Rationale

As one of the fastest growing economic sectors in the world, tourism is increasingly recognized as a vital contributor to job and wealth creation, economic growth, environmental protection and poverty alleviation and as an undisputable vehicle towards the advancement of the Sustainable Development Goals and the 2030 Sustainable Development Agenda.

Through the endorsement of the Development Program of the Kyrgyz Republic for the period 2018-2022, the Government has prioritized tourism development as an instrument for ensuring the sustainable socio-economic growth and increased wellbeing of local communities.

Tourism holds considerable potential for including and benefitting mountain communities, generating revenue and jobs, in particular for women and youth, stimulating the growth of entrepreneurial initiatives, and at the same time, tackling rural depopulation. In addition, tourism in remote areas enhances the preservation of the environment and local cultural assets and stimulates improvements in infrastructure, including sanitation and electricity networks.

In line with the above, the development of tourism clusters in mountain areas will provide the opportunity to diversify Kyrgyzstan’s economy, contribute to regional and local development, particularly that of local communities in remote mountainous areas, and mitigate seasonality issues by diversifying the tourism sector with year-round products.

WHERE: Kyrgyzstan

BENEFICIARIES: mountain local communities and tourism stakeholders along the supply chain

PARTNERS: UNDP, FAO, Ministry of Culture, Information and Tourism of Kyrgyzstan (and other partners to be identified)

DURATION: 36 months

TOTAL COST: EUR 2.5 Million

SDGs:
Background

The Kyrgyz Republic is a land-locked, lower-middle-income country of 6.3 million people. It has rich endowments, including arable land (7% of the country), pastures (48%), and substantial forests and minerals, and there is significant potential for the expansion of its agriculture sector, hydroelectricity production, and tourism industry (World Bank).

The economy is vulnerable to external shocks owing to its reliance on one gold mine, Kumtor, which accounts for about 10% of GDP, and on worker remittances, equivalent to about 27% of GDP in 2018. To realize the country’s potential, economic activities need to be diversified through increased private sector development and improved occupational skills and productivity in the young labor force (World Bank).

About 95% of Kyrgyzstan’s territory is covered by mountains of over 1,000m above sea level. These belong to two of the major mountain systems of the world – the Tien Shan and Pamir mountain ranges. The country is most famous for its snowy peaks, high alpine meadows, broad grasslands, clear mountain rivers, and serene lakes scattered among the tall peaks. Moreover, Kyrgyzstan boasts a rich historical and cultural heritage encompassing Asian nomadic traditions and many ancient civilizations along the Silk Road.

Despite rising interest, the country remains relatively unknown. The Development Program of the Kyrgyz Republic for the period 2018-2022 underlines the need to improve the national brand to fully realize the country’s tourism potential, both in terms of attracting more visitors as well as foreign investment in infrastructure and tourism amenities.

Despite the abundant natural, historical and cultural endowment, tourism’s potential remains largely untapped in the Kyrgyz economy. Nevertheless, the country registered 4.6 million visitors in 2017, a strong increase from just 320.000 tourists in 2005 (UNWTO).

However, while the sector has made significant strides in recent years, it continues to face several challenges. These include difficulty of access and poor infrastructure, poor quality of services and inadequate skills of service providers and short seasonality of tourist products. For the sector to flourish, diversification and upgrading of products and services complying with international quality standards is a prerequisite.

The creation of all-year-around tourism clusters in Kyrgyz’s mountain areas would spur the development of rural and mountainous regions, ultimately benefitting local communities. It will attract foreign investments to improve the infrastructure necessary order to boost international and domestic tourism.

Overall Objective

The overall objective is to create a sustainable and responsible tourism sector in Kyrgyzstan that contributes to economic development and job creation, as well as to the preservation of natural and cultural heritage.

Objectives

- Develop a sustainable destination brand and national marketing strategy
- Strengthen institutional governance by enhancing the capacities of tourism authorities in destination branding and digitalization of the country
- Enhance the attractiveness of the country to foreign investors through a better promotion strategy
- Creating a national mountain tourism strategy
- Creating sustainable income-generating opportunities for mountain communities, especially for women and youth through development of tourism products and services
• Creating an innovative tourism management system on community level where diverse stakeholders along the tourism supply chain can come together to produce synergistic benefits for all

• Developing human resources through sector-specific training aimed at preparing local communities to effectively manage tourism enterprises

• Establishing institutions to engage the local stakeholders and authorities into management and development of the community as a tourism destination

• Enhancing the competitiveness of the Kyrgyz's mountain areas to attract foreign investments for connectivity, smart mobility and sustainable infrastructure

• Embracing digitalization and technology in all the parts of the consumer experience

Main Activities

• Review of the current brand strategy (Assessment of strengths and weaknesses, evaluation of visitors’ perceptions, identifying areas of improvement etc)

• Support the development and design of the new brand identity through a consultative process

• Review of the current tourism marketing strategy (Assessment of strengths and weaknesses, impact, evaluation of current tourism products and their alignment with both target markets and brand etc).

• Support the development of the new tourism marketing strategy (Development of a national marketing plan and design of new tourism products, if needed), with the support of tourism experts

• Delivery of specialized training to government’s officials and private sector stakeholders (The importance of building a destination brand, the brand development process, the importance of aligning the products with the brand, how to develop a marketing strategy, how to manage it and evaluate the results, the importance of digital skills and the use of social media etc).

• Evaluation and monitoring activities during and upon completion of the project, including through marketing surveys to key stakeholders (Potential and visiting tourists, potential investors, tour operators etc)

• Development of an investment attraction strategy, including the organization of a foreign investments forum to attract potential tourism investors.

Based on an initial review and assessment of the current state and dimensions of tourism in Kyrgyzstan, which will include a comprehensive evaluation and analysis of mountain tourism destinations’ potential for local products and services attractiveness for tourism markets, main activities will be spread along the following areas:

Sustainable Product development

• Participatory processes with local communities to identify and analyze potential year-long tourism products according to new consumer trends (culture, health and wellness, sports, gastronomy, adventure, agro tourism, etc.) and with the aim of differentiating Kyrgyzstan’s tourism sector with those of neighboring countries

• Selection of a destination/region to establish a pilot tourism cluster in view of promoting the dispersal of demand in time and along a wider territory

• Development and implementation of a comprehensive programme for the creation of small and medium-sized businesses and creation of sustainable products (routes, experiences)
Tourism Marketing

• Development of marketing plans, including the creation of digital platforms for tourism promotion and commercialization

• Development of an effective branding strategy to position Kyrgyz’s mountain tourism cluster

• Evaluation and monitoring of activities during and upon completion of the project, including marketing surveys to communities and stakeholders

Tourism Skills and Development

• Identification of the gap between current tourism human resources supply and future demand resulting from tourism development plans and projects

• Development of a capacity building programme to enhance the skills of local communities to improve the quality of tourism services according to best international standards

• Development of a capacity building programme for tourism entrepreneurs

• Training of government officials on mountain tourism development

Tourism Marketing

• Set of principles and guidelines on sustainable tourism infrastructure

• Development of an investment strategy to attract potential tourism investors

• Rehabilitation and modernization of existing tourism infrastructure of low investment

Tourism Research and Information

• Market research to identify high-impact potential tourism markets and respective products

• Develop a methodology for monitoring the impacts of existing and planned tourism development projects

• Feasibility study to improve connectivity by land and air to some popular destinations
Outcome and Impacts

Overall, it is anticipated that the project will lead to a growth of tourism activities in mountain areas which will increase the tourist arrivals to Kyrgyzstan. The impact of the project will be measured by:

• nº of tourism micro-medium enterprises/businesses created
• nº of individuals in mountain communities trained
• nº of tourism-related jobs created (particularly for women and youth)
• nº of foreign direct investments received
• increase of tourist arrivals (international and domestic)
• increase of tourism expenditure
• increase of occupancy rate

For more information, contact UNWTO:
Institutional Relations and Partnerships at sdg17@unwto.org

Tourism is a powerful vehicle to promote and reach the milestones of the ambitious 2030 Agenda for Sustainable Development given that it is one of the most important sectors in the global economy and a main job and wealth creator for many countries. Tourism is now the third largest export category in the world, behind fuels and chemicals, and ahead of food and automotive. It provides 1 in 10 jobs and contributes to more than 10% of global GDP. In 2018 alone, international tourist arrivals amounted to 1.4 billion and generated US$ 1.5 trillion, while domestic tourism generated a further US$ 3.88 trillion.

But the sector doesn’t just play a role in economic growth; it is most remarkable for its potential to improve the quality of people’s lives. Truly sustainable tourism can act as a catalyst for environmental protection, champion diverse cultural heritage, and contribute to peace-building in the world. In all these areas, tourism offers great potential to advance sustainable development, and thus contributes – directly and indirectly – to the achievement of all 17 SDGs.

The World Tourism Organization has been providing technical assistance in countries across the globe for more than 40 years, supported by a wide range of donors, in partnerships with other IOs, Civil Society and the private sector. It has knowledge and expertise in the development of a sustainable, responsible and accessible tourism sector that contributes to a better world.

To scale up the efforts to unlock aid flows for tourism in the new 2030 aid architecture, UNWTO has developed a co-creation space in the T4SDGs platform for sharing developing countries’ needs.

Please visit www.Tourism4SDGs.org