportunity programmes - Upgrade of business support programmes, in particular for agricultural and agritourism businesses - Support with international funding opportunities, special loan schemes and project grants for investment
KPIs	- Update of legislation in favor of agricultural and agritourism businesses
Subject responsible	Ministry of Economy
Key stakeholders involved	Regional authorities, ministries, private sector
Source of funding	Public sector
Time frame	Years 3-6
Recommendations	

4.2.4. Adoption of a CLLD model based on LAGs

Action 4.2.4		Creation of a CLLD model based on LAGs	
Strategic objective		Update and facilitate laws	
Specific objective		Provision of institutional support	
Description		The action foresees the construction and formal approval, by Government decree, of a CLLD scheme based on PPP among the public and private operators	
Key activities		<ul style="list-style-type: none"> - Review of EU legislation related to CLLD - Adaptation of CLLD to the Armenian case - Formal recognition of CLLD model 	
KPIs			
Subject responsible		Ministry of Economy	
Key stakeholders involved		Regional authorities, ministries, private sector	
Source of funding		Public sector	
Time frame		Year 3	
Recommendations		CLLD should foresee participation from both public and private stakeholders adopting a PPP model where public partners have not majority of votes	

4.3. Regulate the tourism statistics collection

4.3.1. Implement visitors and residents' satisfaction surveys

Action	4.3.1 Implement visitor and resident satisfaction surveys
Strategic objective	4. Update the institutional and regulatory framework for agritourism development
Specific objective	4.3 Regulate the tourism statistics collection
Description	Set up a system to monitor the visitors' and residents' satisfaction level
Key activities	<ul style="list-style-type: none"> Identify specialized research centers for creating customer satisfaction surveys Include residents' survey in the plan Formulate and approve the survey's methodology to be applied at cultural tourism sites among tourists Identify key agritourism structures where surveys have to be applied Organize surveys at agritourism structures Engage university students and young researchers at doing surveys Fix the periods for doing surveys Evaluate survey results using various methods and programs, including evaluation of customer satisfaction score and net promoter score of agritourism Organize quality research studies of agritourism by cooperating with research centers Based on survey results take steps to solve the problems in order to ensure high satisfaction of tourists
Key Performance Indicators	<ul style="list-style-type: none"> Elaboration of a survey in 1 year Organizing a survey in 1 year in every key agritourism destination
Subject responsible	TC
Key stakeholders involved	<ul style="list-style-type: none"> Ministry of Agriculture Ministry of Commerce Agritourism structures Research organizations Universities State organs Local government bodies Tourists
Source of funding	Public and private sector
Time frame	Year 4
Recommendations	<ul style="list-style-type: none"> Surveys may be done monthly, quarterly, yearly, depending on the site, cooperating with research organizations Results of the surveys should inform broader tourism actions Surveys should be extended to residents, so as to monitor local satisfaction with tourism

5. Improve the physical appearance and basic infrastructure of agritourism destinations

5.1. Improve the physical appearance of agritourism destinations

5.1.1. Replace asbestos roofs from agritourism destinations

Action 5.1.1. Replace asbestos from agritourism destinations	
Strategic objective	Improve the physical appearance and basic infrastructure of agritourism destinations
Specific objective	Improve the physical appearance of agritourism destinations
Description	The intervention is intended to remove asbestos roofs at key agro-tourism destinations. Asbestos is a carcinogenic mineral. It consists of flexible fibers resistant to heat, electricity and corrosion. These qualities make the mineral useful in many products, but they also contribute to asbestos exposure toxicity. Construction materials contained asbestos because it is an effective insulator. Asbestos in cloth, paper, cement, plastic and other materials makes them stronger. Inhaling or ingesting asbestos causes fibers to become trapped in the body. Over decades, trapped asbestos fibers can cause inflammation, scarring and cancer. The presence of asbestos is totally in opposition with the health motivation that drive much of agritourism demand at the international level.
Key activities	<ul style="list-style-type: none"> - Selection of pilot areas - Provision of grants to residents and agritourism operators to replace asbestos from their houses and tourist accommodation
KPIs	- Quantity of asbestos replaced
Subject responsible	Ministry of Economy
Key stakeholders involved	Ministry of Territorial Administration and Infrastructure, Regional authorities, private sector, residents
Source of funding	Public sector
Time frame	Year 3
Recommendations	

5.1.2. Move gas pipelines underground

Action 5.1.2		Move gas pipelines underground	
Strategic objective		Improve the physical appearance and basic infrastructure of agritourism destinations	
Specific objective		Improve the physical appearance of agritourism destinations	
Description		The intervention is intended to better physical appearance of agrotourism destinations. The presence of visible pipelines is not acceptable according to international best practices	
Key activities		<ul style="list-style-type: none"> - Selection of pilot areas - Bury gas pipeline at least in tourist areas 	
KPIs		<ul style="list-style-type: none"> - Meters of pipelines buried 	
Subject responsible		Ministry of Economy	
Key stakeholders involved		Ministry of Territorial Administration and Infrastructure, Regional authorities, Local Governments	
Source of funding		Public sector	
Time frame		Year 5	
Recommendations			

5.2. Improve the basic infrastructure of agritourism destinations

5.2.1. Improve transport infrastructure towards key agritourism destinations

Action 5.2.1. Improve transport infrastructure towards key agritourism destinations	
Strategic objective	Improve the physical appearance and basic infrastructure of agritourism destinations
Specific objective	Improve the basic infrastructure of agritourism destinations
Description	The intervention is intended to improve road connections towards key agritourism destinations
Key activities	<ul style="list-style-type: none"> - Analysis of transportation network serving key agritourism destinations - Specification of key interventions - Implementation of interventions
KPIs	- Kms of roads improved
Subject responsible	Ministry of Economy
Key stakeholders involved	Ministry of Territorial Administration and Infrastructure, Regional authorities, private sector, residents
Source of funding	Public sector
Time frame	Year 5
Recommendations	

5.2.2. Improve rural itineraries inside key agritourism destinations

Action 5.2.2. Improve rural itineraries inside key agritourism destinations	
Strategic objective	Improve the physical appearance and basic infrastructure of agritourism destinations
Specific objective	Improve the basic infrastructure of agritourism destinations
Description	The intervention is intended to improve local connections within key agritourism destinations
Key activities	<ul style="list-style-type: none"> - Analysis of local connections serving key agritourism destinations - Specification of key interventions, including rural routes, cycle paths, trekking routes - Implementation of interventions
KPIs	- Number of connections implemented
Subject responsible	Ministry of Economy
Key stakeholders involved	Ministry of Territorial Administration and Infrastructure, Regional authorities, private sector, residents
Source of funding	Public sector
Time frame	Year 5
Recommendations	

5.2.3. *Improve public utilities at key agritourism destinations*

Action 5.2.3. Improve public utilities at key agritourism destinations	
Strategic objective	Improve the physical appearance and basic infrastructure of agritourism destinations
Specific objective	Improve the basic infrastructure of agritourism destinations
Description	The intervention is intended to improve local connections within key agritourism destinations
Key activities	<ul style="list-style-type: none"> - Analysis of public utilities serving key agritourism destinations - Specification of key interventions, including electricity, gas and water supply; waste disposal, digital infrastructures - Implementation of interventions
KPIs	- Number of interventions
Subject responsible	Ministry of Economy
Key stakeholders involved	Ministry of Territorial Administration and Infrastructure, Regional authorities, private sector, residents
Source of funding	Public sector
Time frame	Year 5
Recommendations	

5.2.4. *Introduce road signs and signage with site interpretation at key agritourism destinations*

Action 5.2.4.	Introduce road signs and signage with site interpretation at key agritourism destinations
Strategic objective	Improve the physical appearance and basic infrastructure of agritourism destinations
Specific objective	Improve the basic infrastructure of agritourism destinations
Description	The intervention is intended to give detailed information about the agritourism destinations along the connecting roads, and site interpretation at the key destinations.
Key activities	<ul style="list-style-type: none"> - Analysis of rural itineraries (connected to action 5.2.2.) and a strategic network of these in order to connect to agritourism itineraries - Elaboration of a logical framework, languages, material, design, and creation of content for the signs - Exact definition of locations for the signs - Installation of the signs
KPIs	- Number of signs
Subject responsible	Ministry of Economy
Key stakeholders involved	Ministry of Territorial Administration and Infrastructure, Regional authorities, private sector, residents
Source of funding	Public sector
Time frame	Year 5
Recommendations	

ANNEX 2 – Minutes of meetings

Minute of meeting	
Location	Areni Winery
Date and time	18.10.2022, evening
Objective of the meeting	Meet Norayr and his father who are working at the Areni winery family business
Key points discussed	<ul style="list-style-type: none"> • 9 villages / settlements, more than 11.500 population • 20-25% in/directly related to tourism • could be 30-35% in 10 years • main issues: • missing infrastructure: drinking water, roads, sewage system, unstable electricity, • now, 60% of the Areni village have problems with access to water • high season: May to October, • Areni village: 15 B&B • Chiva village: 5 B&B • 22 B&Bs in total, around 200 beds • 7 wineries, 3 more wine producers who make homemade wine • main winery services: vineyard tour, winery tour, wine tasting, grape harvesting, lunch and dinner • visitor profile: many from Russia, Europe (old people in groups), diaspora, now many are domestic tourists • all wineries collaborate with Armenian TOs, TAs, • dry fruits, jams, (apricots, plums, peach, grape), honey, most of the inhabitants are family farmers with animals, • products out of grapes: wine, vodka, doschab (grape syrup, also from mulberry), jam, rasins, muraba (type of jam), dried herbs, • license is needed for alcoholic drinks • certification for all other products • wine producer's association: Vine and Wine Foundation in Yerevan is helping local farmers to start associations, • ARENI Wine Brand, marketing concept • Areni is sister city with Bandol in Southern France, they help them to set up a wine association • Wine Festival October 2022 was cancelled due to war • Survey in Areni: among 300 families about wine making and grape producing, <u>only 10-15 families were ready to be part of an association</u>
Results	Data collection about the situation of the wine tourism industry in Areni.
Next steps relative to key points and further issues raised	Planning of meetings for the next days

Minute of meeting	
Location	Matevosyan House Restaurant, Arpi village
Date and time	19.10.2022, morning
Objective of the meeting	Interview with the restaurant
Key points discussed	<ul style="list-style-type: none"> • family restaurant, with additional employees hiring 1-3 persons, • tourists come from Germany, France, Russia - families and groups, hardly any Armenian / domestic tourists • works with TOs from Ar and international • working on a B&B for 8 beds



	<ul style="list-style-type: none"> • working together with MAtevosyan Winery: making wine tasting, master classes of lavash and gata (cake) making, • issues: war AZ/AR, corona, • infrastructure needs: road conditions, signage, • Matevosyan Agro (type of agritourism with a few services) and Winery cooperatives; Mr. Asma is working with them but not a member • about 20 people in Arpi benefit from his restaurant • many more benefit from tourism (population of 911) • why do tourists come to Arpi: fruit, food, wine, Ertij castle • specific eno-gastronomy or agritourism? • length of stay: 1-2 nights • organization of tourism in Areni: there should be some kind of organization of tourism in Areni, also for price awareness, • 5-6000 guests per year, he could host many more to make better business, especially with the degustation hall • guests demand picnic, to sleep at the restaurant • SME support center gives out loans with special conditions, more financial support is needed to make investment on new plates and furniture • restaurant value chain: most of the furniture is made in Armenia, but plates, cutlery and glasses are imported from EU/China, • ARPI Youth Center is making videos for destination promotion
Results	
Next steps relative to key points and further issues raised	The person was invited to the workshop in Areni

Minute of meeting	
Location	Willow House B&B
Date and time	19.10. morning
Objective of the meeting	Visit the B&B and interview
Key points discussed	<ul style="list-style-type: none"> • 2 rooms available with 4 beds • Very low standard quality • no idea about WHAT she can do with agritourism, but she wants to do it
Results	
Next steps relative to key points and further issues raised	The person was invited to the workshop in Areni

Minute of meeting	
Location	Momik Wine Cube
Date and time	19.10. morning
Objective of the meeting	Visit the Momik winery and meet the owners
Key points discussed	<ul style="list-style-type: none"> • wine growing experiments without irrigation and pesticides, similar to organic wine growing • agritourism activities for tourists: got financial help from GIZ project • From farm to bottle project

	<ul style="list-style-type: none"> • Vineyards of Armenia project • Wine Route: Vayots Dzor, 7 members, making some marketing for the region, signage along the main road, part of the MyArmenia project by USAID, • tourism organisation and management: there is need of marketing/promotion of the area, • he could do almost nothing without the help of international projects and organisations • Areni tourism association with members such as: wineries, restaurants, B&Bs, hotels, wine tasting halls, gastroyards, • currently there are around 35 tourism businesses in the Areni area, 80% would be interested in participating • presently there is high competition among the businesses – Need for capacity building that tourism needs collaboration instead of competition • Steering committee: Municipality and 3 elected association leaders?? • destination marketing, branding, logo, etc. have not been discussed yet but it is very important • the biggest issue is the war AR/AZ, also Ukraine crisis, affecting businesses • in 2022 there were 20% more tourists than in 2018, in 5y there will be more than 50% tourism in this area • main attraction: wine, gastronomy, “wines opens all other doors for tourism” • tourists coming with TOs stay only for a few hours for lunch and wine tasting, but do not sleep in Areni • individual tourists stay longer and sleep in the Areni area, US and EU • FUTURE: 3 cottages, because people would like to sleep after the wine tasting • one of his sons is interesting in being involved, with business management and marketing for the family winery
Next steps relative to key points and further issues raised	The person was invited to the workshop in Areni

Minute of meeting	
Location	Areni Wine Factory
Date and time	19.10. morning
Objective of the meeting	Visit the wine factory and meet the owners
Key points discussed	<ul style="list-style-type: none"> • many russian tourists • wine factory tour, sommelier tastings, restaurant, big souvenir shop and tasting room • lots of equipment for wine making from Italy and Russia, starting with industrial wine making only in 2022 • IDEA: linking wine makers with barrel makers, issue: barrel makers do not live in Areni, most of them only make barrels for Brandy, not enough demand for wine barrels
Results	



Next steps relative to key points and further issues raised	The person was invited to the workshop in Areni
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Minute of meeting	
Location	Wine Cellar B&B
Date and time	19.10. noon
Objective of the meeting	Meet the owner
Key points discussed	<ul style="list-style-type: none"> • 5 rooms, started in 2020, groups and individuals booking for 1-3 nights • wants to open a restaurant, takes part in a state program for women wine entrepreneurs, there are several programs for SME support, she wants to make different products out of grapes such as: <ul style="list-style-type: none"> • vinegar, ink, raisins, • from Nov-Jan there are only a few guests • working as tour guides when there is not enough demand from tourists • there is the need for tourism management in Areni, Areni Tourism Association • collaboration of different tourism services: taxi, guides for hiking, activities, entertainment, side cars as taxi transport, horse riding, • GH association: they are not working well enough, not enough marketing, • young people of the country, especially in Areni, want to stay in Armenia • fruit picking is an interesting and demanded activity • Vodka Festival, Vodka Route • Infrastructure needs: 12 hours of water availability, one week water during the day, one week water in the night, sewage system, poor street lights, shops and secondary services are missing, • in Areni they do not have trees or wood, they need to buy it from northern Armenia, costly • future of tourism is bright, nowadays only a few domestic visitors, but probably growing with the general level of social wealth • NO tourist arrival statistics in place at the moment, no data collection • Tourism Resource Registry - Mekhak
Results	
Next steps relative to key points and further issues raised	The person was invited to the workshop in Areni

Minute of meeting	
Location	Trinity Canyon Winery
Date and time	19.10. noon
Objective of the meeting	Meet the owner and visit the winery
Key points discussed	<ul style="list-style-type: none"> • tourism issues: networking among businesses • organic winery (first wine that is chilled at the right temperature)

	<ul style="list-style-type: none"> • collaborates with TOs and TAs, groups from EU and US, more Russians coming this year • collaborates with local farmers, cheese and bread making • he is against the stalls with the Coca Cola bottles because it gives a wrong impression of a wine region • Wine Route: developed by USAID, promotes certain wineries with leaflets, road signs, website, booklet with stamps, • Need: tourism information center, enomatic machines, • there were several attempts to create an association but members doubt the effectiveness • Wine - marathon; folk music festival; • the Wine Festival is rather for mass people, young and entertainment • pure classic and culture related events are organized by individuals
Next steps relative to key points and further issues raised	The person was invited to the workshop in Areni

Minute of meeting	
Location	Areni Wine Cave
Date and time	19.10. afternoon
Objective of the meeting	Visit the archaeological site of the Wine cave
People met	Tour guide
Key points discussed	<ul style="list-style-type: none"> • around 20.000 visitors per year • many groups from Europe • more excavations planned in the next years
Next steps relative to key points and further issues raised	

Minute of meeting	
Location	Areni Artisan workshop
Date and time	19.10. evening
Objective of the meeting	Meet the only artisan workshop in Areni
Key points discussed	<ul style="list-style-type: none"> • she is working with clay and makes pottery • also painting and making small souvenirs • she is not connected to the tourism industry, the accommodation facilities and hotels would not buy her products because they are too expensive • sometimes she hosts small groups of tourists doing pottery workshop • sometimes she gets requests from tour operators to host groups, but she can only host 4-5 people • she mainly works with school kids and makes courses
Results	She is not connected to the tourism industry



Next steps relative to key points and further issues raised	Invitation to the workshop in Areni
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Minute of meeting	
Location	Areni Gastroyard and Stepanyan winery
Date and time	19.10. evening
Objective of the meeting	Meet with the owner of the winery and gastroyard
Key points discussed	<ul style="list-style-type: none"> • Mr. Stepanyan received a grant from UNDP to upgrade his restaurant and winery to a gastroyard • He receives tourists mainly from Germany and other EU countries • Closely collaborates with tour operators and receives groups • A key issue is the bad road condition, the bus cannot drive to the door of the gastroyard
Next steps relative to key points and further issues raised	

Minute of meeting	
Location	Areni Workshop
Date and time	20.10., morning
Objective of the meeting	Hold a workshop for private and public tourism stakeholders in Areni
People met	Please see list of attendees
Key points discussed	<p>Mayor:</p> <ul style="list-style-type: none"> • development of drinking and irrigation water project will take a long time, it is necessary to discuss that topic • Government subsidies are needed for infrastructure needs • Areni village is preferred for such infrastructure: water supply, sewage, electricity, • interest in the dev of adventure tourism <p>Wine Fest:</p> <ul style="list-style-type: none"> • wine tourism and the festival are very important, gata festival • before pandemic: 30-40000 visitors at the wine festival • economic impact analysis of festival? Gayane update!! • businesses had around 1.000 USD additional income due to the festival • 2021: 40 wine producers with license participated, 80 home-made wine producers, kiosk on the main road, • 8-10 souvenir shops • 2021: 24-26000 <p>Management Model:</p> <ul style="list-style-type: none"> • regulation of data process from the Areni cave and the private sector businesses, issue of legislation • partnership between private and public • strong collaborative approach among the private sector is needed • municipality should take on the role of the moderator



	<ul style="list-style-type: none"> • quality standards for association members • trainings • visitor / info center <p>UNDP project:</p> <ul style="list-style-type: none"> • 5 options • feedback mechanism in Areni area, feedback from visitors and guest houses about expectations and services • extension of the wine festival to 3-5 days and include surrounding villages, related also to other agricultural products • gathering of art, history, songs, culinary, and suggest to restaurants to include cultural activities and more culinary to their menu and • brand creation with logo
Results	<ul style="list-style-type: none"> • The deputy mayor was hardly able to clearly answer to questions about tourism data • The private stakeholders are aware that an association of private tourism businesses makes sense and is necessary to improve tourism management in Areni
Next steps relative to key points and further issues raised	Key issues to be taken into account when developing the TSMP.

Minute of meeting	
Location	Meghri workshop
Date and time	21.10. morning
Objective of the meeting	Hold a workshop for private and public tourism stakeholders in Meghri
People met	<p>Please see list of attendees</p> <ul style="list-style-type: none"> • Municipality: urban planner, Mayor, Agarak village leader, Emergency Dep, Secretary of staff, events planner, educational projects, intern, urban development • Private sector: Heritage B&B, Higher B&B
Key points discussed	<p>Questions</p> <ul style="list-style-type: none"> • tourism data: how many businesses: • 5 B&Bs • 7 hotels • beds: 200 • maximum number of overnight stays: 75.000; 50% occupancy = 37.500; • restaurants: 10 • total number of persons benefitting from tourism: 200 • population of Meghri: 12.500 • how many cars, trucks, people transit through Meghri: immigration office • potential number of people stopping over in Meghri • how many arrivals and overnight stays in the previous years • tourism profile • artisans and handicraft: there are no artists in Meghri <p>Meghri attractions:</p> <ul style="list-style-type: none"> • Johann Baptist church • mountains and hiking trails, waterfalls, trans-caucasian trail, adventure and extreme tourism, climbing, • traditional urban architectural heritage



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	<ul style="list-style-type: none"> • cuisine master class, Soup, Lavash, pumpkin dish • fruits: persimon, figues, pomegranate • herbs, olives, nuts, • there is no market in Meghri <p>Main issues:</p> <ul style="list-style-type: none"> • bad infrastructure • no tourist guides • no brochures <p>Tourism organization:</p> <ul style="list-style-type: none"> • it needs support of the Gov • Capacity building needs: hotel / restaurant / business service management • education: tourism service improvement <p>TO:</p> <ul style="list-style-type: none"> • Hamshen tours, One Way tours, Armenian Geographic, Hiking Club, Ethno Tour, about 7 TOs are working in Meghri and they demand more activities <p>OLD TOWN Meghri:</p> <ul style="list-style-type: none"> • project of Izmirlian Foundation • Haldi Design, doing design and estimations of conservation <p>Imagine the Municipality gets 10 million USD, what would you do:</p> <ul style="list-style-type: none"> • first reply: we go to the Maldives!! • infrastructure, roads, restaurants, hotels, accommodation in the villages for hikers, eco-tourism, entertainment such as cable-car
Results	There does not exist any reliable tourism data in Meghri.
Next steps relative to key points and further issues raised	Key issues to be taken into account when developing the TSMP.