TABLE OF CONTENTS

PART 1 : FOREWORD
1. Presentation of the study
   1.1 Context and objectives of the study
   1.2 Team members and missions conducted
2. Country profile
3. Switzerland’s cooperation with Tajikistan and ITC in the country
   3.1 Switzerland’s support in Tajikistan
   3.2 ITC in Tajikistan
4. Conceptual approaches guiding this study
   4.1 Introduction
   4.2 Destination management organization (DMO)
   4.3 Inclusive tourism

PART 2 : TOURISM DEVELOPMENT AT THE NATIONAL AND REGIONAL LEVELS
5. Current situation of the tourism sector at the national level
   5.1 Sector overview
   5.2 Principal actors in the public sector
   5.3 Other actors
   5.4 Current government strategies related to tourism
   5.5 Projects in relation to tourism development
   5.6 Existing education opportunities in the field of tourism
   5.7 Principal tourist products
   5.8 Infrastructure context
   5.9 Human resources context
   5.10 Current reputation
   5.11 Lessons from the national tourism sector
6. Current situation of the tourism sector in the Pamir Region and in the Zerafshan Valley
   6.1 Introduction
   6.2 Principal actors at the regional level: the Pamir Region
   6.3 Principal actors at the regional level: the Zerafshan Valley
   6.4 Main tourist attractions in the two regions
7. Creative industries sector
8. Tourism value chain analyses
   8.1 Introduction
   8.2 Value chain map from Tajik tourism
   8.3 Tracking revenue flows and pro-poor income
9. Geographic considerations
   9.1 Potential of a regional strategy
   9.2 No advantage to intervening in two regions simultaneously
   9.3 Less favorable conditions in the Zerafshan Valley
   9.4 More favorable conditions in the Pamir Region
   9.5 Benefits of Initiatives at the National Level
PART 3: PROPOSALS FOR INTERVENTION

10. Pre-identified interventions at the regional level
11. Pre-identified interventions for tourism-related sector development at the national level
12. Conclusion

PART 4: APPENDICES

12.1 DMO Organizational Chart
12.2 Governance of the DMO
12.3 General Assembly Members (GA)
12.4 Board of Directors (the Board)
12.5 Destination Management Organization (DMO)
**LIST OF FIGURES**

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>Homestays in Pamir</td>
<td>24</td>
</tr>
<tr>
<td>Figure 2</td>
<td>Homestays in Zerafshan Valley</td>
<td>25</td>
</tr>
<tr>
<td>Figure 3</td>
<td>Pamir Region: High Montains</td>
<td>37</td>
</tr>
<tr>
<td>Figure 4</td>
<td>Pamir Region: Central Asia’s Reservoir</td>
<td>38</td>
</tr>
<tr>
<td>Figure 5</td>
<td>Pamir Region: Agricultural Activities</td>
<td>39</td>
</tr>
<tr>
<td>Figure 6</td>
<td>Pamir Region: The Pamir Highway</td>
<td>40</td>
</tr>
<tr>
<td>Figure 7</td>
<td>Pamir Region: Cultural Heritage</td>
<td>41</td>
</tr>
<tr>
<td>Figure 8</td>
<td>Pamir Region: Khorog</td>
<td>42</td>
</tr>
<tr>
<td>Figure 9</td>
<td>Zerafshan Valley: Seven Lakes Valley</td>
<td>44</td>
</tr>
<tr>
<td>Figure 10</td>
<td>Zerafshan Valley: Iskanderkul Lake</td>
<td>45</td>
</tr>
<tr>
<td>Figure 11</td>
<td>Zerafshan Valley: City of Panjikent</td>
<td>46</td>
</tr>
<tr>
<td>Figure 12</td>
<td>Zerafshan Valley: City of Khujand</td>
<td>47</td>
</tr>
<tr>
<td>Figure 13</td>
<td>Zerafshan Valley: City of Istaravshan</td>
<td>48</td>
</tr>
<tr>
<td>Figure 14</td>
<td>Handicraft Sector: Example of three typical Products</td>
<td>50</td>
</tr>
<tr>
<td>Figure 15</td>
<td>Value chain analysis: concept and structure</td>
<td>60</td>
</tr>
<tr>
<td>Figure 16</td>
<td>Value chain analysis: Case 1: Touring in the Pamir</td>
<td>61</td>
</tr>
<tr>
<td>Figure 17</td>
<td>Value chain analysis: Case 2: Touring and trekking in the Pamir</td>
<td>62</td>
</tr>
<tr>
<td>Figure 18</td>
<td>Value chain analysis: Case 3: Domestic Tourism</td>
<td>63</td>
</tr>
<tr>
<td>Figure 19</td>
<td>Value chain analysis: Case 4: Backpackers</td>
<td>64</td>
</tr>
<tr>
<td>Figure 20</td>
<td>The Pamir Region – The Fann Mountains: Limited potential to be packaged together</td>
<td>72</td>
</tr>
<tr>
<td>Figure 21</td>
<td>Infrastructure context: general infrastructure</td>
<td>106</td>
</tr>
</tbody>
</table>

**LIST OF APPENDICES**

<table>
<thead>
<tr>
<th>Appendix</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appendix 1</td>
<td>Concept Proposals for the destination management organization (DMO)</td>
<td>90</td>
</tr>
<tr>
<td>Appendix 2</td>
<td>Country/Economy Profiles (The Travel &amp; Tourism Competitiveness Report 2013)</td>
<td>96</td>
</tr>
<tr>
<td>Appendix 3</td>
<td>List of Recommendations from “A Framework for the Development of Tourism in Tajikistan”</td>
<td>99</td>
</tr>
<tr>
<td>Appendix 4</td>
<td>Projects in relation to tourism development</td>
<td>101</td>
</tr>
<tr>
<td>Appendix 5</td>
<td>Infrastructure context: general infrastructure</td>
<td>105</td>
</tr>
<tr>
<td>Appendix 6</td>
<td>Detailed presentation of AKDN and MSDSP</td>
<td>107</td>
</tr>
<tr>
<td>Appendix 7</td>
<td>Outcomes from round tables on Tourism Development in GBAO 2013-2016</td>
<td>109</td>
</tr>
<tr>
<td>Appendix 8</td>
<td>Description of key projects supporting Creative industries sector</td>
<td>111</td>
</tr>
<tr>
<td>Appendix 9</td>
<td>Portraits Tajik craftspersons</td>
<td>112</td>
</tr>
</tbody>
</table>
ACRONYMS

ACTED  Agency for Technical Cooperation and Development
AKDN  Aga Khan Development Network
AKF   Aga Khan Foundation
AKFA  Aga Khan Foundation Afghanistan
CBOs  Community Based Organisations
ComYST Committee of Youth Affairs, Sports and Tourism
DED   Deutscher Entwicklungsdiensst (German Development Service)
DfID  UK Department for International Development
DMO   Destablishing Destination Management Organizations
FEZ   Free Economic Zone
FIT   Free Independent Travellers
GBAO  Gorno-Badakhshan Autonomous Oblast
GIT   Group Inclusive Tour
GIZ   Deutsche Gesellschaft für Internationale Zusammenarbeit
GosComInvest State Committee on Investment
IBPP  Institution Building Partnership Programme
IT    Inclusive Tourism
ITC   International Trade Centre
LEBSA Local Executive Body of State Authority
META  Murghab Ecotourism Association
METD  Ministry of Economic and Trade Development
MFART Ministry of Foreign Affairs of Republic of Tajikistan
MICE  Meetings, Incentives, Conferences and Events
MSDSP Mountain Societies Development and Support Programme
NGOs  Non Governmental Organisations
PECTA Pamir Eco-Cultural Tourism Association
PPI   Pro-Poor Income
RT    Republic of Tajikistan
SDC   Swiss Agency for Development and Cooperation
TA    Technical assistance
TATO  Tajik Association of Tourism Organisations
TDC : Tourism Development Center
TIC   Tourist Information Centre
TO    Tour operators
TRTA  Trade-related technical assistance
TSPs  Tourist Service Providers
UCA   University of Central Asia
UN    United Nations
UNCTAD United Nations Conference on Trade and Development
UNDP  United Nations Development Programme
WHH   Welt Hunger Hilfe
WTO   World Trade Organisation
WTTC  World Travel and Tourism Council
ZTB   Zerafshan Tourism Board
ZTDA  Zeravshan Tourism Development Association
FOREWORD

TAJIKISTAN INCLUSIVE TOURISM AND DESTINATION MANAGEMENT ORGANIZATION
1. PRESENTATION OF THE STUDY

1.1 Context and objectives of the study

This study on inclusive tourism and destination management organization in Tajikistan is being conducted in the context of the SECO funded project “Tajikistan: Strengthening export competitiveness of SMEs in the textile and clothing sector and enhancing trade support institutional capacities” implemented by the International Trade Centre (ITC).

The principal objectives of the study are to:

> analyse the current situation as well as the potential for development of the tourism sector in Tajikistan
> determine the feasibility of establishing Destination Management Organizations (DMO) in two tourist regions of Tajikistan (the Zarafshan Valley and the Pamir Region)
> identify the tourism value chain including income streams with special focus on the two regions
> identify and outline trade-related technical assistance (TRTA) needs and priorities in the tourism sector, including the generation of pro-poor income and employment creation and propose project interventions
> together with the ITC, facilitate stakeholder roundtables in Tajikistan to validate and further elaborate project interventions

1.2 Team members and missions conducted

Mr. François Laurent, an international expert who has worked with SECO previously on tourism promotion projects, was mandated to carry out the study. Two additional Tajik experts were engaged by the ITC to assist Mr. Laurent:

> Mrs. Tahmina Karimova (based in Khujand) is an expert in the field of “creative industries”
> Mr. Surat Toimastov (based in Dushanbe) is an expert in tourism development and an active tour operator in Tajikistan.

These three experts conducted two field missions in Tajikistan, the first of which was held from 13-28 October 2013 and focused on the Pamir Region and the actors based in the capital, Dushanbe. The second mission focused on the Zarafshan Valley and the northwest regions of the country, and was held from 22-28 November 2013.

The authors of this report would like to thank all those who participated in this study for their open and candid collaboration, without whom this document could not have been prepared. We express our particular thanks to the following organizations, which provided the logistical and technical support required to successfully carry out these missions:

> The ITC team in Geneva: Armen Zargaryan, Marie-Claude Frauenrath and Giulia Macola
> The ITC team in Dushanbe: Saidmumin Kamolov and Nargiza Abdumajidova
> The GIZ team in Tajikistan: Jens Elsner, Nadezhda Zdravkova and Sebastian Falck

This document will be presented and debated during a stakeholder roundtable in Dushanbe in May 2014.

At the end of the process process a financing plan will be developed together to implement the proposed project over three or four years.
A former Soviet republic, Tajikistan plunged into civil war almost as soon as it became independent from the Soviet Union in 1991. A rugged, mountainous country, with lush valleys to the south and north, Tajikistan has the lowest GDP among Central Asia's countries. Tajiks are the country's largest ethnic group, with Uzbeks making up a quarter of the population, over half of which is employed in agriculture and just one-fifth in industry. Nearly half of Tajikistan's population is under 14 years of age.

The Tajik language is very close to Persian, spoken in Iran, and to Dari, spoken in Afghanistan.

Tajikistan has been stable since the end of the civil war which followed independence. The five-year civil war between the Moscow-backed government and the Islamist-led opposition, in which up to 50,000 people were killed and over one-tenth of the population fled the country, ended in 1997 with a United Nations-brokered peace agreement.

Tajikistan's economy has never really recovered from the civil war, and poverty is widespread. Almost half of GDP is earned by migrants working abroad, especially in Russia, but the recession in 2009 threatened that income. The country is also dependent on oil and gas imports. Economic hardship is seen as a contributing to a renewed interest in Islam - including more radical forms - among young Tajiks.

Economic ties with neighbouring China are extensive. China has extended credits and has helped to build roads, tunnels and power infrastructure. Chinese firms are investing in oil and gas exploration and in gold mining.¹

<table>
<thead>
<tr>
<th>Population (millions), 2011: 7.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface area (1,000 square kilometres), 2011: 142.6</td>
</tr>
<tr>
<td>Gross domestic product (current US$ billions), 2011: 6.5</td>
</tr>
<tr>
<td>Gross domestic product (current PPP, $) per capita, 2011: 2,079.4</td>
</tr>
<tr>
<td>Real GDP growth (per cent), 2011: 7.4</td>
</tr>
<tr>
<td>Environmental Performance Index 2012, rank (out of 132 economies): 121</td>
</tr>
</tbody>
</table>

¹ This “Country profile” is compiled by BBC Monitoring (www.bbc.co.uk/news/world/asia)
3. SWITZERLAND’S COOPERATION WITH TAJKISTAN AND ITC IN THE COUNTRY

3.1 Switzerland’s support in Tajikistan

3.1.1 Started in the early 1990s
Switzerland has been supporting the transition processes in the Central Asia region since the early 1990s. In 1992, Kyrgyzstan, Tajikistan and Uzbekistan joined the Swiss-led constituency in the Bretton Woods Institutions; their memberships create a strong tie between the region and Switzerland. As the countries of Central Asia are diverse, development strategies, approaches and partnerships have to be adapted to the specific country contexts and thus vary considerably from country to country.

3.1.2 Areas of support in Tajikistan
Switzerland’s support focuses on four areas: health sector reform, developing the rule of law, access to safe drinking water, and strengthening the private sector.

Activities in these four areas are:

> Health sector: The health sector reform is designed to move Tajikistan away from a costly, Soviet-style health system to a more affordable and accessible family medicine based system, with a focus on preventive medicine.

> Rule of law: The Swiss interventions in the area of the rule of law foster the development of a legal system that is more accessible to the people, in particular the vulnerable, and is more responsive to citizens’ needs.

> Water: Access to safe drinking water and sanitation for 300,000 urban and 70,000 rural residents: the programme provides financial and technical assistance to water authorities and communities to build and manage decentralized quality drinking water systems and to conduct hygiene awareness campaigns.

> Private sector: The strengthening of the private sector will lead to new jobs, in particular for the youth, economic growth and ultimately reduce poverty.

The transition to democracy and a functioning market economy in Tajikistan is difficult. Swiss economic cooperation supports this process in several areas of interventions:

- the strengthening of macroeconomic framework conditions and financial sector infrastructure as the basis for continued sustainable economic growth;
- the improvement of access to affordable, reliable and sustainable infrastructure (water and energy) as the basis for economic and social development;
- the promotion of trade and business friendly framework conditions and the improvement of the investment climate to support the development of SMEs and a sustainable export economy;

The foundation of Swiss cooperation in Tajikistan is under the responsibility of the SDC and SECO. ITC’s intervention, and accordingly, the study discussed herein, is part of the sub-component “promotion of trade and business friendly framework conditions and the improvement of the investment climate”.

3.2 ITC in Tajikistan

The International Trade Centre (ITC) is the technical cooperation agency of the United Nations Conference for Trade and Development (UNCTAD) and the World Trade Organisation (WTO). Taking into account its business lines\(^2\), ITC designs projects aimed at developing export strategies, increasing the competitiveness of sectors and enterprises, producing and disseminating trade intelligence, improving the capacity of trade support institutions as well as strengthening business and trade policies.

Since 2002, ITC has implemented a number of trade-related assistance projects in Tajikistan, funded by SECO, namely the preparatory project ‘Trade Promotion in Central Asia’ (2002-2003), followed by phases one (2003-2006), two (2006-2008) and three (2009-2012) of the “Trade Promotion Programme in Tajikistan”.

The present project (mid 2013 – mid 2016) “**Strengthening export competitiveness of SMEs in the textile and clothing sector and enhancing trade support institutional capacities**” is a component of SECO’s Trade Cooperation Programme (TCP) in Tajikistan. It aims to increase the export competitiveness of the textile and clothing (T&C) sector, by providing sector specific support to SMEs and relevant trade support institutions (TSIs), as well as supporting respective stakeholders in taking a strategic approach to the sector’s development. It also explores the challenges and development potential of the tourism and handicraft sectors in Tajikistan, outlining relevant trade related technical assistance priorities. The three expected outcomes of this project are as follows:

> The strategic and institutional framework of the T&C sector is improved
> SMEs in the T&C sector are more export competitive and have access to new markets
> Tourism and handicraft sector stakeholders have improved knowledge and understanding of sector needs and development priorities

Under this last objective, a comprehensive study is being conducted in order to improve understanding of the current situation and the potential for development of the tourism and handicraft sectors.

In this context, the present feasibility study for establishing Destination Management Organizations (DMO) and identifying the potential for local backward linkages in the two most attractive tourist regions of Tajikistan (the Zarafshan Valley and the Pamir Region) is carried out.

\(^2\) Business and Trade Policy, Export Strategy, Strengthening Trade Support Institutions, Trade Intelligence and Exporter Competitiveness
4. CONCEPTUAL APPROACHES GUIDING THIS STUDY

4.1 Introduction

For many years, SECO has conducted development projects in the field of tourism, in conjunction with organizations such as the ITC, which provide technical and practical assistance.

The feasibility study discussed in this document is designed to identify a project which brings “Destination Management Organization (DMO)” and “Inclusive Tourism” together in an intelligent and cohesive manner. A summary of these two methods is provided below.

4.2 Destination management organization (DMO)³

SECO’s overall objective applies to the service exports/tourism area: to include its partner countries in the global tourism economy and promote sustainable, i.e. socially and environmentally responsible, growth of the sector. Meanwhile, SECO’s interventions in tourism also help to reduce poverty. SECO concentrates on three priority intervention areas along the value chain in tourism:
> competitiveness and sustainability
> favourable institutional framework conditions
> market access and tourism information

Tourism development can only be successful and sustainable where there are certain framework conditions and concerted action between the public and private sectors. Regional destination management organizations (DMOs) have also proven a useful structure in developing countries. The functions of DMOs are to:
> establish a clear market positioning by defining the area’s main tourist attraction (USP)
> encourage participatory formulation and implementation of tourism development plans and marketing concepts
> lobby on behalf of issues related to tourism policy: improvements in the legal framework conditions (e.g. visas), raise the infrastructure investments needed, organize training and international know-how transfer;
> provide a platform (information office, directories, website, etc.) to ensure the link between tourism SMEs and tourists, used to access new travel forms and market trends (e.g. individual tourism; Internet); moreover, the services provided on this platform (marketing/bookings, sale of publications) also help make the DMO more independent of its sponsors in the medium term.

Creating a series of firmly established, long-lasting networks and structures for destination marketing is part of the DMO approach. Most countries’ national tourist boards offer a central contact point that gives tourist providers easier market access and opens up channels to potential visitors; they also improve the organization of tourist flows within the country and to neighbouring countries. SECO reinforces contact to the sub-national level and the appropriate representation of their activities in the country’s advertising (e.g. at international tourism fairs), an important interface to the aforementioned regional DMOs.

The Appendix 1 (p. 90) provides an example of organizational chart and list the different functions of the DMO (management, accounting – secretariat, hospitality, marketing and promotion, ...).

³ Extract from “Policy Paper on Tourism: Economic and trade policy development cooperation in the tourism sector”, SECO, 2010
4.3 Inclusive tourism

ITC’s Inclusive Tourism (IT) programme is a trade promotion approach which aims to integrate local producers and service providers into promising tourism industry value chains, to harness their entrepreneurial capacities and to generate income and employment for the poor. Inclusive Tourism is understood as a sustainable approach to tourism development. By adopting a local approach to economic development, it identifies products and services supplied locally that have the potential to be integrated into the tourism value chain and thus generate income for the poor. Inclusive Tourism creates and strengthens linkages between local producers (particularly women) and the tourism markets by integrating local producers into existing tourism value chains and by reconfiguring these value chains to ensure more equitable redistribution of revenue.

Inclusive Tourism works with both the producers and the tourism industry (tour operators, hotels, tourism boards etc.) to improve supply capacity on the one hand, and to create awareness for win-win situations on the other hand. The linkages created enable local producers to export their products, first on local national markets through the tourism channel, and then on international markets, while creating value-addition along the value chain. Inclusive Tourism focuses on poverty impacts as well as on the promotion of gender equality/empowerment of women, thereby complementing the more environmental focus of much Corporate Social Responsibility and Sustainable Tourism work. To achieve these impacts, ITC focuses on market-oriented business issues.
PART 2

TOURISM DEVELOPMENT AT THE NATIONAL AND REGIONAL LEVELS

TAJIKISTAN INCLUSIVE TOURISM AND DESTINATION MANAGEMENT ORGANIZATION
5. CURRENT SITUATION OF THE TOURISM SECTOR AT THE NATIONAL LEVEL

5.1 Sector overview

Today, Tajikistan is not considered a tourist destination. As shown in its poor ranking in a Worldwide Travel and Tourism competitiveness survey (ranked 114th out of 140 countries), Tajikistan’s tourism sector has substantial weaknesses:

> **Travel & Tourism regulatory framework** (Policy rules and regulations, Environmental sustainability, Safety and security, Health and hygiene and Prioritization of Travel & Tourism): .................................90/140

> **Business environment and infrastructure** (Air transport infrastructure, Ground transport infrastructure, Tourism infrastructure, ICT infrastructure, Price competitiveness in the Travel & Tourism industry): ..................123/140

> **Travel & Tourism human, cultural, and natural resources** (Human resources, Affinity for Travel & Tourism, Natural and Cultural resources): .................................................................................................................................122/140

The only characteristics in which Tajikistan proves to be competitive are in the prices and the general education level. These are, of course, important factors but it remains far from sufficient (see Appendix 2 for more details).

Although there are only a few available statistics, they underscore the weakness of the activities:

Statistics in sphere of tourism in Tajikikistan on 2013 in TJ Somoni ($1 = 4.8 Somoni) / ComYST – February 2014

<table>
<thead>
<tr>
<th>Item/Months</th>
<th>I-III</th>
<th>IV-VI</th>
<th>VII-IX</th>
<th>X-XII</th>
<th>ANNUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of local tourists, who travel outside the country using local tourist agencies</td>
<td>3 215</td>
<td>4 528</td>
<td>4 207</td>
<td>3 471</td>
<td>15 421</td>
</tr>
<tr>
<td>Number of foreign tourists visited the country using services of local tourist companies and agencies</td>
<td>80</td>
<td>843</td>
<td>1 585</td>
<td>220</td>
<td>2 728</td>
</tr>
<tr>
<td>Number of local tourists who used the local companies/agencies services</td>
<td>16</td>
<td>570</td>
<td>404</td>
<td>835</td>
<td>1 825</td>
</tr>
<tr>
<td>Other types of services provided by local companies/agencies (Air Tickets, visa)</td>
<td>3 746</td>
<td>3 706</td>
<td>3 945</td>
<td>3 860</td>
<td>15 257</td>
</tr>
<tr>
<td>Turnover on tourist sector</td>
<td>6 246 683</td>
<td>6 838 635</td>
<td>7 867 335</td>
<td>7 238 198</td>
<td>28 190 853</td>
</tr>
<tr>
<td>Revenue to the state budget</td>
<td>349 849</td>
<td>294 915</td>
<td>324 506</td>
<td>322 127</td>
<td>129 1398</td>
</tr>
<tr>
<td>Number of foreign citizens who officially crossed the Tajik border</td>
<td>70 595</td>
<td>120 681</td>
<td>87 136</td>
<td>41 600</td>
<td>320 012</td>
</tr>
<tr>
<td>Number of foreign citizens who officially crossed the Tajik border as tourists</td>
<td>57 108</td>
<td>94 600</td>
<td>52 732</td>
<td>3 471</td>
<td>207 911</td>
</tr>
</tbody>
</table>

Overall, the country is very poorly served by international flight connections. No western airline flies to Dushanbe. There are very few flights, and the flights that do exist are expensive. The requirements for obtaining permits to visit certain regions (Gorno-Badakhshan Autonomous Oblast and other border areas) are extremely bureaucratic. Generally speaking, the services at the airports and at border crossings do not meet international tourism standards. Because the country is quite large and getting around both by ground and by air is difficult, tourists lose another full day just to get to their principal destination, either the Pamir Region (in the east) or the Zarafshan Valley (in the northwest.)

Tajik businesses in the tourism sector generally do not have significant financial resources nor do they have access to specialized banking institutions. They are confronted daily with fastidious administrative requirements. Their professional skills and their understanding of international tourism leave much to be desired. With the exception of a few large international hotel chains, western businesses (whether large or small) have not invested in developing tourism in the country, as they have done extensively in Kyrgyzstan and Uzbekistan.
In the following chapters, we have provided a more detailed description of the tourism sector: principal actors, political issues, projects, educational opportunities, tourist products, human resources, infrastructure, etc. Beyond the clear difficulties, it is also important to highlight the enormous potential of this little-known tourist destination.

5.2 Principal actors in the public sector

5.2.1 Main government agency regulating the sector: Committee of Youth Affairs, Sports and Tourism

It is very revealing to note that tourism, as a national theme, does not have its own ministry, but instead it is buried along with a number of other subjects, such as youth affairs and sports. In the central government, the Tourism Development Department is part of the Committee of Youth Affairs, Sports and Tourism. This department has approximately a dozen employees and decentralized representative offices (in four regions and 56 districts), although these representative offices are not always staffed.

The Tourism Development Department is charged with the following, traditional tasks:

> Adopting tourism-related legislation and regulations, strategies and concepts
> Licensing Tajik tour operators and travel agencies
> Collecting and analyzing statistical data related to tourism
> International marketing of Tajikistan as a destination
> Supporting the development of a strong private sector in the tourism industry
> Promoting a constructive dialogue between the public and private sector in the industry
> Cooperating with tourism administrations in other countries and international organizations on initiatives and projects

It is also important to note that:

> A large number of decisions are made in the presidential administration (which are difficult to anticipate)
> Many initiatives related to tourism must be undertaken by other ministries or state agencies (but suffers from insufficient coordination and communication between the ministries)
> The country has no national tourism organization (NTO). (In many countries, the NTO is not part of the government administration, but a separate entity staffed by general business and tourism professionals to carry out the government’s policies.)

A new head to the Committee has been appointed in November 2013, this will certainly generate some changes (new programs, new priorities). This evolution will take place during the current year and it is actually to early to appreciate the new orientations. But the fact that the new head was before in charge of GosKomInvest in the GBAO district (and has Pamirian origins) could lead to an increase of the Government support for developing tourism activities in this Region.

5.2.2 Interministerial working group on tourism

The interministerial working group on tourism was founded by the former head of the State Committee on Investment (GosKomInvest). GosKomInvest is also responsible for running the Council on Improving the Investment Climate, which organizes two sessions per year, during which recommendations are made directly to the President for decision on specific economic sectors.
The former head of GosComInvest requested the secretariat of the Council to establish this interministerial working group on tourism. Indeed, during the December 2013 session, tourism was one of the main topics and the council has presented the recommendations to bring the sector forward. These recommendations are mainly drawn from the noteworthy report “A Framework for the Development of Tourism in Tajikistan” finalized by Professor Philip Riddle (VSO Volunteer Tourism Advisor) during the last trimester of 2013 (see Appendix 3, p.99) and determine the actual government strategies with regard to tourism (see 5.4 below). Given that also the head of GosKomInvest was changed in November 2013, it is difficult to anticipate what could be the role of the “interministerial working group on tourism” in the near future.

5.3 Other actors

5.3.1 The Donor Coordination Council (DCC)
The DCC assembles all the international organizations active in Tajikistan which are considered donors. Usually, the head of the mission or country director is representative of his or her organization to the DCC. The DCC was founded to coordinate donor activities in different sectors during the planning and implementation phases of projects. To avoid discussions with beneficiaries and creating false expectations, especially in the planning and early stages, NGOs and local government agencies are excluded from the DCC. Under the DCC several sectoral working groups were established, among them the working group on private sector development (PSD). Under the PSD working group, there are several sub-working groups, including the tourism working group. In addition to the DCC and DCC working groups, there are also sectoral cluster meetings that usually include all stakeholders of a defined cluster. The DCC working group, beside internal coordination, is charged with influencing the interministerial working group on tourism through different channels.

5.3.2 Apex bodies and associations
Among the apex bodies, it should be noted:
> the National Association for Tour Operators and Travel Agencies: Tajik Association of Tourism Organizations / TATO (since december 2013 without an executive director)
> the National Association for Hotels and Restaurants;
> the National Association for CBT Service Providers (“re-created” and “re-established” as an international CBT association (Tajikistan-Kyrgyzstan) in March 2014 under a EU CA III financed project (ACTED))

As described below, these structures are not very dynamic and have only minimally united their members. Ownership and participation remain modest in these organizations.

Among the associations, it is important to mention:
> one regional marketing association: the ZTB/ Zerafshan Tourism Board/ see Chapter 6.3.1
> two regional tourism development associations
  - Zerafshan Tourism Development Association (ZTDA) / see Chapter 0
  - Pamir Eco Cultural Tourism Association (PECTA) / see Chapter 6.2.3
These structures have been supported for several years by donors, are involved in tourism development projects and have benefited from capacity-building measures. Using their experience and practices from their previous and current projects, these partners can be involved in a DMO and/or Inclusive Tourism projects (as described below). However, these associations still show significant weaknesses and sometimes fail to perform their functions (see Chapters 6.2 and 6.3).

5.3.3 Private sector actors

Despite the current difficulties, the tourism sector is developing. Today, there are more than 70 licensed tour operators and travel agencies, more than 60 hotels and over 100 homestays and guest houses.

The number of private operators is growing, but their skills and professionalism vary widely. An increasing number of tourists provides an incentive to local entrepreneurs to invest in local business opportunities and local infrastructure. Many of those operators have very little understanding of international markets, market segmentation and foreign client’s expectations.

5.3.4 Nature of the relationship between public and private sector participants

Overall, the tour operators and travel agencies believe that the government administration is there only to control their activities rather than to provide them with support. These operators are burdened with bureaucratic requirements and are quite judgmental about the administration’s activities. The dialogue and cooperation between the public and private sectors remain insufficient, but they are essential to the tourism sector. The few collaborations that do exist are:

> The Committee of Youth Affairs, Sports and Tourism (ComYST) provides financial support (either directly or with assistance from donors) when Tajik tour-operators attend international fairs and exhibitions (ITB Berlin)
> ComYST, in collaboration with TOs and international associations, organizes conferences and other important events at the local and international levels in Tajikistan
> TOs collect and submit quarterly reports (statistics on the tourism activity) to the ComYST.

Even though a number of initiatives were designed to alleviate this problem, collaboration between the public and private sectors remains insufficient.

5.4 Current government strategies related to tourism

Up until recently, the government had no official programme promoting the tourism industry which was endorsed at the highest level. Practically speaking, tourism was not considered a national priority (although it was mentioned in the National Development Strategy (2006-2015), in the Poverty Reduction Strategy Paper (PRSP, 2012) and in all Governmental programmes for social and economic development of every Region of Tajikistan (2009-2015).

This has changed since the 12th Session of the Consultative Council on Improvement of Investment Climate taken under the President of the Republic of Tajikistan in December 13, 2013. The official Minutes of the 12th Session state: “Therefore a range of actions have been taken in Tajikistan to develop tourism. However, this cannot satisfy us. Particularly, proposal of tourist destinations and their promotion, the level of service at airports and other border crossing points, simplified and easy rules and procedures for obtaining visas, permits and licenses, tourist registration, statistics and information of the tourism sector require fundamental improvement.”
At the end of this session, the President of the Republic of Tajikistan also gave the following instructions (specifying the identity of the Ministry designated to carry out each of the instructions):

> **Committee on Affairs of Tourism, Youth and Sport:**

- define **4 tourist destinations** and make them appropriate to modern requirements, develop and promote packages of competitive services (products) for tourists in the country, implement a phased transition from system of licensing tourist businesses to the quality advice and assessment scheme for them;

> **Ministry of Transport, Customs Service, Border Forces Main Department of State Committee of National Security, Antimonopoly Service, international airports of the the republic, domestic airline companies:**

- make the level of service **in the airports, in airplanes and at border crossing points** comply with requirements of international standards;
- retool computers, computer software and other equipment to control visitors at the international airports of the republic, including purchase and install equipment and special integrated computer programme that **registers tourists** on arrival and departure through the airports and land borders and automatically disseminates such **information** to all forces, security and statistic bodies;
- establish an independent commission on assessment of the **qualification level of servicing structures’ employees** in the international airports and border crossing points and admit new employees on the basis of competition.

> **Ministry of Foreign Affairs, Ministry of Internal Affairs, Committee on affairs of Tourism, Youth and Sport and Statistics Agency:**

- undertake necessary timely measures concerning the review of various systems of visas, introduce an electronic system for the submission of documents by tourists for obtaining visas
- open a dedicated window for the services of tourist businesses in the Consular Department of the MFA.

> **State Committee on Investment and State Property Management:**

- submit **Draft Action Plan of the Government on Improvement of Investment Climate in Tourism** for consideration of the Government of Tajikistan in accordance with the defined procedures (jointly with Secretariat of the Consultative Council on Improvement of Investment Climate)

> **Ministry of Education and Science, Committee on affairs of Tourism, Youth and Sport:**

- undertake measures regarding training highly skilled professionals in the tourism sector abroad.

These presidential directives in support of the tourism industry have never before been seen and represents a shift for Tajikistan, even if in many cases are not yet operational. It is still too early to predict what tangible means will be allocated by the government to support the development of the tourism industry. However, tourism is benefitting from the current political will in its favor. This constructive political context should be encouraging to SECO to support the tourism sector, which is one of the most promising for the country’s economy.
5.5 Projects in relation to tourism development

5.5.1 Project descriptions

Major projects related to tourism development are (The Appendix 4, p.101, details more these projects).

- **Pamir High Mountains Integrated Project / PHIP** (2002-2007),
  Implemented by ACTED and funded by SDC (Swiss cooperation)

- **Promotion and strengthening of community-based ecocultural tourism in the Western Pamirs** (2006–2009),
  Implemented by Mountain Societies Development Support Programme and funded by the EU.

- **Community Based Tourism Project in Zerafshan Valley** (2007–2009),
  Implemented by Deutsche Welt Hunger Hilfe (WHH) and funded by EU.

- **Promotion and strengthening of community-based eco-cultural tourism in the western Pamirs** (2007–2008),
  Implemented by MSDSP (a Project of the Aga Khan Foundation) and funded by The European Commission – TACIS IBPP Tacis Institution Building Partnership Programme (IBPP)

- **Project Strengthening Tourism Business Intermediary Organisations for Sustainable Economic Development in Tajikistan** (2009–2010),
  Implemented by Stichting European Centre for Eco-agro-tourism (ECEAT) together with The Mountain Societies Development Support Programme (MSDSP) and Welt Hunger Hilfe (WHH) and funded by the EU.

- **Strengthening Tourism Business Intermediary Organisations for Sustainable Economic Development Kyrgyzstan and Central Asia** (2011–2012),
  Implemented by Stichting European Centre for Eco-Agro-Tourism (ECEAT) and funded by the EU.

- **Enhancing Licit Livelihoods Opportunities in Northern Afghanistan** (2009-2011),
  Implemented by CIDA and AKF Canada AKF Afghanistan and MSDSP (as implementing partners) and funded by MSDSP (a Project of the Aga Khan Foundation).

- **Promoting the cross border tourism** (2010 – 2012),
  Implemented by AKF Afghanistan and MSDSP (as implementing partners) and funded by MSDSP (a project of the Aga Khan Foundation).

- **Development of Community Based Tourism in Zerafshan; Capacity and Organisation Building; / Expert Placement (working with ZTDA)** (2008–2013),
  Implemented by GIZ and funded partially by EU and BMZ.

- **Support to Improve the General Framework for the Development of Tourism in Tajikistan; Capacity and Organisation Building; / Expert Placement (working with ComYST)** (2010–2013),
  Implemented by DED and funded by BMZ.

- **Crafts Sector Development; Capacity and Organisation Building; Support to Sector Reform Efforts / Expert Placement (working with Tourism Development Center, TDC)** (2012–2014),
  Implemented by DED and funded by BMZ.

- **Tourism Development; Capacity and Organisation Building; Support to Sector Reform Efforts / Expert Placement (working with TATO)** (2013–2015),
  Implemented by DED and funded by BMZ.

- **Tourism Development in the Pamirs Region; Capacity and Organisation Building; / Expert Placement (working with MSDSP & PECTA)** (2013–2015),
  Implemented by Centrum für internationale Migration und Entwicklung (CIM) and funded by BMZ and MSDSP.

- **Uniting and Strengthening Community Based Tourism Associations in Central Asia** (2014–2015),
  Implemented by ACTED Tajikistan and funded by the EU.
5.5.2 Main lessons

Overall, the analysis of former and current projects supporting the tourism sector brings to light the following points:

> A majority of the projects were run over the course of three years or less (which is relatively short to have an impact on the tourism industry.)
> The project budgets were fairly modest (with an average of approximately EUR 250,000.)
> Projects had local and regional roots, principally with the emergence of Community-Based Tourism (CBT).
> There was an absence of national programmes involving major institutional reforms which would likely improve the fundamental conditions in the sector (foreign and national experts suggested substantive improvements, but the central authorities were low involved).
> Public institutions had only limited involvement in the projects, which were most often led by community associations and other organizations.
> There were numerous requests made to “Expert Placement” (most notably from the DED and VSO, but also from AKF, ACTED, SOROS) which provides for valuable skills and knowledge transfer; however, they have only limited resources to launch significant initiatives.
> The Aga Khan Foundation and the GIZ (ex-DED) have been extremely active in the tourism sector, both in the Zeravshan Valley and in the Pamir Region (key players whose knowledge and experience will be of great benefit to a future SECO project.)
> These projects have also shown that it will be beneficial to link “tourism” with “creative industries” in order to integrate the poorest members of the population by giving them new opportunities (no agencies were actively working on development and support of creative industries until now in Tajikistan). A successful re-creation and promotion of Tajik cultural industries could constitute an important push for the tourism development.

It would be highly desirable for certain donors to provide the necessary support which would lead to more significant reforms at the national level, strengthen the apex organizations, and contribute to resolving certain structural flaws. Achieving this goal will require time and money. It is worth considering whether SECO could contribute in this regard. The current political and institutional will has never been more favorable since the 12th Session of the Consultative Council on Improvement of Investment Climate was held on 6 December 2013 (see 5.4).
5.6 Existing education opportunities in the field of tourism

The tourism sector is a fairly new industry in the country, and, as a result, it is difficult to find personnel with the necessary training and experience. In addition, a large number of industry workers have limited foreign language skills (there are very few professionals with knowledge other than Russian (such as English, German, French and in particular, Spanish and Italian.)

In terms of practical training, several institutions offer training programmes:
> six universities in Dushanbe have tourism related programmes
> one college in Panjikent has a tourism related programme
> The University of Central Asia (UCA) in Khorog offers a tourism related qualification (www.ucentralasia.org)

The university programmes are primarily theoretical in nature and offer very little in the way of practical experience. This, however, is not the case with the two modules offered by the UCA, as they both combine theory and practical experience in a very constructive manner. It is important to mention that two hotels in Dushanbe (the Hyatt and the Serena) offer in-house training for their employees. Finally, ongoing trainings, workshops and seminars for people working in tourism are organized in the framework of tourism development projects financed by international organizations (throughout the country.)

Consequently, it would be possible to build upon these existing training programmes in the future project.

5.7 Principal tourist products

The tourism industry in Tajikistan in general, and in particular, the Pamir Region and the Fann Mountains, is becoming increasingly developed. The following text describes in more detail two of the key tourist activities (touring and trekking) as well as several specialized tourist products. In practice, we have observed that tourists frequently combine several types of activities during their stay in the country.

5.7.1 Touring (4x4 jeep tours)

This type of tourism includes driving tours in Tajikistan (the Pamir Highway and the Wakhan Valley in the east or the Zarafshan Valley in the north) with possible excursions to neighboring countries (such as Kyrgyzstan, Uzbekistan Afghanistan, or China). Tourists most often buy a full tourist package, including flights, ground transportation, lodging and meals purchased from western travel agencies. These agencies in turn work with local agencies (including some from neighboring countries) and other stakeholders in Tajikistan (private chauffeurs, hotels, homestays, and tour guides.) Local travel agents can also assist independent travelers, who generally organize their trips directly.

The Pamir Highway and the Silk Road are known worldwide and are the most popular with tourists. These trips typically involve enjoying the scenery, learning about culture and heritage, tasting local food and drink, and meeting local people. In contrast to other countries, it is not possible to rent a car and to discover the region independently (there is very little, if any, road and tourist signage). Generally, only expatriates living in Tajikistan travel independently using their own car. Jeep tours can accommodate groups from three to twenty tourists and last from one to three weeks.

4 Information provided by Sebastian Falck, Tourism Development Consultant, GIZ.
Tajikistan is a large country, and the distance travelled each day on these trips is quite far and can be tiresome. The better tour operators try to break up these long days by building in visits to historical sites and short hikes along the way. The economic benefits of this type of tourism can be found in Figure 16, p. 61.

It is important to note that alternatives to tours by jeep are gaining in popularity, such as motorcycle trips and cycling tours. Some tour operators specialize in these niche markets, while more and more tourists organize their trips independently (generally with fairly limited budgets.) The number of blogs devoted to this new form of tourism in the region is proof of the increasing trend.

5.7.2 Trekking
Tajikistan has extraordinary potential for trekking in the Fann Mountains and the Pamir Region. This tourist activity is extremely popular with western tourists always on the lookout for new destinations. One of the advantages of trekking is that it has fairly modest requirements in terms of logistics and investment: guides, porters, mules, and camping equipment. In addition, it can be easily combined with lodging in homestays. This type of accommodation is continuing to develop and can provide economic benefits, in particular in the most remote regions of the country.

Trekking is equally developed in both the Fann Mountains and the Pamir Region. Western travel agencies specializing in travel to Tajikistan subcontract services from their counterparts in the country. Khorog, Murghab and Panjikent serve as natural “base camps” for trekking trips. In this regard, these towns will need to develop more in terms of hospitality and provide more incentive and activities for tourists (as they are currently quite lacking in this aspect.) We also note that backpackers enjoy shorter hikes, most often joining with other travelers to share certain fixed costs (such as car rental and camping equipment rental.) Tourists from the former Soviet Union also enjoy trekking in these regions, although they do not use tour operators or guides because of their modest budgets and because they can communicate in Russian with the local residents.

Overall, significant progress must be made to increase the professionalism of the Tajik travel companies to make them more competitive on the international market. (North Africa, Southeast Asia and South America are currently more attractive.) The economic benefits of this type of tourism can be found in Figure 17, p. 62.

5.7.3 Other products
Complementing the two key tourist products described above, a number of “niche” activities have developed:

> Active sports: Trekking remains a “gentle” way to discover Tajikistan’s mountain ranges. A number of other, more extreme options are also possible, such as mountaineering (climbing and rock climbing), skiing, hang gliding, paragliding, whitewater rafting and kayaking, and canyoning. Tajikistan offers the ideal conditions for these types of activities. However, the equipment requirements for these sports are quite demanding – reliable but expensive materials made from the latest technology, highly experienced and well-trained guides, and rigorous safety standards. In addition, visitors interested in these sports often have limited budgets and try to negotiate the lowest possible price. Furthermore, they are not interested in any other aspect of the country. As a result of these constraints, the development of this type of activity is limited. While they are of some interest (in particular in terms of image) to the national tourism industry, they represent only a niche market. Chapter 6.4 (p. 34) describes the potential for both regions and chapter 0 (p. 76) proposes interventions to enhance this potential.

> International Hunting Tourism: Hunting trips started in 1987 in Tajikistan by the Soviet state company - Intourist (in cooperation with the Forestry Ministry of Tajikistan). Local agencies have continued to organize these trips (even
during the civil war.). Foreign hunters require a stable destination. Very few companies offer this type of trip. Several high quality hunting ranches were constructed in the Pamir Region. Hunting is a niche market and is very lucrative, with TO offering specialized packages at approximately $30,000 per tourist/hunter (excluding international airfare.) The most popular game animal is the Marco Polo sheep, but there is also interest in the Siberian Ibex (also widely spread in Kazakhstan and Kyrgyzstan), wild boars (Sus Scrofa) and the brown bear (Ursus Arctos.) Hunting season for sheep and the Ibex is September to December and for bear the season runs in September and October. Hunters generally bring their own rifles and travel the same day to the hunting areas. Permits are required for:

- Hunts (license, provided by local hunt-operators)
- Rifles (from the State MIA (police))
- Visa
- Permits (for border areas, if required)

The authorization to operate a tourist hunting business is not at all transparent, and there are currently only a few companies in this field. International Hunting Tourism will continue to be a niche market due to its impact on the animal population.

> Scientific tourism: Tajikistan’s landscape and historical heritage could be of interest to scientists in a number of fields. Many companies already organize special tours focusing on archeology, botany, zoology, and geology, among others. For example, Pamir Adventure (a Tajik travel agent) organizes large expeditions for glaciologists (such as the Bavarian Academy of Science), botanists and entomologists from Belgium and Holland and for independent scientists and other enthusiasts. Chapter 10 (p. 76) proposes interventions to enhance this potential.

> Religious Tourism (Pilgrimages): Religious tourism is sporadic for the time being, but could be of interest to Ismaili Muslims, as well as to Buddhists. The Wakhan Valley, on the ancient Silk Road, was used by Buddhist pilgrims on their way to Afghanistan, which was one of the world’s Buddhist centers in the Early Middle Ages. This market could be developed as witnessed by the number of requests from Buddhist pilgrims from Malaysia and Singapore. Many Ismaili Muslims come to visit old shrines in the area during their missions (currently representatives of AKF and National Ismaili Council of Tajikistan), but the number of Ismaili tourists remains low.

> Cultural tourism: Tajikistan has a significant and diverse cultural heritage. It offers tourists the possibility to visit communities leading traditional lifestyles, and witness celebrations of national festivals. However, tourists do not come to Tajikistan exclusively for its culture (as is the case for Uzbekistan with Bukhara and Samarkand.). During last few years some NGO’s, with financial support of international organizations, organize festivals in the Pamir. They show mostly folklore music, dance and some handicrafts (and arts). More and more people are involved in handicrafts and the number of handicrafts increase. At the moment linkages between TOs and NGOs involved in tourism development and research/educational and government structures involved in creative industries are lacking. There are very few international donors, NGOs and private companies working for the development of cultural industry in the country.

5 At the same time trying to make more handicrafts, the manufacturers use cheaper fabrics and materials (cotton instead of original wool for instance) and simplify the design. In Murghab area, locals produce more wool made goods and design them in modern style. There is not much income yet, as the number of tourists is not high, but in last few years even local people buy the handicrafts, as the number of Tajiks who buy this manufacture increase. Also, very important, that the local manufacturers communicate with potential buyers and see what are their requirements and interests.

6 Comparing to Uzbekistan, where the collapse of the UDSSR was not followed by a civil war, in Tajikistan all international donors active in the country since 1993, focused on other issues like: health, good governance, civil society, climate change, development of SMEs. The issue of preservation and marketing of cultural development was left aside. Important is also that no technical support (like machineries, music instruments, recovering of sites and museums) was implemented by foreign donors. Exceptions are the very few low cost small projects (like the small grant support of the US Embassy for support of safeguarding of cultural sites). Another very important problem is the language barrier of Tajiks active in the fields of arts, crafts and scientist and their lack of knowledge in fundraising.
Historical heritage also interests the cultural tourism (Silk Road with Istaravshan, Khujand, Panjikent cities or shrines, buddhist stupa and fortress in Pamir are usually combined with touring and/or trekking trips). The chapter 6.4 (p. 34) details the potential for both regions. The chapter 8.3 (p. 58) track the revenues flows of these activities and underline that there is currently very little offered in terms of entertainment and cultural events in Tajikistan. The chapter 10 (p. 76) proposes interventions to stimulate cultural tourism.

5.7.4 Customer segmentation

In order to define a strategy to develop the tourism industry, it will first be important to have a clear understanding of the different types of customers interested in visiting the destination. Potential customers can be segmented into the following groups:

> Organized tour groups (through foreign and/or national tour operators “TOs”)
> Independent travelers (mainly backpackers)
> Expats and their visiting relatives and other guests
> Domestic tourists
> Business and trade travelers (businessmen and women, consultants, representatives of NGOs)

With regard to differentiating the two principal destinations, there are no fundamental differences between the Zeravshan Valley and the Pamir Region. Accordingly, the following description is valid for both regions.

Organized Tour Groups (through foreign and/or national TOs)

As is the case for other international destinations, tourists often purchase tour packages from a foreign TO (local to their home country or region.) These packages generally include air fare, ground transportation, lodging, meals and site visits. These foreign TOs in turn subcontract services to their Tajik counterparts, who make all the local arrangements and reservations for the trip (logistics, administrative paperwork, chauffeurs, guides, cooks, etc.) Because the foreign TO has the direct relationship with the paying customer, they have the advantage of being able to negotiate prices with the Tajik TO. There are some long-standing partnerships between Tajik TOs and international TOs.

In other cases, international travel exhibitions provide a good opportunity to forge this type of partnership. The price of tour packages is influenced by the size of the group (from four to twenty tourists), and the hotel and vehicle categories selected. These types of packages reassure the tourists that they will be well looked-after during their stay, especially because Tajikistan is not well-known as a destination.

This form of tourism is also attractive to perhaps the most desirable type of customers – those who are interested in discovering the many facets of the country, and who have solid financial means. In contrast to backpackers, these tourists require a much larger variety of products and levels of comfort. These organized trips generally consist of touring, trekking, cultural visits or a mix of two or more of these activities. As described in Figure 20 (p. 72), a number of tours organized out of Uzbekistan and Kyrgyzstan include several days in Tajikistan.

The majority of projects that have been designed to promote the tourism industry are looking to reinforce this segment of the industry. The economic benefits of Organized Tour Groups can be found in Figure 16 (Touring) and Figure 17 (Touring + Trekking), pp. 61-62.
Independent travelers (principally backpackers):

Backpacking is a form of low-cost, independent and international travel characterized by:
- the use of a backpack that is easily carried for long trips or long periods of time;
- the use of public transportation and of inexpensive accommodation, such as guesthouses or homestays;
- a longer trip when compared with conventional vacations and an interest in meeting the locals as well as seeing the sights.

The economic benefits of Independent travelers (principally backpackers) can be found in Figure 19, p. 64.

Backpacking trips are typically made by young adults who generally have less money to spend on hotel accommodations and renting private vehicles. They have fewer obligations and can travel more freely, and they enjoy being spontaneous. This type of tourism generates very little in terms of benefits to the local economy and, as a result, it is promoted less than other forms.

Central Asia has become a well-known destination on a worldwide basis, and backpackers travel easily from one country to the next. In terms of their vacation budgets, there is a wide range of independent travelers – from backpackers who travel on a tight budget to tourists with more substantial means who can afford to pay for certain “pleasures,” such as an organized trekking trip, renting a 4x4 jeep for several days, and buying souvenirs.

Currently, Tajikistan has not targeted this category of tourist. Despite the fact that they have only moderate purchasing power, it could be worthwhile to provide them with better conditions during their stay for the following reasons:
- their frequent usage of the Internet and social networks: many of them have either blogs dedicated to their vacations in Central Asia or they regularly post comments to online travel forums. In this regard, they are important opinion leaders and channels of information and publicity.
- their young age: these tourists thrive on their early travel experiences and will be keen to return later on in life to the places they enjoyed. They are the tourists of tomorrow, and when they do return, they will likely have more financial means and be looking for other standards.

These backpackers come from Europe, Asia (Japan, Korea, Hong Kong, Singapore), North America (the U.S. and Canada) and Israel. There are many young Russian tourists who are similar to the backpackers from the above-mentioned countries, except that they have the advantage of speaking Russian and therefore, they can be even more independent.

The Pamir Highway, with its numerous summits over 4000 meters, has become an extremely popular tourist destination for cyclists. They embark on long, individual trips, usually with one other person or in a group. This type of vacation is rapidly expanding in Central Asia, as evidenced by the number of blogs dedicated to the subject. Today, specialized European TOs include this type of trip in their catalogues.

Finally, one can find some tourists who travel as a family with their own 4x4 or RV (recreational vehicle or camper.)
Expats, their visiting relatives and other guests:
It is worth paying particular attention to expats because they are quite attractive as a category of tourist:
> These customers already live in the country (most often in Dushanbe) and therefore, are not required to endure a long and tiring trip from their home country.
> They have purchasing power and vacation budgets significantly larger than those of Tajik tourists.
> They generally live in the country for several years or more, and are interested in discovering the various regions and the particular sites in each.
> These customers can easily encourage their families and friends to visit Tajikistan for one to three weeks.
> Because they live in the country all year long, they are not limited to visiting the various regions during the busy tourist season.
> Expats generally purchase a large amount of goods from local artisans in order to decorate their homes in Dushanbe and are not concerned with baggage size and weight limits, as is the case with other tourists. Expats also attend concerts, theater plays and other cultural activities, supporting the country’s cultural industry development significantly.

Expats generally travel in a similar manner to independent travelers (FIT). They organize their trips themselves and only rarely call upon the services of a national TO. They should be the target of a marketing campaign aimed at encouraging them to travel more often and at a higher level of comfort. It should be noted that this strategy should be applied also to expats living in neighboring countries, such as Uzbekistan and Kyrgyzstan, whose capitals are hardly any further than Dushanbe (Similarly, expats living in Dushanbe regularly travel to Uzbekistan and Kyrgyzstan). Many expats living in Afghanistan are coming on holidays to Tajikistan, because of the law forcing them to leave the country every 3 months (they are a very significant part of the foreign expats visiting Tajikistan).

Domestic tourism:
Domestic tourism is an underexploited potential in the country. A real demand exists for the summer vacation period for families wishing to stay in a pleasant mountain setting. The stay duration can be as short as a long weekend or as long as one to two weeks. Domestic tourists have specific requirements, such as playgrounds and other activities for children, swimming pools, rest stops with picnic areas, etc.

Examples of popular destinations for domestic tourists include:
> The Bahoriston center (on the Kairakkum Reservoir near Khujand) offers many advantages: lodging, a wellness center, outdoor sports grounds, a bowling alley, a beach, etc.
> The touristic complex built from the National Bank (in the mountains near Istaravshan) offers various types of accommodation for domestic tourists staying in the mountains.

Wellness trips are another form of domestic tourism. The Pamir region has a number of hot springs, in particular Garm Chashma and Bibi Fatima Zahro. Domestic tourists have started to visit these springs, and indeed, a number of visitors, principally from Dushanbe, come as a family and spend a week or so to treat various illnesses. Their lodging requirements are quite diverse – some stay with local residents in modest homes while others stay in more upscale hotels.
It should be a national priority to develop this customer segment for the following reasons:
> It can help Tajik citizens rediscover their country and strengthen relationships among them.
> This segment includes visitors with a wide range of financial means, from middle-class up to the “nouveaux riches.”
> It would extend the high season to months which are less advantageous (for example combining visit to hot springs in winter with skiing, as in the soviet time near the small city of Obi Garm).
> Hotels would sell more room nights.
> These customers are less sensitive to social and political upheavals than foreign tourists.

Currently, this potential has not been fully tapped and the TOs and government representatives should be supported in commercializing this market. The economic benefits of Domestic tourists can be found in Figure 18, p. 63.

5.8 Infrastructure context

5.8.1 General Infrastructure

The development of tourism in the two regions is highly dependent on the quality of the infrastructure. General infrastructures, as Roads, Ground Transportation, Air Transportation, Communications, Electricity and water, Healthcare, Postal System and Credit Card are described in Appendix 5, p. 105 and Figure 21, 106.

5.8.2 Tourist infrastructure

> Accommodation (Hotels): There are a few mid-level, small hotels in the Pamir Region, mainly located in Khorog (generally two-star hotels or guesthouses, as well as one three-star hotel near Khorog). These hotels are equipped with the necessary facilities and offer accommodation in double rooms (with a supplement for a single room). There are plans to construct a few more hotels in the near future. In the area of Soghd (in the north), accommodation is better in Khujand (due to the local economic development more than to tourism development), but still poor in Istaravshan and the Zarafshan Valley (Panjikent). There are fairly new cottages near the town of Shahristan, at the foot of the mountains, but these are mostly targeted towards local customers.

> Accommodation (Homestays): Various projects, in particular those financed by the Aga Khan Development Network, have helped a number of families open a homestay in the Pamir Region, which provides them with an excellent means of supplementing their income from farming. Homestays generally have very basic facilities and comfort, but they can also be charming and even “exotic,” for example, in a traditional house or a nomad’s yurt. As a rule, there are no beds – only mattresses with bed linens (as is traditional for the locals). Most places lack modern toilets (flush toilets) and showers, which is problematic for large groups (10-15 people). Some homestays are located away from main roads and therefore short on centralized electricity. For heating, they mostly use fire and stoves. This is a critical issue because of the severe and cold climate in most of the area. The situation is the same in the Zarafshan Valley, where 24 homestays have been created and are members of ZTDA. Compared to the GBAO homestays, the Zarafshan homestay community is classified into three categories (three “branches).

To have an idea of the potential income for the villagers, some unit costs in the tourism sector (Pamir 2013):
- Accomodation in Homestays ................................................................................................... 10 $/night
- Accomodation in Homestays + breakfast + dinner: ..................................................................... 18 $/pers
- Caravan leader (trekking), price are lower in Zarafshan .................................................................20 $/day
- Caravan Staff (trekking), price are lower in Zarafshan .................................................................14 $/day
- Donkeys (trekking), price are lower in Zarafshan........................................................................ 15 $/day
At the moment the homestays somehow provide tourists with basic accommodation. For the backpackers and budget tourists it's acceptable, but for big commercial groups it's problematic as to lack of necessary equipment. The frequentation of homestays depends on their location (along main roads or at the end of a valley) and their reputation (present in Lonely Planet or present in TO packages). So, in general, the homestays (specially the popular ones) it is significant income item. The average is about 300 tourists a year (approximately 4500 $/ in a season (April – October)). Some homestais reached 1,200 tourists (Ishkashim) and others have to settle for 50 tourists (remote area). Figure 1 and Figure 2 make it possible to understand the strengths of the two regions homestays. The number of homestays increase, moreover some local businessmen would invest in building small guest-houses and hotels (like at the Bibi-Fatima hot-springs).

> Mountain camps: There are two equipped mountain camps (Artuch and Allaudin (belonging to the Russian Federation) in the Fann Mountains which operate mostly in summer. Although the conditions in these camps are very basic, they have been highly popular with many types of tourists: mountaineers from the former Soviet Union, western mountain climbers travelling on organized trips and domestic tourists from upper-middle class families.

> Food: There are very few mid-rate restaurants in Khorog which meet basic standards, with a menu including traditional and European cuisine. The only really pleasing and high-quality restaurant is the Terrace of the Serena Hotel in the city's Central City Park. The remaining establishments along the road are mostly tea-houses with a limited choice of food in a very basic setting. The local market (including the green market) is not developed enough, and vegetarians may find it lacking. Health and safety standards must be enforced to control the quality of the food. In contrast to the two regions, Khujand has many good and inexpensive restaurants and cafes with plenty of good quality food.

The hotels in in big settlements (Khorog, Kala-i Khumb, Rushan , ...) buy products from their green market. All the locals who live nearby come to Saturday/Sunday market and, if not sale directly, then indirectly sale their stuff besides. All the rest food staff comes from Dushanbe. Some hotels use their own products (those who have cows, sheep, goats, vegetables and fruits) but this is mostly in summer time (vegetables verity), in winter more products come from Dushanbe.

> Animation (Museums, parks, botanical gardens, sacred sites, theatres, concerts, and festivals): The Pamir Region has a rich cultural heritage, but it has not been adequately preserved and publicized. The region has a number of cultural sites for visitors: The Khorog Regional Museum (covering, for example, the Stone Age, the Silk Road, great game and the Soviet Union), the Ostoni Shohi Mardon Shrine in Namadgut, the Shoh Isomuddin Shrine in Ptup, the Buddhist stupa in Vrang, the Vishimkala fortress in Zong, the fortress in Yamchun, and the "Rubab Valley" in Wakhan (with more than 200 music instruments "rubab" "painted" on kliffs and stones from ancients times) for example. The existing signage (both road access and site information) is insufficient to allow visitors to understand the significance of these sites. The situation is the same in the northern part of the country, where there are numerous places of cultural interest that are inadequately publicized. Overall, tourists coming on trekking or touring trips will not find a city or town where it would be enjoyable to spend three or four days. The towns of Khorog and Panjikent must make large strides towards improving their hospitality and activities for tourists.
Homestays are often located in beautiful locations

Individual rooms are the most popular with tourists

Efforts have been made to ensure a certain level of comfort

Tourists need, at a minimum, basic sanitation standards

Homestays facilitate relationships with local communities

Homestays offer the opportunity to discover local specialties

Homestays provide an opportunity to sell local crafts

Various projects, in particular those financed by the Aga Khan Development Network, have helped a number of families open a homestay, which provides them with an excellent means of supplementing their income from farming. Homestays generally have very basic facilities and comfort, but they can also be charming and even “exotic,” for example, in a traditional house or a nomad’s yurt. As a rule, there are no beds – only mattresses with bed linens (as is traditional for the locals). Most places lack modern toilets (flush toilets) and showers, which is problematic for large groups (10-15 people).
Homestays generally maintain the style of the local architecture

Homestays are classified by the ZTDA

The toilets are, in many cases, a weakness

A number of owners have added more rooms

Breakfasts are a culinary delight

Additional income generating activities are needed in the Zarafshan Valley to provide alternatives to increased agricultural activities, which have already resulted in a negative environmental impact. The Community Based Tourism Project supports the creation of homestays in the various valleys of the Fans Mountains. The objective of this project is to ensure the economic development of the local communities, as well as nature conservation and the preservation of the cultural heritage. Today, 24 homestays have been created and are members of ZTDA. They offer a unique accommodation experience.

Homestays provide a certain level of comfort (heating)

A number of homestays are tastefully decorated
5.9 Human resources context

5.9.1 Skilled labor force

The human resources are limited, and there is a significant need for highly-qualified staff in the field of tourism:

> Guides: The existing guides are mostly individuals who speak a foreign language (mostly English.) These individuals have some practical experience and mostly provide services to independent travelers (groups taking jeep tours), but they are not professionals with substantial knowledge. The number of experienced trekking and, in particular, mountaineering guides, is very limited and, as a rule, they are poorly equipped. Very few guides can speak a language other than English (German, French and, in particular, Spanish and Italian would be helpful). Guides are mostly men; there are very few women working as guides.

> Tour-Operators: Only a few tour operators have significant experience in running tours in the region. More tourist companies have been organized in the last few years, but they have only very basic knowledge. These companies have been set up mostly by people with no prior experience as a tour operator. Currently, tour operators from neighboring countries (Uzbekistan and Kyrgyzstan) are very active in selling Tajikistan as a tourist destination. For instance, the majority of tourists coming to the north (Sughd and Zarafshan) are clients of an Uzbek tour operator, which includes these destinations either as a supplementary excursion to tours in Uzbekistan or as a long-distance tour to the Pamir Region and further north. The Tajik operators have less experience and under-developed tourism infrastructure, and, as a result, the Uzbek tour operators are much more successful in selling trips in Tajikistan. We find this situation mostly in the case of group tours organized by foreign tour operators (mostly European and American). In the FIT sector (independent travelers), Tajik tour operators work more independently, especially when tours are organized exclusively in Tajikistan. Some dumping is seen when new Tajik tour operators start their activities, which also (although indirectly) affects the quality of services and tourism products in general.

> Students of tourism and foreign language faculties: Students are mostly taught a language in theory and do not receive adequate practical experience, and so they do not reach a level of fluency needed to work in this industry. A few of them continue in the field of tourism after finishing high school, and others continue their studies at prestigious foreign universities, but there is no guaranty that they return to work in Tajikistan.

Finally, it is important to remember that the country experienced a serious civil war. During this time, a large number of Tajiks left the country to seek refuge abroad, among them many highly-qualified individuals who never returned even after the war had ended. These types of experienced professionals are sadly lacking in certain segments of the tourism industry today.

5.10 Current reputation

The country’s reputation is fairly favorable for tourism development:

> No substantial environmental damage (no mass tourism)
> No risk for impediments to maintaining biodiversity: limited to illegal hunting (newly organized Tajik National Park completed, although with untrained staff)
> Optimal use of water resources and energy
> Personal safety and low crime level
> No child labor: (good education rate)
> Corruption
> Human rights and occasional political instability (e.g., during the “Khorog” events in 2012).
### 5.11 Lessons from the national tourism sector

To conclude this description, we propose a SWOT (strengths, weaknesses, opportunities and threats) analysis of the tourism sector. The SWOT analysis of the tourism sector in Tajikistan is summarized in the table below. Basically, Tajikistan has unique cultural, historical, natural and geomorphological resources. However, a low level of services, products and management are weakening the commercial exploitation of these assets in a sustainable manner.

<table>
<thead>
<tr>
<th>Strengths:</th>
<th>Weaknesses:</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; hospitality and tolerance of Tajik people</td>
<td></td>
</tr>
<tr>
<td>&gt; authentic, unspoiled and unexplored natural resources</td>
<td></td>
</tr>
<tr>
<td>&gt; breathtaking Tajik mountains and landscapes</td>
<td></td>
</tr>
<tr>
<td>&gt; unique cultural heritage (part of the old and new Silk Road)</td>
<td></td>
</tr>
<tr>
<td>&gt; personal security to travel</td>
<td></td>
</tr>
<tr>
<td>&gt; good climate</td>
<td></td>
</tr>
<tr>
<td>&gt; existing tourism experience and tourism development programmes</td>
<td></td>
</tr>
<tr>
<td>&gt; existing community-based initiatives (homestays)</td>
<td></td>
</tr>
<tr>
<td>&gt; existing handicrafts production and skills</td>
<td></td>
</tr>
<tr>
<td>&gt; general high education level</td>
<td></td>
</tr>
<tr>
<td>&gt; new exiting tourism destination</td>
<td></td>
</tr>
<tr>
<td>&gt; lack of a general political will to develop tourism</td>
<td></td>
</tr>
<tr>
<td>&gt; weak tourism management, regulation and control</td>
<td></td>
</tr>
<tr>
<td>&gt; weak public-private partnership frameworks</td>
<td></td>
</tr>
<tr>
<td>&gt; bureaucratic hurdles for private operators</td>
<td></td>
</tr>
<tr>
<td>&gt; unclear branding strategies</td>
<td></td>
</tr>
<tr>
<td>&gt; limited access to the destination (international flights)</td>
<td></td>
</tr>
<tr>
<td>&gt; no regular internal flight connections and poor state of some roads</td>
<td></td>
</tr>
<tr>
<td>&gt; high seasonality of tourism activities</td>
<td></td>
</tr>
<tr>
<td>&gt; seasonal constraints for water and electricity supply</td>
<td></td>
</tr>
<tr>
<td>&gt; low qualified skills (technical and linguistic)</td>
<td></td>
</tr>
<tr>
<td>&gt; lack of understanding of international markets, market segmentation and client’s expectations</td>
<td></td>
</tr>
<tr>
<td>&gt; poor quality and diversity of tourist products</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities:</th>
<th>Threats:</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; growing demand for Central Asia</td>
<td></td>
</tr>
<tr>
<td>&gt; normalized relationship with Kyrgyzstan</td>
<td></td>
</tr>
<tr>
<td>&gt; promising links with Chinese and Afghan neighbors (opened border crossings)</td>
<td></td>
</tr>
<tr>
<td>&gt; interest of some diasporas for pilgrimages</td>
<td></td>
</tr>
<tr>
<td>&gt; prevailing peace and security in the region vs. instability in the Arabic area</td>
<td></td>
</tr>
<tr>
<td>&gt; increased donor interest and recognition of the sector as key for poverty reduction</td>
<td></td>
</tr>
<tr>
<td>&gt; growing popularity of National Park Pamir Mountains (Tajikistan) and National Park Wakhan (Afghanistan) and very good opportunities for a combined visit</td>
<td></td>
</tr>
<tr>
<td>&gt; unknown as a independent country and tourism destination to the world (except to East European tourists)</td>
<td></td>
</tr>
<tr>
<td>&gt; conflictual relations with Uzbekistan (closed border crossings)</td>
<td></td>
</tr>
<tr>
<td>&gt; poor reputation of Tajikistan by neighbouring countries (Uzbekistan and Russia)</td>
<td></td>
</tr>
<tr>
<td>&gt; increasing competition between trekking and touring destinations (other countries are more competitive)</td>
<td></td>
</tr>
<tr>
<td>&gt; weak image of former Soviet Republic country and destinations</td>
<td></td>
</tr>
<tr>
<td>&gt; international tourist confusion between Tajikistan, Turkmenistan, Chechnya ...</td>
<td></td>
</tr>
<tr>
<td>&gt; fragility of biodiversity</td>
<td></td>
</tr>
</tbody>
</table>
6. CURRENT SITUATION OF THE TOURISM SECTOR IN THE PAMIR REGION AND IN THE ZERAFSHAN VALLEY

6.1 Introduction

The Pamir Region and the Zerafshan Valley are the two main tourist destinations of the country. Therefore, the description given in Chapter 5 of this report (projects, main products, client segmentation, infrastructure context, human resources context, etc.) naturally tie in these two tourist areas.

This chapter describes specific aspects, on the basis of:

> Two field missions made during the last quarter of 2013
> Interviews with local officials and private operators (travel agencies, hotels, homestay owners, restorers, artisans)
> A study of project documents for the areas covered.

In terms of government support, the regional representatives of the Committee of Youth Affairs, Sports and Tourism have very little activity in these two regions. They have very limited resources in all aspects (human, technical, logistical and financial.) This is also the case across the country.

On the other hand, there are other support organizations active at the regional level.

6.2 Principal actors at the regional level: the Pamir Region

6.2.1 Aga Khan Development Network (AKDN) / www.akdn.org

The Aga Khan Development Network (AKDN) works towards the vision of an economically dynamic, politically stable, intellectually vibrant and culturally tolerant Tajikistan. The Network brings together individual agencies that operate in a range of areas – from economic development to education, rural development to cultural revitalization, health care to financial services. Together these agencies collaborate towards a common goal – to build institutions and programmes that can respond to the contemporary challenges and opportunities of social, economic and cultural growth in Tajikistan.

The AKDN is extremely active in the Pamir Region, and enjoys a strong reputation for the quality of its work and its generosity over the past twenty years. (The initial efforts in the GBAO region consisted primarily of providing humanitarian aid.) Through its various agencies, the AKDN (Tajikistan and Afghanistan) has undertaken numerous projects.

It will be essential to work with them in the context of any future project (see Appendix 6, p. 107 for more details).

6.2.2 Mountain Societies Development Support Programme (MSDSP) / www.akdn.org/rural_development/tajikistan.asp

The MSDSP (a registered local NGO) is an AKDN agency, and is one of the most active in the Pamir Region. MSDSP’s current efforts include developing a strong civil society at the community level, which is able to address the concerns of citizens in a structured manner. This also includes uniting communities in order to increase their ability to plan and carry out development projects while seeking increased support from the government.

The MSDSP has a very large antenna network throughout the Pamir, which provides significant logistical support for implementing projects. As described in Chapter 5.5 (describing tourism projects p.14), the AKDN is a major donor and the MSDSP an important agency for implementing tourism projects in the Pamir Region:

> Promotion and strengthening of community-based ecocultural tourism in the Western Pamirs (2006–2009)

7 The Aga Khan Foundation Afghanistan (AKFA) is also supporting for many years sustainable tourism development in the Wakhan Corridor and offers the possibilities for development of cross border tourism in a large peaceful area. The "Trust for culture" and the "Aga Khan Historic Sites Programme" Departments are also able to deliver important contributions.
The MSDSP is at the origin of the creation of the Centres for Business Development Services (CBDS), the Pamir Eco-cultural Tourism Association (PECTA) and De Pamiri Handicrafts, all structures charged with designing and delivering demand-driven services to their respective constituencies.

The MSDSP is one of the agencies that is convinced that tourism offers the best potential to increase the income of the poorest members of the society (see Appendix 6, p. 107 for more details).

6.2.3 The Pamir Eco-Cultural Tourism Association (PECTA) / www.pecta.tj

The Pamir Eco-Cultural Tourism Association (PECTA), a non-commercial organization, was established in 2008 with the support of MSDSP. PECTA received continuous capacity building support from different organizations: DED (2008-2010), VSO (2010-2013), ASA Programm (InWenT - 2009), CIM (2013 - 2016) and AKDN (continuous).

PECTA pursues the following objectives:
> Create a modern, highly developed and competitive tourist market in the Pamirs
> Make an impact on identifying social, legal and economic strategies which conform to the professional interests of the Association and their effective introduction through representative and executive powers;
> Counteract the monopolization of tourist activities;
> Contribute to the development of travel agencies, marketing of tourist services and ethical market relations in Tajikistan;
> Protect the interests of local tourist service providers who are members of the association;
> Help establish favorable financial and economic conditions for members of the association;
> Lobby on behalf of its members’ interests and services on national and international markets;
> Establish a foundation for the development of ecological tourism in the Pamirs;
> Use of local opportunities and skills to alleviate the poverty level of the population through mobilizing communities in the field of international tourism;
> Generation of unique sites of interest for various types of tourism, such as ethnographic, cultural, historical, archeological, anthropological, and ecological;
> Fostering the development of Pamir handicrafts, folk crafts and folk art to build a tourist market and to revive the traditional economy;

As an organization, PECTA currently has 19 members: eleven TOs and 8 TSPs (tourist service providers, drivers’ association, De Pamiri, the Serena Hotel.)

Its board consists of five members, including representatives from the MSDSP, the De Pamiri Association, as well representatives of the TOs and TSPs, elected by their respective memberships. It has minimal staff, including only four managers: a Director, Accounting Manager, Tourist Products Manager, and a Communication Manager. These employees have good professional backgrounds and are multilingual.

PECTA shares its offices with those of the De Pamiri Association, which also runs a souvenir shop at the same location. The office is located in Khorog’s magnificent park, close to the Hotel Serena’s terrace. It is one of the most beau-
tiful city sites in the entire region (worthy of international recognition) where visitors can relax and enjoy their surroundings.

PECTA has a Tourist Information Centre (TIC) there, which provides the following information:
> detailed itineraries for short and long excursions, with varying degrees of difficulty;
> visa and permit requirements, weather forecasts, and the condition of the roads, passes and trails;
> where to find equipment for rent: tents, sleeping bags, mountain gear, back-packs, binoculars.

During the high season, the TIC is visited frequently, thereby proving its value (in particular, for independent travelers such as backpackers).

When it was first formed, PECTA received substantial subsidies and support, and it was criticized for not being very dynamic. As a result, it was forced to survive with very little resources, but its staff remained dedicated to the organization. Since 2012, MSDSP supported PECTA as services provider entity for:
> Offering training programmes to the various tourism workers in the region
> Conducting feasibility studies, analyses, and offering expert advice
> Offering training programmes to public servants and Afghan tourist industry representatives.

Despite having several weaknesses (difficulties to generate new ideas for projects, achieve financial sustainability and provide proper services to its members), PECTA is an essential participant in the tourism industry in the Region.

6.2.4 Pamir guides association and Pamir Alpine Club

The Pamir Guides Association has a membership of 40 guides from the region. Twenty-five of these guides are currently active, eight of whom are women. This organization offers training programmes to its members and maintains professional relationships with their counterparts in Uzbekistan, Afghanistan and Kyrgyzstan.

The Pamir Alpine Club was formed by a group of members to bring together guides specializing in extreme sports – mountaineering in particular. These guides are trained by recognized professionals from the American Alpine Club, which has opened a number of alpine trails in the Pamir Region. They have also provided technical equipment (such as climbing ropes, harnesses, and shoes) for the guides and for up to three clients. Six guides have also completed training programmes in Bishkek. Accordingly, the level of competence and cooperation with partners has increased in mountaineering disciplines. There is currently an initiative to renovate the Boghav base camp, which dates back to the Soviet era.

6.2.5 University of Central Asia (UCA) / www.ucentralasia.org

Founded in 2000, UCA is a joint initiative of the AKDN and the Republics of Tajikistan, Kyrgyzstan and Kazakhstan. UCA’s mission is to promote the social and economic development of Central Asia, particularly its mountain societies, while at the same time, helping the different populations of the region preserve and draw upon their rich cultural traditions and heritage as assets for the future. UCA provides language courses (English, German, Arabic, Persian, etc.)
It also offers two modules dedicated to tourism (one for guides, and the other for tour operators) and each module can accommodate 15-20 participants. These courses are designed to instill professionalism in the youth and operators in the region, especially from the most remote areas.

6.2.6 First International Economic Forum GBAO (August 2013)

This First Economic Forum (August 2013 – 200 participants) was focused on tourism development, cross-border trade, business development and investment opportunities in the region. The aim on tourism sector was to bring all actors on tourism sector together and to discuss to current situation, the opportunities and the needs for tourism development in GBAO. The outputs for a tourism development strategy until 2016 were discussed on different roundtables meetings. The topics covered were: 1. Tourism Development in GBAO, 2. Development of Cultural Social Businesses, 3. Hotels and Homestay Organizations in GBAO, 4. History and Historical Sites: Marketing, Conservation, 5. Development of Additional Tourism Offers and Infrastructure, 6. Statistics and Research on Tourism Sector and 7. International Marketing Strategy and Branding.

This event was unprecedented. Lessons are Appendix 7, p. 109. The majority of the actions in Chapter 0 (p. 76) meet these orientations.

6.2.7 Lessons learned from the Pamir Region participants

Mountain Societies Development Support Programme (MSDSP)

> The MSDSP is committed to the Pamir Region over the long-haul, and has significant financial resources (from the AKDN.) With its many partnerships with other organizations, it has enormous credibility both internally and externally.
> The MSDSP initiates interrelated projects in the fields of tourism, crafts and cultural heritage, which supports efforts to create jobs and increase revenues.
> The MSDSP plays a role as both donor (through the AKDN) and the agency charged with implementing the projects, which could impair its neutrality.

Pamir Eco-Cultural Tourism Association (PECTA)

It offers the following advantages:
> Substantial experience and a relatively good reputation among the principal industry players in the region
> Commitment to its mission through the dedicated work of its personnel to maintain the organization under difficult circumstances
> Professionalism and enthusiasm for new initiatives
> Proven success of its Public Information Center and the hospitality, guidance and advice it offers tourists
> Demonstrated the importance of including a souvenir shop at its office, which is frequently visited by tourists and which leads to greater sales of local crafts
> Development of new tourist products, in particular in the most remote regions (off the beaten path), which has allowed a larger percentage of the population to benefit from the tourist industry
> Dedication to promoting a tourist industry which will lead to job creation, as well as the generation of new ideas for all social levels in the region
It has the following disadvantages:
> It suffers from poor governance
> Its board is not representative of its membership;
> It is restricted by the MSDSP’s and AKDN’s oversight
> Its accountability (both on a financial level and a project level) to its members is insufficient
> It covers only the western areas of the Pamir (but has only limited influence in the Murghab region.)
> It does not conduct any operations in the field, rarely performs quality controls and does not actively pursue new members
> It has difficulty unifying the various parties in the tourism industry (numerous businesses are not members) and in clarifying its mission.
> It is unable to ensure its business model, which leads to ongoing financial stress and requires significant fundraising efforts
> The Pamir “brand” marketed in the region is confusing

If the future project will encompass initiatives in the Pamir Region (by means of programmes such as the “DMO” and “Inclusive Tourism”), it could be beneficial to support the existing organizations by helping them overcome their current weaknesses. It would be worth to strengthen especially the cultural industry sector (as suggested during the round tables on tourism development / economic forum 2013). Stronger collaboration between the different actors involved in the cultural sector would assure additional tourism offer (linkages between tourism and cultural industry) in the Pamir region.

6.3 Principal actors at the regional level: the Zerafshan Valley

6.3.1 Zerafshan Tourism Board (ZTB): www.zerafshan.info

Zerafshan Tourism Board (ZTB) is a non-profit Tajik organization registered in August 2009. As ZTDA (see below), ZTB was created within the project “Strengthening Tourism Business Intermediary Organizations for Sustainable Development in Tajikstan”.

Main goal of the organization is development of the tourism sector in the Zerafshan Valley through implementation of different programmes and projects, active marketing of tourism products and the destination Zerafshan Valley. ZTB is a union of tourism organisations operating such as tour operators and tourism service providers, and other institutes interested in tourism development in the region. Currently, its 10 members are: 5 TO, 3 homestays, 1 hotel and 1 restaurant. ZTB aims are:
> lobby interests of its members on regional and national level
> technical trainings for guides, drivers, homestays and hotels, workers and tour operators
> development of local communities through support of Community Based tourism.
> participation of members in big regional and international tourism fairs and festivals.

Today, ZTB projects, supported from external donnors, are completed. Therefore, the association has difficulty maintaining its activities and influence. It fails to achieve sufficient financial autonomy.
6.3.2 Zerafshan Tourism Development Association (ZTDA) : www.ztda-tourism.tj

The Zerafshan Tourism Development Association (ZTDA) is a community based organization created in 2008, within the project “Community Based Tourism in the Zerafshan Valley”, implemented by the local NGO ASDP NAU and the German NGO Welthungerhilfe (with financial support from the European Commission). The team now has five employees: director, accountant, driver, resp. communication and resp. handicrafts.

ZTDA aims to develop a brand of sustainable tourism in the region, which is adapted to local society, culture and the fragile environment. Today, ZTDA represents the interests of its 23 members who provide tourist services.

ZTDA aims to bring together the community service providers, private sector (travel agencies, tour operators) and relevant government departments at district and regional levels.

With project support a series of activities are undertaken by ZTDA:
> training courses on hospitality, guiding, basic english, international cuisine, ...
> marketing activities for promoting the Zerafshan Valley:
  - attractive packages, information and promotion material was created
  - familiarization tours for tourist agencies and media were organized
  - representation at national, regional and international tourism fairs
> qualifying of the homestays
> on-going training courses for craftsmen (members of ZTDA since 2009) in products’ quality pricing, marketing and design and sustainable use of natural resources

ZTDA shares its offices with those of the Armugon (about 100 craftsmen members), which also runs a souvenir shop at the same location. The office is located in Penjikent’s main avenue. In his office, ZTDA has a Tourist Information Centre (TIC), which can organize following services: Accommodation in traditional homestays, guiding services, transport service, folklore shows, demonstration of the production of various articles (carpet weaving, honey distillation, butter making, ...), donkey service and recreation equipment rental. Client’s segmentation is:
> 60% free independent travellers (FIT)
> 40% group inclusive tour (GIT) / TO: 25% from Uzbekistan and 15% from Europe

To finance its activities, ZTDA charges a 15% margin on services sold.

6.3.3 Lessons learned on Zerafshan actors

Zerafshan Tourism Board (ZTB):
It offers the following advantages:
> Missions initiales intéressantes (du type DMO)
> Attractive information and promotion material (brochures, flyers, catalogs, websites, facebook, ...)

It has the following disadvantages:
> It is unable to ensure its business model (financial dependence to funded projects).
> it is not able to convince new members to join the board.
Zerafshan Tourism Development Association (ZTDA):

It offers the following advantages:

> Excellent internal governance (organs, status, procedures, technical and financial accountability, …)
> Attractive information and promotion material (brochures, flyers, catalogs, websites, facebook, …)
> Solid relationship with foreign operators
> Substantial experience and a strong reputation among the principal industry players in the region
> Professionalism and enthusiasm for new initiatives
> Proven success of its Public Information Center and the hospitality, guidance and advice it offers tourists
> Development of new tourist activities in remote areas (allowed a larger population to benefit from tourism)

It has the following disadvantages:

> It is unable to ensure its business model (financial dependence to funded projects).

ZTDA versus ZTB:

Currently, ZTDA and ZTB have a very conflictual and competitive relationship (see also 9.3.2, p. 73). They try to offer the same services and are located only 50 meters from one another on Panjikent’s principal road. However, they are unable to have a constructive conversation. It’s important problem for the regional tourism development.

6.4 Main tourist attractions in the two regions

This chapter reviews the various tourist attractions in the two destinations:

6.4.1 Main tourists attractions in the Pamir Region

In the Pamir region the most notable elements are:

> The Pamir High Mountains (see below Figure 3, Figure 4 and Figure 5):

These mountains are situated in the heart of Central Asia (also called the “roof of the world”). This mountain range has some of the highest peaks of the former Soviet Union (including the formerly-named Peaks Lenin and Communism) and has borders with China, Afghanistan and Kyrgyzstan (Pamir Alay). This magnificent countryside remains well-preserved as there are very few inhabitants in the region. The mountains have enormous potential for tourism. However, mountaineering has not been developed here, and the few existing facilities date back to Soviet times. Numerous valleys are conducive to the organization of trekking tours.

Even though the Pamir is an arid region (with scarcely measured rainfall) it serves as Central Asia’s reservoir. Numerous rivers begin in this mountain area and provide water for almost 60 million people in Tajikistan, Afghanistan, Uzbekistan and Xinjiang. A majority of rivers (in particular, the Panj, Pamir, Wakhan-Darya, Gunt, Shakhdara, Bartang, Yazgoulem, and Vanchqui rivers) are part of the Amu-Darya basin. These rivers and the irrigated valleys they form have created a magnificent landscape, which provides a perfect setting for certain sports, such as river rafting (up to this point, largely under-exploited).

As described above, the Pamir Region is high in altitude and receives very little rainfall, and these two characteristics have contributed to the development of the region’s vegetation. The greenest parts can be found along the riverbanks, which is also where the water has been managed and exploited for centuries. Willow, poplar and birch trees have formed hedges and even densely clustered thickets. Because of its rapid growth, the poplar tree has become a symbol of the western part of the Pamir Region, and its wood is used primarily in construction.
There is significant diversity in Tajik settlements, whose people, including nomadic Kyrgyz populations, live mostly in villages and oases surrounded by irrigation canals.

> The Pamir Highway (see Figure 6, p. 40)

The Pamir Highway from Khorog to Osh (a section of the M41) was built by Soviet military engineers (1931-1934), in order to facilitate troops, transport and provisioning to this very remote outpost of the Soviet empire. There is only one other comparable road in the world - the Karakoram Highway (crossing from northeast Pakistan to western China over the Khun-Jerab pass). The route is popular with cyclists who can make it over a number of passes of more than 4000 meters. There are many websites and blogs devoted to this renowned highway. The route is a key tourist attraction which can contribute to the development of tourism in the Pamir Region.

> The Wakhan Corridor and the ancient Silk Road:

This corridor attracts thousands of people from all over the world, with its ruins of ancient castles and fortresses, welcoming hot springs and rural landscape. The stunning Hindukush Mountains in the background make an unforgettable impression. The corridor is also the main passageway for tourists traveling to Afghanistan. (At the moment, the Wakhan area and part of the Badakhshan region are the safest areas in Afghanistan.) The number of tourists visiting the area is increasing. From the upper Wakhan, the valley slowly changes into Lunar Pamir landscapes, one of the highest mountain plateaus in the world with exceptional colors and vegetation.

> Fedchenko glacier:

Tajikistan is home to one of the largest continental glaciers and is the source of more than 50% of Central Asia’s water resources. The Fedchenko glacier is the world’s longest continental glacier (almost 1,000 square kilometers.) Glaciers cover more than 8% of the terrain, which explains why many large groups of glaciologists have come here from abroad.

> Hot springs:

The Pamir region has a number of hot springs, in particular Garm Chashma and Bibi Fatima Zahro. Domestic tourists (coming from within the region and from Dushanbe) take great pleasure in this type of tourism. This has led to the construction of thermal baths and hotels.

> Cultural heritage (see Figure 7, p. 41):

The region has a number of cultural sites for visitors: The Khorog Regional Museum (covering, for example, the Stone Age, the Silk Road, great game and the Soviet Union), the Ostoni Shohi Mardon Shrine in Namadgut, the Shoh Isomuddin Shrine in Ptup, the Buddhist stupa in Vrang, the Vishimkala fortress in Zong, and the fortress in Yamchun, for example. This rich cultural heritage is not adequately preserved and exploited. The existing signage (both road access and site information) is insufficient to allow visitors to understand the significance of these sites.

> Khorog (see Figure 8, p. 42):

The city of Khorog is the essential urban center from which to discover the Pamir Region. This city (approx. 35,000 inhabitants) is the capital of the autonomous Gorno-Badakhshan Province (GBAO) and accordingly, a number of regional government offices and two universities can be found here. There are also useful services for tourists in the town, such as banks, travel agencies, insurance companies and Internet cafes. Because of its location on the Pamir Highway, Khorog is an indispensable stopover in the Pamir Region. PECTA provides helpful tourist advice, and an increasing number of hotels can be found here. Accommodation, food and entertainment still have to improve in quality in order to attract tourists for stays of several days.
Some tourism statistics:

> ca. 20 hotels (according to the Tax Committee Department of GBAO)
> ca. 80 homestays (thereof some not in business)
> ca. 50 tour operators
> ca. 200 craftsmen\(^8\)
> a seasonal tourism business from May until October
> four geo-thermal hot springs not according to international standards
> a big national park (UNESCO heritage since 2013) and the new Wakhan National Park in Afghanistan
> less than 7,000 international tourists in 2013

\(^8\) Goals and Opportunities, Tourism Development GBAO, Regional economic development in GBAO, Department on Investment and State Property Management GBAO, 2013.
The Pamir high mountains are situated in the heart of Central Asia (also called the “roof of the world”). This mountain range has some of the highest peaks of the former Soviet Union (including the formerly-named Peaks Lenin and Communism) and has borders with China, Afghanistan and Kyrgyzstan (Pamir Alay). The longest mountain glacier in the world, the Fedchenko, is also in the Pamirs. This magnificent countryside remains well-preserved as there are very few inhabitants in the region. These mountains have enormous potential for tourism. However, mountaineering has not been developed here, and the few existing facilities date back to Soviet times.
PAMIR REGION
CENTRAL ASIA’S RESERVOIR

Even though Pamir is an arid region (with scarcely measured rainfall) it serves as Central Asia’s reservoir. Numerous rivers begin in this mountain area and provide water for almost 60 million people in Tajikistan, Afghanistan, Uzbekistan and Xinjiang. A majority of rivers (in particular, the Panj, Pamir, Wakhan-Darya, Gunt, Shakhdara, Bartang, Yazgoulem, and Vanchqui rivers) are part of the Amu-Darya basin. These rivers and the irrigated valleys they form have created a magnificent landscape, which provides a perfect setting for certain sports, such as river rafting (up to this point, largely under-exploited).
Agriculture in the Pamirs is principally done through manual labor. Working with the land has created beautiful landscapes. Grains are the principal crops in the Pamir. Over the centuries, man has learned how to master water.

The Pamir Region receives very little rainfall and so farming takes place close to natural sources of water. Over the course of many decades, these activities have shaped the countryside of the Pamir Valleys. This is a tourist attraction which should be developed more in the future. Many tourists, in particular those who come on trekking adventures and who stay in homestays, are interested to learn more about the local way of life, the difficulties encountered and the future of these rural populations. Furthermore, tourism represents a promising source of additional income for the local residents.

Breeding is one of the most important sources of income. In summer large herds roam the plateaus of the Pamir. Over the centuries, man has learned how to master water. Donkeys help with diverse farming tasks.
The Pamir Highway from Khorog to Osh (a section of the M41) was built by Soviet military engineers (1931-1934), in order to facilitate troops, transport and provisioning to this very remote outpost of the Soviet empire. There is only one other comparable road in the world - the Karakoram Highway (crossing from northeast Pakistan to western China over the Khun-Jerab pass). The route is popular with cyclists who can make it over a number of passes of more than 4000 meters. There are many websites and blogs devoted to this renowned highway. The route is a key tourist attraction which can contribute to the development of tourism in the Pamir Region.

* www.cycling.martinhillers.info  
** http://www.allschoolproject.ch  
*** http://www.cycling-east.com
The Khorog Museum is located in an historic building.

The displays need to be completely redesigned.

The Yamg Museum was opened as a result of a private initiative.

The museum is dedicated to the astronomer and scholar S.M. Vakhoni.

PAMIR REGION
CULTURAL HERITAGE

The Pamir Region has a rich cultural heritage, but it has not been adequately preserved and exploited. The region has a number of cultural sites for visitors: The Khorog Regional Museum (covering, for example, the Stone Age, the Silk Road, great game and the Soviet Union), the Ostoni Shohi Mardon Shrine in Namadgut, the Shoh Isomuddin Shrine in Ptup, the Buddhist stupa in Vrang, the Vishimkala fortress in Zong, and the fortress in Yamchun, for example. The existing signage (both road access and site information) is insufficient to allow visitors to understand the significance of these sites. The proposed project could help in this regard.

The ancient fortress in Yamchun.

A large part of the cultural heritage is at risk and poorly signposted.

Historical sites provide opportunities to stop during the day.
Khorog (approx. 35,000 inhabitants) is the capital of the autonomous Gorno-Badakhshan Province (GBAO) and accordingly, a number of regional government offices and two universities can be found here. There are also useful services for tourists in the town, such as banks, travel agencies, insurance companies and Internet cafes. Because of its location on the Pamir Highway, Khorog is an essential stopover for discovering the Pamir Region. PECTA provides helpful tourist advice, and an increasing number of hotels can be found here. Accommodation, food and entertainment still have to improve in quality in order to attract tourists for stays of several days.

Khorog is the main administrative center of the region

Khorog houses the main services of the region (e.g., post office)

The Khorog bus station: an essential hub for backpackers

The Khorog bazaar: one of the main attractions in town

Khorog’s central park: one of the most relaxing places in town
6.4.2 Main attractions in the Zarafshan Valley

The principal attractions in the northern part of the country include both the Zarafshan Valley (the Fann Mountains) for mountaineering and trekking as well as the various historic towns located along the Silk Road:

> **The Fann Mountains:**

This range is one of the most popular destinations for mountaineering and trekking in Central Asia. This mountainous region includes eleven peaks higher than 5000 meters as well as approximately 30 mountain lakes.

> **The Seven Lakes Valley** (see Figure 9, p. 44):

This Valley is one of the most popular tourist destinations in the Zerafshan Valley. These turquoise lakes are located one after another along the valley. Numerous homestays, supported by the ZTDA, can be found along the way. This area is one of the principal departure points for hiking of all levels, from relaxed walks to challenging mountain climbing. It is possible to hire a guide and to rent camping equipment, porters and/or donkeys. Tourism is an important source of income for the local residents who make their living from farming and from money sent by relatives who left the region to work in Russia.

> **Iskanderkul Lake** (see Figure 10, p. 45):

Located in the southeast corner of the mountain range, Iskanderkul Lake is one of the most famous and easily accessible of the lakes. There are a number of options for accommodation (chalets, homestays, and campgrounds) and it is possible to rent boats and mountain bikes. This lake is the attraction with the closest proximity to Dushanbe. Its potential has not been fully exploited.

> **Panjikent** (see Figure 11, p. 46):

As the oldest settlement in Central Asia, Panjikent offers worthwhile sites to visit: the Neolithic site of Sarazm (protected by UNESCO), the ancient ruins of Panjikent (5th – 8th century), the museum and the mausoleum of the Persian poet Rudaki. Panjikent is the regional center of the Zerafshan Valley (as Khorog is for Pamir). From here, it is possible to organize excursions to the Fann Mountains with the assistance of the ZTDA and the ZTB, both of which have an office in town. Panjikent is suffering from the closure of the border on the road leading to Samarkand (60 km). Several years ago (2009), more than 600 tourists crossed the border for one-day excursions From Samarkand.

In addition to the tourist potential of the Zarafshan Valley, the proposed circuits include the two largest cities in the north of the country – Khujand and Istaravshan and possibly even Samarkand and Bukhara in Uzbekistan:

> **Khujand** (see Figure 12, p. 47):

Khujand is one of the oldest cities in the Central Asia located along the Silk Road. It is the second largest city in the country with approximately 200,000 inhabitants and is the economic capital of the northern part of the country. The atmosphere is vibrant and dynamic. For tour operators offering trips to both Tajikistan and Uzbekistan, it is a must see, and visitors can easily stay over one night (as there are a number of genuine three-star hotels.) The principal sites include the mosque, medresa and the mausoleum of Sheikh Muslihiddin (1133-1223), the Museum of Archaeology and Fortification, the Historical Museum and the “Panj-shanbeh” Bazaar ( ).

> **Istaravshan** (see Figure 13, p. 48):

Istaravshan, a small, historic town on the Silk Road, has one of the best preserved old towns in Tajikistan. The town has a number of historic buildings (Khazrati-Shokh Mosque and Mausoleum or the Abdulatif Sultan Mosque and Medersa). Istaravshan is located at the intersection of the roads leading from Dushanbe to Khujand (continuing to Uzbekistan) and from Panjikent (in the Fann Mountains) to Khujand. Accordingly, tourists visiting the two countries must pass through here. Given the fact that there is not adequate accommodation, the town can only be considered a brief stopover point and not a destination on its own. Its sites can be visited in a few hours (along with the central bazaar or some famous woodcarvers), but these sites have been not sufficiently featured.
The Seven Lakes Valley is one of the most popular tourist destinations in the Zerafshan Valley. These turquoise lakes are located one after another along the valley. Numerous homestays, supported by the ZTDA, can be found along the way. This area is one of the principal departure points for hiking of all levels, from relaxed walks to challenging mountain climbing. It is possible to hire a guide and to rent camping equipment, porters and/or donkeys. Tourism is an important source of income for the local residents who make their living from farming and from money sent by relatives who left the region to work in Russia.
The Bolshaya Ganza peak (5306 m) towers above the valley. Beautiful landscapes can be found along the Iskandar Darya. Agricultural activities are predominant in the valley. A 4x4 is necessary in winter on the road from the M34.

ZERAFSHAN VALLEY:
ISKANDERKUL LAKE

The Fann Mountains is one of the most popular destinations for mountaineering and trekking in Central Asia. This mountainous region includes eleven peaks higher than 5000 meters as well as approximately 30 mountain lakes. Located in the southeast corner of the mountain range, Iskanderkul Lake is one of the most famous and easily accessible of the lakes. There are a number of options for accommodation (chalets, homestays, and campgrounds) and it is possible to rent boats and mountain bikes. In Sarytag (a nearby village), visitors can hire a mountain guide (including donkeys and camping equipment.)

This gorgeous mountain lake is one of the region’s gems. The buildings and amenities remain fairly modest. The former Soviet-era vacation camp offers 30 chalets.
Panjikent is the regional center of the Zerafshan Valley (as Khorog is for Pamir). From here, it is possible to organize excursions to the Fann Mountains with the assistance of the ZTDA and the ZTB, both of which have an office in town. Panjikent has suffered from the closure of the border on the road leading to Samarkand (60 km) and has very little to offer as a destination. The hotels are mediocre, the restaurants are average and no particular activities of interest. On the other hand, there are some worthwhile sites to visit: the ancient ruins of Panjikent (5th – 8th century), the Neolithic site of Sarazm, the museum and the mausoleum of the Persian poet Rudaki.

The ZTDA Public information center provides services for tourists

The ZTB Public information center provides services for tourists

Panjikent has a few “average” restaurants

The Bazaar is the commercial center of the Valley

The town’s principal mosque is open to non-Muslims

The level of accommodation in Panjikent remains very poor

The Rudaki Museum offers a good overview of regional history
Khujand is the second largest city in the country with approximately 200,000 inhabitants and is the economic capital of the northern part of the country. The atmosphere is vibrant and dynamic. For tour operators offering trips to both Tajikistan and Uzbekistan, it is a must see, and visitors can easily stay over one night (as there are a number of genuine three-star hotels.) The principal sites include the mosque, medresa and the mausoleum of Sheikh Muslihiddin (1133-1223), the Museum of Archaeology and Fortification, the Historical Museum and the Panchshanbe Bazaar (with a lovely, colorful façade built in 1954).
Istaravshan, a small, historic town on the Silk Road, has one of the best preserved old towns in Tajikistan. The town has a number of historic buildings. Istaravshan is located at the intersection of the roads leading from Dushanbe to Khujand (continuing to Uzbekistan) and from Panjikent (in the Fann Mountains) to Khujand. Accordingly, tourists visiting the two countries must pass through here. Given the fact that there is not adequate accommodation, the town can only be considered a brief stopover point and not a destination on its own. Its sites can be visited in a few hours, but have been not sufficiently highlighted.

The Medersa is an exquisite building from the 15th century.

The local crafts shops are proof of the economic vitality.

TO can take visitors to the shop of one of the famous woodcarvers.
7. CREATIVE INDUSTRIES SECTOR

7.1 Identification of artisanal and cultural activities in the two areas

Tajikistan has a wide array of handicraft products such as knitting, embroidery (suzani), quilted fabric, wool processing, products of beads, hand textiles, woven products, toys, jewellery, bags, ornaments, leather products, and wood crafts, among others. These items are produced in almost all the districts and regions of Tajikistan, using local and imported raw materials.

Handicraft production in Tajikistan is predominately a cottage industry, engaging youth of both genders (although principally women), to supplement household income. Traditionally, craftsmanship and skills are passed from generation to generation. Despite the fact that the number of craftsmen has considerably decreased, master craftsmen can still be found and in recent years, handicraft production has become a major industry with potential business and export opportunities. This has resulted in the attraction of more artisans, traders and exporters.

More specifically, for the Pamir Region and the Zarafshan Valley, the main cultural and artisanal products are:

> Crafts:
In both regions, craft sales depend heavily on tourism. But also local population buys crafts both for special occasions such as weddings and for everyday life. The local residents are engaged in animal husbandry and have a large amount of wool, from which they produce wool products.

The traditional handicrafts of the Pamir vary depending on the area:
- The Eastern Pamir (Kyrgyz nomadic culture) produces a lot of handicrafts used to build and decorate traditional yurts and horse accessories (felt products, rugs). Silver jewelry is also widely produced and mainly used as a gift for kyrgyz weddings. Tajik Kyrgyz jewelry has a different and unique design compared to the one produced in Kyrgyzstan. Felt-made toys and traditional wool hats sell also very well among tourists.
- The Western Pamir (settled culture and agriculture-oriented) produces wool socks (named “Jurab,” with a variety of local designs), skullcaps and leather goods. Some small factories also produce jewelry made from semiprecious stones.

In the Zarafshan Valley, the most popular products are hand-made and embroidered quilts (named “Suzani” or “Zarduzi” (when embroidered with gold), wood-curved products, knifes and wool-weaved carpets.

> Music:
Due to the historical relationship with Uzbekistan, the culture, music, and traditional costumes in northern Tajikistan are similar to those in Uzbekistan and thus differ from the southern and eastern mountain areas of Tajikistan (“Falak” and “Mado”). There is a folk theater troupe in Khorog, and also plenty individual performers of folklore (Mado, Falak) who can perform for tourists. Recently Tajik music has started to be known also abroad thanks to movies and documentaries; some European bands started to perform Tajik music, resulting in a very effective marketing tool.

> Entertainment and Cultural Expression:
The most important holiday is Navruz and it is celebrated throughout the country. During this festivity, people cook special food, organize special games (wrestling, Buzkashi) and produce various theatrical pieces. This holiday period is not promoted, because March is not yet the tourist season. But Navruz holiday shows a strong potential for domestic tourism development: Tajiks living in Dushanbe use to visit friends and relatives in other regions to celebrate together.

9 Navruz marks the first day of spring or Equinox and the beginning of the year in the Iranian calendar. It is celebrated on the day of the astronomical Northward equinox, which usually occurs on March 21
10 Buzkashi is the Central Asian sport in which horse-mounted players attempt to drag a goat carcass toward a goal.
De Pamiri Handicrafts is a Tajik NGO that promotes handicrafts in GBAO. They support the creative production of traditional handicrafts, opening new economic opportunities and promoting Pamiri culture and identity.

De Pamiri has a selling point in Khorog (in the same office as PECTA). The margin charged on goods sold is 35%.

**Traditional hat (Toqi)**
- Wool, cotton or velvet and come in three colors; white, red and green. The strap around it “Sherozy,” is hand embroidered with ornaments representing Pamirian culture. The “Toqi” are also worn every day in Pamir and in other regions of Tajikistan. They are an expression of the identity of the Pamirians.

**Woolen slippers**
- The slippers are made out of wool of the sheep in the Mountains of Pamir and they are organic. The wool keeps the feet warm. It’s proven because in Pamir the winters are extremely harsh and these slippers are lifesavers of the feet.

**Traditional socks of Pamir “Jurabi”**
- Jurabi are traditional socks from Pamir Mountains, handmade by artisan. The vibrant colors are full of zest and the wool thread it made of will keep feet warm while looking trendy. These socks are the traditional gift form the Pamir region and appear as the symbol handicraft product from this region. Every local person owns such socks and wears them in the winter season. Also they are brought as presents from the Pamir region.

**Comments**
- De Pamiri Handicrafts is a Tajik NGO that promotes handicrafts in GBAO.
- De Pamiri Handicrafts support the creative production of traditional handicrafts, opening new economic opportunities and promoting Pamiri culture and identity.
- De Pamiri has a selling point in Khorog (in the same office as PECTA). The margin charged on goods sold is 35%.

### Value Chain Analysis

**Handicraft Sector**

**Example of Three Typical Products**

**Traditional hat (Toqi)**

- **Raw material:**
  - Fabrics + wool (sheep and yak) 4.8 $
- **Sherozy:** 3.1 $
- **Artisans profit:** 4.1 $
- **De-pamiri’s 35%** 4.2 $
- **Total price** 16.2 $

**Woolen slippers**

- **Raw material:**
  - Wool (sheep and yak) 3.2 $
- **Artisans profit:** 6.3 $
- **De-pamiri’s 35%** 4 $
- **Total price** 15.5 $

**Traditional socks of Pamir “Jurabi”**

- **Threads from wool + Chemical Colours** 3.1 $
- **Artisans profit** 3.2 $
- **De-pamiri’s 35%** 2.9 $
- **Total price** 11.2 $

© Photos submitted by Zitarkova Nadezhda (GIZ – Tajikistan) and by Katrin Muenzber, Project “Handicrafts development in Tajikistan”, ASA Programm (2013)
Main attraction in the North is:
- The annual fashion show "Atlas" helps the development of traditional crafts (suzani and zarduzi). Every year in March, the government organizes the Atlas show to promote traditional ikat fabric, to discover talented designers and artisans in order to support and develop fashion industry in Tajikistan. For the past 10 years this competition is being organized in all the regions of Tajikistan, except Pamir Region. It is rather the Tajik audience that appreciates this event, which has not yet international influence.

Main attractions in the Pamir Region are:
- The annual "The roof of the world" festival held in Khorog during the tourist season (over four days in the summer) with music from all over the Pamirs and surrounding regions. Additionally, the Khorog Central Park hosts traditional and innovative performances in alternative music, poetry and local crafts. Many foreign tourists attend this festival.
- The annual "At Chabysh" festival held near Murghab (on the Pamir Highway) during the tourist season (August) dedicated to traditional Kyrgyz horse games and also includes poetry competitions, concerts and a handicraft exhibition. Many foreign tourists attend the festival, and interest is increasing.

> Biological food:
- For Murgab Region: Yak meat, milk and cheese (tourists already buy these products in the Milk House of Murgab)
- For Western Pamirs: barashka (alcoholic drink made out of mulberry trees), pamir honey and special bread prepared during festivities

7.2 Main findings

In the context of the present study, about ten artisans in both regions were assessed.

7.2.1 Challenges for artisans

There are some difficulties the local artisans in Tajikistan face:

> Shortage of certain raw materials (threads for embroidery and knitting, fabric, wool). The factories, which produce silk and silk threads, stop producing the raw material and artisans have to buy lower quality Chinese threads and fabric. The higher quality materials are not always available to inhabitants of the Pamir and Zarafshan Valley. The raw material for these regions is mainly supplied from Dushanbe. This increases the cost considerably and accordingly, the cost of the final craft products. In recent years, the Chinese living the along the border with Murghab buy a lot of yak wool. This also increases the price of the final products.

> Shortage of technical equipment for adaptation and development of raw material: urgent need to provide communities all over the country with such technologies; very little initial investment is needed. Such technologies would allow crafts communities of Pamir - especially in Shohdara Valley (wool) and Murgab (yak leather)- to transform and make profit of raw material.

> Power cuts: These disorders cause two problems -- insufficient workshop heating (mostly in winter) and the inability to operate the machines, thereby slowing down production, but are limited to Norther Tajikistan and it don't affect the Pamir Region.

> High rental cost for workspace: Too often artisans fail to assume these rental costs and do not work in optimal conditions. This is true mainly in Dushanbe, in Pamir and Zerafshan regions artisans normally work in their houses.

> Lack of local market sales: Domestic customers have a difficult time finding quality products.
> **Lack of tourist market sales:** Innovations, design and product adaptations are limited, given the low skill capabilities of the producers, and, as a result, Tajikistan handicrafts are not appreciated, especially by tourists. There are also many highly skilled artisans whose main constraint is the lack of products' marketing.

> **Lack of product marketing:** This poor marketing do not allow satisfactory commercialization of merchandise and penalize the whole sector.

> **Insufficient number of points of sale:** For producers living in remote areas it is sometimes difficult to reach potential customers.

> **Lack of interest by the younger generation:** This lack of interest will likely lead to a shortage of craftsmen in future.

> **Difficulty in delivering goods:** It is difficult to ship the goods. Therefore, traders lose time because they are required to personally deliver their products over long distances.

> **Lack of support from local authorities:** The insufficient number of crafts centers to coordinate the work of artisans, information gathering, relationship with other districts and countries. On the other hand there are many NGOs and cooperatives active both at regional and national level supporting the development of the sector.

> **Lack of coordination between organisations engaged in handicraft promotion activities:** The existing organisations work in a very fragmented and disjointed manner.

Providing solutions to the above-mentioned problems will be necessary for the further development of folk arts and crafts in the region.

### 7.2.2 Assessing the potential in the development of artisan activities

According to the institutions interviewed during this study, there is strong potential for the development of the handicraft sector in Tajikistan. For example, the following answers were given:

> “Developing artisanal activity in the area is necessary, the right strategy must be developed and the artisans who are really passionate, determined, goal oriented with potential must be involved.”

> “There is a potential for artisanal activity in the region due to natural resources, ethnic and cultural background and GBAO is also considered to be a place commonly visited by tourists.”

> “The prospective for growth is also high due to the raising number of tourists with interest in handmade crafts.”

> “Currently handicraft sector is evolving. Since Independence, creative industry gradually evolves and addresses to the expectations of tourists. In the meantime, some traditional style disappears.

Further development of folk arts and crafts is necessary, as it allows tackling social problems such as the reduction of unemployment and the preservation of cultural and historical values and traditions. The production of ecological local raw material is also an opportunity for jobs’ creation providing low skilled crafts producers a sure alternative income.

### 7.2.3 Importance of tourism as a commercial opportunity

In Tajikistan, the majority of buyers of handicraft products are tourists. It is therefore important to strengthen the links between these two economic sectors in order to provide benefits to both.

In both regions, most of the traditional artisans sell products to tourists through two channels:

> **Homestays:** Village artisans can showcase their products in the local homestays (most often at no cost). This formula is also enjoyable for tourists as they can view the local products without pressure.
> **Specialized sales centers:**
- In the Zarafshan Valley: The Armugon sales center in Panjikent (ZTDA)
- In the Pamir Region: The De-Pamiri sales center in Khorog (PECTA), the Layokat souvenir shop, and at the Hotels LAL’Inn and Serena.

These shops and centers have 35% of the profits from selling the artisans’ products. The homestays in Zarafshan also organize handicraft exhibitions, concerts and shows with traditional Tajik clothes from different regions of Tajikistan for the tourists.

Given the economic conditions in the country and the competition from relatively inexpensive products imported from China, local craft products are less in demand by the local population (they are principally purchased for special occasions, such as weddings). This situation has two consequences:

> Simplified traditional products (lower quality using cheaper materials such as low quality raw material and chemical dyes)\(^\text{11}\)
> Oriented mainly towards tourist customers:
  - 95% in the Pamir (according to “De-Pamiri” statistics) (locals tend to buy directly from the artisans)
  - 55% in the Zarafshan Valley (the domestic market is much more dynamic than in the Pamir).

It is also important that the craftsmen forge links with **tourism professionals.** In fact, travel agencies and TOs can arrange **visits to the production facilities.** These tourist visits regularly lead to significant purchases.

In the Pamir Region, the most popular souvenirs bought by tourists are socks called “Jurab” (which can be used as Christmas socks), jewelry made with semi-precious stones, and felt products (toys, hats, bags, small carpets). In the Zarafshan Valley, the most common products bought by tourists are "Susane", traditional dolls and quilted products. The utility of goods and their design do not always meet the tourists’ standards.

Some artisans participate in annual crafts fairs, which are held in the city of Dushanbe at the Ismaili centre, which is owned by Agha Khan. This fair is conducted bi-annually in May and December (before Christmas). Approximately 60% of the visitors are tourists and foreigners who work in Tajikistan.

### 7.2.4 Existing human resources potential and the need of human resources in handicraft sector

It was noted that the artisans need more advice (courses and trainings are already provided by international organizations) in the area of professional services, such as legal, financial, tax and other business areas. More training in entrepreneurship should be provided to the younger generation of artisans.

The present study showed that the majority of them recognize the need for professional help. They could benefit from exchanging experiences with other professionals as well as receiving additional training and master classes (design, quality, calculation of cost price of the product, marketing). They could also use more assistance of creative designers and business development specialists.

The industry is in need not only of qualified artisans but also of other related occupations:

> Workers to improve and implement an effective distribution system for handicrafts: the artisans have problems with logistics, most notably the distance between artisans’ homes and the centres for selling their crafts. It would be helpful to arrange a means of delivering the products to the centres, as well as instituting a payment system.
> Services to lessen the seasonal nature of handicrafts sales

\(^{11}\) In Museums original made handicrafts have clearly much better traditional quality (design, material, finishing, …)
7.2.5 Assessment of the impact of support organizations on the handicraft sector

Appendix 8 (p. 111) provides an exhaustive description of key projects supporting the creative industries sector (Music, Dance, Entertainment and Cultural Expression). These projects seek to:

- Train Tajik professionals and develop networks
- Improve the quality of their services and their performances
- Strengthening marketing channels
- Enhancing the cultural potential of the country and publicizing it at the national and international levels
- Organize events of national and international influence

In the Pamir region, the main support organizations are MSDSP, GIZ, SDC, the Rupani Foundation and De-Pamiri. Their contributions are useful and appreciated by beneficiaries.

Grant support and financial assistance in the Zarafshan Valley comes from organizations such as GIZ, DED and German Development Services (payment for transport services, provision of facilities, purchase of materials for artisans funding exhibitions, events, salaries of invited experts to conduct master classes).

More than half of the interviewees have witnessed a noticeable impact from international organizations and NGOs in (in order of importance): exhibitions, workshops and master classes support in the marketing of products, subsidies and loans.

With regard to contributions from the local authorities, none of artisans have noticed an effect on their activities.

The artisans surveyed have expressed the need for support from the authorities and organizations in the following areas:

- financial assistance to purchase equipment, materials, and facilities
- opportunity to participate in exhibitions
- ensuring the sales market
- organizing training courses

With regard to the financial assistance in particular, the artisans have expressed the need for loans at preferential rates, access to micro-credit and preferential provision of facilities, materials and equipment. Furthermore, they need assistance with market development and building the export potential for their products.
7.3 Lessons from the current situation

According to the results of the two field studies, it is recommended that measures be taken to support the development of folk arts and crafts. Therefore, to solve the problems associated with the shortage of human resources in the industry, and the difficulties associated with the sales and marketing of these types of goods the following actions should be taken:
> continue providing incentives for artisans who teach folk art skills and methods, such as free or discounted facilities for teaching
> continue organizing free courses for artisans wishing to learn new or expand their existing skills
> strengthen the marketing activities on a regional and national level through provision of high quality promotional informational material:
  - organization of promotional activities to attract consumers to purchase traditional arts and crafts
  - organization of trade fairs of handicraft products in tourist areas, such as hotels and major sites, opening of souvenir shops at all major sporting events and cultural activities in the region.
> develop promotional materials and organize events: flyers and booklets with information on crafts, craft centres, cultural activities, and exhibitions.
> develop an innovative internet page displaying information about artisans, products and possibilities of purchase

To address the problems associated with the acquisition of raw materials, equipment and facilities for artisanal activities, the following recommendations are being made:
> Providing financial support to artisans in the form of dedicated funding – a one-time payment for the purchase of equipment and materials/link to microfinance:
  Because of the specific challenges of this sector, there is a strong need for creative financing at favorable terms. However, banks typically do not provide this type of credit in the arts and crafts sector.
> Organizing some place like “baseness incubator” or center for artisans where they can in particular benefit from support or aid for cooperation with foreign customers
> Strengthening the regional structures, connections among the craftsmen and their cooperatives, also with the regional branches of the ministry.
Specific SWOT Analysis for the craft sector:

<table>
<thead>
<tr>
<th>Strengths:</th>
<th>Weaknesses:</th>
</tr>
</thead>
</table>
| > The abundance of unique local raw materials, such as semi-precious stones, cotton, wool, animal skin, silver, wood  
> A wide range of traditional production knowledge  
> Current and potential internal markets based on tourism (presentation of crafts techniques to tourists, tourist tours to crafts centers)  
> Unique products rooted in the country’s diverse culture  
> Availability of cluster production in typical homesteads and traditional activities | > Limited capitalisation and low investment  
> Limited technical skills, capacity, technology integration and innovation  
> Limited resources for production, distribution and marketing  
> Disjointed and duplication of efforts by stakeholders in capacity building, research, training and products  
> Existing national plans targeting the development of the sector are not effectively implemented  
> Low capacity to produce souvenirs adapted to Western tastes (contemporary design and tourists constraints (size, weight, ...)) |

<table>
<thead>
<tr>
<th>Opportunities:</th>
<th>Threats:</th>
</tr>
</thead>
</table>
| > An increasing flow of tourists who provide markets for products  
> Tourist interest in observing artisans and craftsmen at work  
> Increased coordination of marketing and industry participation  
> Tajikistan joined the World Trade Organization in 2013  
> Cross-border artisanal events could strengthen Tajik tourism image | > Competition from countries such as China, Uzbekistan and Kyrgyzstan, which produce inexpensive but good quality crafts |
8. TOURISM VALUE CHAIN ANALYSES

8.1 Introduction

8.1.1 Methodological limitations
The following analysis has several limitations:

> Tajikistan is one of the weakest countries in the world in terms of tracking statistical data. The tourism industry is no exception to this rule, as hardly any data can be retrieved.

> The subjects interviewed in this study were often either reluctant to provide information concerning their financial gains from their activities (revenues, margin, etc.) or quite simply incapable of doing so.

> The study did not have the means to conduct research on a sample large enough to be considered statistically significant.

Accordingly, this analysis is qualitative in nature. It does, however, provide a number of statistics provided by two Tajik consultants who have substantial knowledge of the tourism and handicraft industries.

8.1.2 Value chain definition
Tourism is generally considered a service-based industry. The value chain provides a tourism “product” to the tourist as a consumer. However, tourism is quite complex because of its multiple layers. Individuals or groups purchase tourism products from the global supply of holiday providers (i.e. travel agents, tour companies).

Then, after arriving at their destination, the second level of market supply comes into play. Tourists (or their tourism providers) buy and consume products and services in the destination marketplace available from the multiple service and goods based supply chains. It is in this second market that the local economic impact is actually generated. The primary market providers (tourism operators) are crucial to generating demand in the secondary market by virtue of their action, which is to channel consumers to the destination. Each tourism product is therefore a packaging of sub-products from multiple value chains.

A ‘pure’ value chain analysis looks at the end-to-end expense of a particular product (from the overall package price paid in the source market, including the retailer profit and overhead, air fares, travel insurance and other items unrelated to “in-country expenses”). Many value chain based studies focus on the high degree of leakage. It is now widely viewed that leakage is typically less relevant than the levels of linkages within a country. It is the nature of the industry that a substantial portion of the package price goes towards airfare / shipping fees etc., but this does not concern the destination country. What concerns the government, industry and people of a country is the amount spent in the country, what stays in the country, and what benefits whom (i.e. distribution by economic status, geography, ethnicity, gender, etc.).
8.2 Value chain map from Tajik tourism

As shown in the graphic below, value chains are a useful way of organising a complicated reality and to see the linkages between different operators and sectors of the economy.

The graphic illustrates the key components of a tourism value chain, including:

> **The main ‘nodes’ of the value chain (double-ended arrows):** Including accommodation, food, entertainment, shopping, excursions and transportation. Value chains almost always have accommodation, food, shopping and excursions, local transportation and entertainment. However, all categories of tourists (Group Inclusive Tour (GIT), Free independent travellers (FIT), expats, local tourists) do not consume all types of services (or not with the same intensity).

> **Direct service providers (color blue):** Direct service providers are operators who have direct contact with the tourists and who receive direct benefits of this industry.

> **Tourism support institutions (color orange):** These are the organisations that create (or fail to create) the enabling environment within which the tourist sector functions.

> **Non-tourism sector (color yellow):** Tourist requirements normally have an impact on the local economy well beyond hotels, homestays, restaurants and tea houses that constitute the “tourist sector” in the national accounts. Mapping the value chain helps to gain a clear understanding of which portions of the non-tourism destination economy are driven by tourist requirements, such as construction of tourist assets, crafts and food supply chains.

8.3 Tracking revenue flows and pro-poor income

8.3.1 Revenue flows along the value chains for four tourism products

This analysis is done for four types of tourism products/clients:

> Touring (Group Inclusive Tour / GIT)

> Trekking (Group Inclusive Tour / GIT)

> Domestic tourist (Free independent travellers / FIT)

> Backpackers (Free independent travellers / FIT)

The breakdown of expenditures (principal ‘nodes’ of the value chain) is as follows:

> Foreign TO gross margin

> Air fare

> National TO gross margin

> Vehicules/transporation

> Accommodation

> Food and beverages

> Staff (drivers, guides, etc.)

> Entertainment

> Other Expenses (extras)

  - Souvenirs - gifts
  - Local telephone expenditures / Alcohol
  - Tips
The analysis of these four products is illustrated in the following graphics, including:

- a description of the tourist “product”
- the ratio of expenditure in Tajikistan vs. expenditure in Europe
- a breakdown of tourism expenditures
- a comparison between the four products:
  - the ratio of expenditure in Tajikistan vs. expenditure in Europe
  - the ratio of expenditure in Tajikistan ($ / day / tourist

The results are discussed thereafter.

Some unit costs:

- Accommodation in Dushanbe (3*) ............................................................... 60 $/night
- Accommodation in Khorog (3*) ................................................................. 25 $/night
- Accommodation in Homestays ................................................................. 10 $/night
- Accommodation in Homestays + breakfast + dinner: ........................................... 18$/pers
- Guides ........................................................................................................ 50 $/day
- Cook .......................................................................................................... 30 $/day
- Driver ........................................................................................................ 40 $/day
- Caravan leader (trekking) ................................................................. 20 $/day
- Caravan Staff (trekking) .......................................................................... 14 $/day
- Donkeys (trekking) ................................................................................ 15 $/day

Precision: Unit costs are significantly lower for Zerafshan Valley
**International Tour operator:**
Promotion, product design, advertising, booking, sale, administrative formalities, ...

**CASE 1**
Data Oktober 2013

**National Tour operator:**
Transfer, transportation, accommodation, food, guides, animation and administration

**Description**

**Product**
- High level 4x4 Touring in the Pamir Region

**Commercialization**
- by Western European TO, in relation with national TO

**Duration**
- 10 days in Tajikistan

**Tour Distance**
- 2500 km

**Accommodation**
- 3 nights in Dushanbe (3-4* hotel), 2 nights in Khorog (3* hotel) and 5 nights in homestays

**Catering**
- in restaurant, homestays, tea house, pack-lunch

**Car**
- 3 good 4x4 Toyota Land Cruisers, air condition, 3 tourists per car (each tourists at window)

**Group**
- 8 European tourists, 1 national guide, 3 drivers (total : 12 people)

**TOTAL Tourist expenditure:**

<table>
<thead>
<tr>
<th>Category</th>
<th>Expenditure in Tajikistan ($)</th>
<th>Expenditure in Europe ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Foreign TO gross margin</td>
<td>1'925</td>
<td>2'004</td>
</tr>
<tr>
<td>2. Fly tickets</td>
<td>250</td>
<td>300</td>
</tr>
<tr>
<td>3. National TO gross margin</td>
<td>250</td>
<td>300</td>
</tr>
<tr>
<td>4. Vehicles</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>5. Staff</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>6. Accommodations</td>
<td>125</td>
<td>150</td>
</tr>
<tr>
<td>7. Food + drink</td>
<td>150</td>
<td>150</td>
</tr>
<tr>
<td>8. Animation</td>
<td>250</td>
<td>250</td>
</tr>
<tr>
<td>9. Other Expense (extra)</td>
<td>750</td>
<td>750</td>
</tr>
</tbody>
</table>

**March 2014**
15223_Case1_140314_FLA_crs
**International Tour operator:**
Promotion, product design, advertising, booking, sale, administrative formalities, ...

**National Tour operator:**
Transfer, transportation, accommodation, food, guides, animation and administration

---

**CASE 2**

**Date October 2013**

**Description**

**Product**
- High level 4x4 Touring + 4 days trekking in the Pamir

**Commercialization**
- by Western European TO, in relation with national TO

**Duration**
- 12 days in Tajikistan

**Tour Distance**
- 2000 km

**Accommodation**
- 3 nights in Dushanbe (3-4* hotel), 2 nights in Khorog (3* hotel), 3 nights in homestays and 4 nights in tent

**Catering**
- in restaurant, homestays, tea house, pack-lunch

**Car**
- 3 good 4x4 Toyota Land Cruisers, air condition, 3 tourists per car (each tourist at window)

**Group**
- 8 European tourists, 1 national guide, 3 drivers (total : 12 people)

**Trekking staff**
- 1 Caravan leader, 4 Caravan staff, 1 cook (6 people)
- 7 donkeys + tent material

**Value Chain Analysis**

<table>
<thead>
<tr>
<th>Expenditure in Tajikistan ($)</th>
<th>Expenditure in Europe ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>2'223</td>
</tr>
<tr>
<td>1'000</td>
<td>2'742</td>
</tr>
<tr>
<td>2'000</td>
<td>3'965</td>
</tr>
<tr>
<td>3'000</td>
<td>5'188</td>
</tr>
<tr>
<td>4'000</td>
<td>6'411</td>
</tr>
<tr>
<td>5'000</td>
<td>7'634</td>
</tr>
<tr>
<td>6'000</td>
<td>8'857</td>
</tr>
</tbody>
</table>

**TOTAL Tourist expenditure:**

1. Foreign TO gross margin
2. Fly tickets
3. National TO gross margin
4. Vehicles
5. Staff
6. Accommodations
7. Food + drink
8. Animation
9. Other Expense (extra)

**March 2014**

13229_Case2_140314_FLA_crs
**CASE 3**

**NATIONAL TOURISM : HEALTH AND LEISURE STAY**

**Description**

- **Product**
  - Health and leisure stay in Garm-Chashma (hotsprings in Pamir)
- **Commercialization**
  - Self-independent travelers
- **Duration**
  - 14 days
- **Tour Distance**
  - 1400 km
- **Accommodation**
  - Homestay on the road (4 nights), homestay (10 nights) in Garm-Chashma without breakfast, but with cooking facilities
- **Catering**
  - Tea house on the road, cooking themselves in Garm-Chashma
- **Group**
  - 4 Adults (1 seeking treatment + 3 relatives)
- **Car**
  - Own car

**VALUE CHAIN ANALYSIS**

<table>
<thead>
<tr>
<th>Case</th>
<th>Tour</th>
<th>Accommodation</th>
<th>Catering</th>
<th>Group</th>
<th>Car</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Touring</td>
<td>Homestay</td>
<td>Tea house</td>
<td>4 Adults</td>
<td>Own car</td>
</tr>
<tr>
<td>2</td>
<td>Trekking</td>
<td>Homestay</td>
<td>Tea house</td>
<td>4 Adults</td>
<td>Own car</td>
</tr>
<tr>
<td>3</td>
<td>National Tourism</td>
<td>Homestay</td>
<td>Tea house</td>
<td>4 Adults</td>
<td>Own car</td>
</tr>
<tr>
<td>4</td>
<td>Backpackers</td>
<td>Homestay</td>
<td>Tea house</td>
<td>4 Adults</td>
<td>Own car</td>
</tr>
</tbody>
</table>

**CASE 2**

**Data October 2013**

- Expenditure in Tajikistan ($):
- Expenditure in Europe ($):

**TOTAL Tourist expenditure :**

1. Foreign TO gross margin
2. Fly tickets
3. National TO gross margin
4. Vehicles
5. Staff
6. Accommodations
7. Food + drink
8. Animation
9. Other Expense (extra)

**Expenditure in Tajikistan ($) / day / tourist**

- **Legend**
  - Red: Expenditure in Tajikistan ($)
  - Blue: Expenditure in Europe ($)
CASE 4

Description

Product
- backpackers travelling throw Central Asia

Commercialization
- self-independent travelers

Tour Distance
- 2500 km

Accommodation
- 21 nights (2 nights in Dushanbe (guesthouse), 2 nights in Khorog (guesthouse), 5 nights touring in the Pamir (3 nights in homestays + 2 nights in own tent), 2 nights in Khorog (guesthouse), 5 nights trekking in the Pamir (own tent), 1 night in Khorog (guesthouse), 2 night in Murghab (own tent or free overnight by locales) and 2 nights in Karakul (homestay)).

Catering
- in restaurant, homestays, tea house, pack-lunch, self-prepared

Car
- between the main destinations: local taxi (public transportation)
- touring in the Pamir: car rental (shared with other backpackers)

Group
- 2 People
### 8.3.2 Qualitative assessment of the pro-poor income (PPI) generated by Case 1 (Touring)

The following table provides a qualitative assessment of the pro-poor income (PPI):

<table>
<thead>
<tr>
<th>Expenditure breakdown</th>
<th>Pro-poor income</th>
<th>Case 1 (Touring) : Pro-poor income (PPI) ratio (qualitative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign TO fees + gross margin</td>
<td>No</td>
<td>Not surprisingly, expenditures made outside of the country have no impact on the country’s poorest population</td>
</tr>
<tr>
<td>Airfare</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>National TO fees + gross margin</td>
<td>Low</td>
<td>This gross margin (National TOs) has only a small economic impact on the poor (principally for unskilled workers revolving around the TOs) and this impact is felt most often only in the town where the TO is based (principally Dushanbe.)</td>
</tr>
<tr>
<td>Vehicules/transportionation</td>
<td>Low</td>
<td>Travel for GIT provides modest benefits and is limited to low-skilled positions (cleaning and maintenance, security...)</td>
</tr>
<tr>
<td>Accommodation in hotels</td>
<td>medium</td>
<td>Hotel stays can be classified as moderate (approx. 10%). Tourists on GIT on a touring trip generally stay in higher quality hotels, resulting in a lower percentage PPI</td>
</tr>
<tr>
<td>Accommodation in homestays</td>
<td>Important</td>
<td>Accommodation in homestays is the category which as the highest PPI. These expenditures stay almost exclusively with the location and have a real impact on the local economy. Even though some homestay owners are no longer among the poorest, many continue to live in a precarious situation. This type of lodging should be encouraged. Furthermore, if the standards could be improved (sanitary facilities, for example) the price of a night’s stay could be increased.</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>Important</td>
<td>This category generally has an attractive PPI. The choice of restaurants in Tajikistan remains fairly poor, and accordingly, it would be worthwhile to support the opening of restaurants and cafes. Guesthouses et homestays are important outlets to sell local fruits and vegetables (especially for breakfast)</td>
</tr>
<tr>
<td>Staff (drivers, guides, cooks, porters, ...)</td>
<td>Important</td>
<td>Important PPI, but lower than Trekking (Case 2) which requires significant labor from local workers (guides, porters, mule drivers ...)</td>
</tr>
<tr>
<td>Entertainment</td>
<td>low</td>
<td>The PPI for this category is minimal for all types of tourism. Currently, there is very little offered in terms of entertainment and cultural events in Tajikistan (but in a short time and with low investments it would be possible to re-develop this opportunity making the tours more attractive)</td>
</tr>
<tr>
<td>Souvenirs – gifts</td>
<td>Important</td>
<td>Not surprisingly, this category also has a higher PPI than others, and accordingly, increased efforts should be made to improve the link between tourism and handicrafts.</td>
</tr>
<tr>
<td>Local telephone expenditure</td>
<td>no</td>
<td>There is no benefit to the poor</td>
</tr>
<tr>
<td>Tips</td>
<td>Important</td>
<td>These amounts are significant and provide enormous benefits to the poor (impossible to anticipate because spontaneously)</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
<td>Case 1 (touring) and Case 2 (trekking) are the cases in which tourists spend the most for their vacations. The average daily expenditure while in Tajikistan (ratio) is also higher for Case 1 (touring) and Case 2 (trekking). The level of expenditure is four to five times higher for Cases 1 (touring) than for Case 3 (national tourism) and Case 4 (backpackers.) These are “desirable tourists.”</td>
</tr>
</tbody>
</table>
### 8.3.3 Qualitative assessment of the pro-poor income (PPI) generated by Case 2 (Trekking)

The following table provides a qualitative assessment of the pro-poor income (PPI):

<table>
<thead>
<tr>
<th>Expenditure breakdown</th>
<th>Pro-poor income</th>
<th>Case 2 (trekking): Pro-poor income (PPI) ratio (qualitative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign TO fees + gross margin</td>
<td>no</td>
<td>Not surprisingly, expenditures made outside of the country have no impact on the country’s poorest population</td>
</tr>
<tr>
<td>Airfare</td>
<td>no</td>
<td></td>
</tr>
<tr>
<td>National TO fees + gross margin</td>
<td>low</td>
<td>This gross margin (National TOs) has only a small economic impact on the poor (principally for unskilled workers revolving around the TOs) and this impact is felt most often only in the town where the TO is based (principally Dushanbe.)</td>
</tr>
<tr>
<td>Vehicules/transportation</td>
<td>low</td>
<td>Travel for GIT provides modest benefits and is limited to low-skilled positions (cleaning and maintenance, security...)</td>
</tr>
<tr>
<td>Accommodation in hotels</td>
<td>medium</td>
<td>Hotel stays can be classified as moderate (approx. 10%). Tourists on GIT on a touring trip generally stay in higher quality hotels, resulting in a lower percentage PPI</td>
</tr>
<tr>
<td>Accommodation in homestays</td>
<td>Important</td>
<td>Accommodation in homestays is the category which has the highest PPI. These expenditures stay almost exclusively with the location and have a real impact on the local economy. Even though some homestay owners are no longer among the poorest, many continue to live in a precarious situation. This type of lodging should be encouraged. Furthermore, if the standards could be improved (sanitary facilities, for example) the price of a night’s stay could be increased.</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>Important</td>
<td>This category generally has an attractive PPI. Trekking offers the highest PPI. The choice of restaurants in Tajikistan remains fairly poor, and accordingly, it would be worthwhile to encourage and support the opening of restaurants and cafes.</td>
</tr>
<tr>
<td>Staff (drivers, guides, cooks, porters, ...)</td>
<td>Important</td>
<td>The highest PPI comes from Trekking which requires significant labor from local workers (guides, porters, mule drivers, cooks.) It is the type of tourism which generates a significant number of low-skilled jobs that allows workers to supplement their income from farming.</td>
</tr>
<tr>
<td>Entertainment</td>
<td>low</td>
<td>The PPI for this category is minimal for all types of tourism. Currently, there is very little offered in terms of entertainment and cultural events in Tajikistan</td>
</tr>
<tr>
<td>Souvenirs – gifts</td>
<td>Important</td>
<td>Not surprisingly, this category also has a higher PPI than others, and accordingly, increased efforts should be made to improve the link between tourism and handicrafts.</td>
</tr>
<tr>
<td>Local telephone expenditure</td>
<td>no</td>
<td>There is no benefit to the poor</td>
</tr>
<tr>
<td>Tips</td>
<td>Important</td>
<td>These amounts are significant and provide enormous benefits to the poor (impossible to anticipate because spontaneously)</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
<td>Case 2 (trekking) and Case 1 (touring) are the cases in which tourists spend the most for their vacations. The average daily expenditure while in Tajikistan (ratio) is also higher for Case 1 (touring) and Case 2 (trekking). The level of expenditure is four to five times higher for Case 2 (trekking) than for Case 3 (national tourism) and Case 4 (backpackers.) These are “desirable tourists.”</td>
</tr>
</tbody>
</table>
8.3.4 Qualitative assessment of the pro-poor income (PPI) generated by Case 3 (Domestic tourism)

The following table provides a qualitative assessment of the pro-poor income (PPI):

<table>
<thead>
<tr>
<th>Expenditure breakdown</th>
<th>Pro-poor income</th>
<th>Case 3 (domestic tourists): Pro-poor income (PPI) ratio (qualitative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign TO fees + gross margin</td>
<td>-</td>
<td>n.a.</td>
</tr>
<tr>
<td>Airfare</td>
<td>-</td>
<td>n.a.</td>
</tr>
<tr>
<td>National TO fees + gross margin</td>
<td>-</td>
<td>n.a.</td>
</tr>
<tr>
<td>Vehicules/transportation</td>
<td>no</td>
<td>It is inexistent as they use their own cars</td>
</tr>
<tr>
<td>Accommodation in hotels</td>
<td>medium</td>
<td>Hotel stays can be classified as moderate (commonly accepted at 10%). Domestic tourists mainly stay in low standard hotels</td>
</tr>
<tr>
<td>Accommodation in homestays</td>
<td>Important</td>
<td>Accommodation in homestays is the category which has the highest PPI. These expenditures stay almost exclusively with the location and have a real impact on the local economy. Even though some homestay owners are no longer among the poorest, many continue to live in a precarious situation. This type of lodging should be encouraged. Furthermore, if the standards could be improved (sanitary facilities, for example) the price of a night’s stay could be increased.</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>Important</td>
<td>Domestic tourists often cook for themselves (higher impact for products from the local market)</td>
</tr>
<tr>
<td>Staff (drivers, guides, cooks, porters, …)</td>
<td>-</td>
<td>There is no benefit derived in this category from domestic tourists. They make little use of local labor force</td>
</tr>
<tr>
<td>Entertainment</td>
<td>low</td>
<td>The PPI for this category is minimal for all types of tourism. Currently, there is very little offered in terms of entertainment and cultural events in Tajikistan. Entertainment could be very important for domestic tourism development, because Tajiks traditionally attend cultural activities during their holidays.</td>
</tr>
<tr>
<td>Souvenirs – gifts</td>
<td>Important</td>
<td>Not surprisingly, this category also has a higher PPI than others, and accordingly, increased efforts should be made to improve the link between tourism and handicrafts. It is also important to note that a demand exists domestically (Case 3) as well</td>
</tr>
<tr>
<td>Local telephone expenditure</td>
<td>-</td>
<td>Not relevant</td>
</tr>
<tr>
<td>Tips</td>
<td>Important</td>
<td>These amounts are significant and provide enormous benefits to the poor (impossible to anticipate because spontaneously)</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
<td>Case 3 (domestic tourists) is a case in which people spend the least for their vacations. The average daily expenditure while in Tajikistan (ratio) is also the lowest. The level of expenditure is four to five times lower for Case 3 (national tourism) than for Cases 1 (touring) and Case 2 (trekking). But this kind of tourism has other benefits (for example extends the high season or enjoy other tourist attractions such as hot springs). It is clear that the purchasing power and vacation budgets for tourists in Cases 1 (touring) and 2 (trekking) is incomparable with that of the tourists in Cases 3 (national tourism) and 4 (backpackers).</td>
</tr>
</tbody>
</table>
### 8.3.5 Qualitative assessment of the pro-poor income (PPI) generated by Case 4 (Backpackers)

<table>
<thead>
<tr>
<th>Expenditure breakdown</th>
<th>Pro-poor income</th>
<th>Case 4 (backpackers): Pro-poor income (PPI) ratio (qualitative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign TO fees + gross margin</td>
<td>-</td>
<td>n.a.</td>
</tr>
<tr>
<td>Airfare</td>
<td>no</td>
<td>Not surprisingly, expenditures made outside of the country (air fare) have no impact on the country’s poorest population.</td>
</tr>
<tr>
<td>National TO fees + gross margin</td>
<td>-</td>
<td>n.a.</td>
</tr>
<tr>
<td>Vehicules/transportation</td>
<td>low</td>
<td>The incomes are higher for backpackers who use public transportation, but limited to low-skilled positions (driving, cleaning and maintenance, security, etc.)</td>
</tr>
<tr>
<td>Accommodation in hotels</td>
<td>medium</td>
<td>Hotel stays can be classified as moderate (commonly accepted at 10%). Backpackers mainly stay in low standard hotels (guesthouses)</td>
</tr>
<tr>
<td>Accommodation in homestays</td>
<td>Important</td>
<td>Accommodation in homestays is the category which as the highest PPI. These expenditures stay almost exclusively with the location and have a real impact on the local economy. Even though some homestay owners are no longer among the poorest, many continue to live in a precarious situation. This type of lodging should be encouraged. Furthermore, if the standards could be improved (sanitary facilities, for example) the price of a night’s stay could be increased.</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>Important</td>
<td>Backpackers often cook for themselves (higher impact for products from the local market)</td>
</tr>
<tr>
<td>Staff (drivers, guides, cooks, porters, ...)</td>
<td>Important</td>
<td>Some backpackers can afford to pay for certain “short pleasures,” such as an organized trekking trip, which requires significant labor from local workers (guides, porters, mule drivers, cooks.) It is the part of their holidays which generate a significant number of low-skilled jobs that allows workers to supplement their income from farming. Otherwise their tight budget explains they generate only little impact.</td>
</tr>
<tr>
<td>Entertainment</td>
<td>low</td>
<td>The PPI for this category is minimal for all types of tourism. Currently, there is very little offered in terms of entertainment and cultural events in Tajikistan</td>
</tr>
<tr>
<td>Souvenirs – gifts</td>
<td>Important</td>
<td>Not surprisingly, this category also has a higher PPI than others, and accordingly, increased efforts should be made to improve the link between tourism and handicrafts. Backpackers are travelling for long periods, so they can’t buy big and heavy souvenirs.</td>
</tr>
<tr>
<td>Local telephone expenditure</td>
<td>no</td>
<td>Not relevant</td>
</tr>
<tr>
<td>Tips</td>
<td>Important</td>
<td>These amounts are significant and provide enormous benefits to the poor (impossible to anticipate because spontaneously)</td>
</tr>
<tr>
<td>Comments</td>
<td>-</td>
<td>In terms of their vacation budgets, there is a wide range of backpackers (from tight budget to tourists with more substantial means who can afford to pay for certain “pleasures,” such as an organized trekking trip, renting a 4x4 jeep for several days, and buying souvenirs). But in general, this type of tourism generates very little in terms of benefits to the local economy. So, the average daily expenditure while in Tajikistan (ratio) is also the lowest for foreign tourists. The level of expenditure is four to five times lower for Case 4 (backpackers) than for Cases 1 (touring) and Case 2 (trekking).</td>
</tr>
</tbody>
</table>
8.3.6 Comparison of the qualitative assessment of the pro-poor income (PPI) for four tourism products

The following table provides the comparison of the qualitative assessment of the pro-poor income (PPI):

<table>
<thead>
<tr>
<th>Expenditure breakdown</th>
<th>Pro-poor income (PPI) ratio (qualitative)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Touring</td>
</tr>
<tr>
<td>Foreign TO fees + gross margin</td>
<td>No</td>
</tr>
<tr>
<td>Airfare</td>
<td>No</td>
</tr>
<tr>
<td>National TO fees + gross margin</td>
<td>Low</td>
</tr>
<tr>
<td>Vehicles/transportation</td>
<td>low</td>
</tr>
<tr>
<td>Accommodation in hotels</td>
<td>medium</td>
</tr>
<tr>
<td>Accommodation in homestays</td>
<td>Important</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>Important</td>
</tr>
<tr>
<td>Staff (drivers, guides, cooks, porters, etc.)</td>
<td>Important</td>
</tr>
<tr>
<td>Entertainment</td>
<td>low</td>
</tr>
<tr>
<td>Souvenirs – gifts</td>
<td>Important</td>
</tr>
<tr>
<td>Local telephone expenditure</td>
<td>no</td>
</tr>
<tr>
<td>Tips</td>
<td>Important</td>
</tr>
</tbody>
</table>

In absolute numbers, Case 1 (touring) and Case 2 (trekking), both included under the category of Group Inclusive Tour (GIT) are the cases in which tourists spend the most for their vacations in general, including in Tajikistan. The average daily expenditure while in Tajikistan (ratio) is also higher for Case 1 (touring) and Case 2 (trekking). The level of expenditure is four to five times higher for Cases 1 (touring) and 2 (trekking) than for Case 3 (national tourism) and Case 4 (backpackers.) These are “desirable tourists.” It is clear that the purchasing power and vacation budgets for tourists in Cases 1 (touring) and 2 (trekking) is incomparable with that of the tourists in Cases 3 (domestic tourism) and 4 (backpackers). The tables below provide more detailed data:

### Case 1: Touring

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>$/tourist</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign TO (fees + gross margin)</td>
<td>1 404</td>
<td>32%</td>
</tr>
<tr>
<td>Fly tickets</td>
<td>1 100</td>
<td>25%</td>
</tr>
<tr>
<td>National TO (fees + gross margin)</td>
<td>293</td>
<td>7%</td>
</tr>
<tr>
<td>Vehicles</td>
<td>600</td>
<td>14%</td>
</tr>
<tr>
<td>Staff (drivers, guides, cooks)</td>
<td>213</td>
<td>5%</td>
</tr>
<tr>
<td>Accommodations</td>
<td>330</td>
<td>7%</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>300</td>
<td>7%</td>
</tr>
<tr>
<td>Animation</td>
<td>20</td>
<td>0%</td>
</tr>
<tr>
<td>Other Expense (extra)</td>
<td>170</td>
<td>4%</td>
</tr>
<tr>
<td>Total tourist expenditure</td>
<td>4 429</td>
<td>100%</td>
</tr>
</tbody>
</table>
### Case 2: Trekking

<table>
<thead>
<tr>
<th>Item</th>
<th>$/tourist</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign TO (fees + gross margin)</td>
<td>1,642</td>
<td>33%</td>
</tr>
<tr>
<td>Fly tickets</td>
<td>1,100</td>
<td>22%</td>
</tr>
<tr>
<td>National TO (fees + gross margin)</td>
<td>342</td>
<td>7%</td>
</tr>
<tr>
<td>Vehicules</td>
<td>600</td>
<td>12%</td>
</tr>
<tr>
<td>Staff (drivers, guides, cooks)</td>
<td>361</td>
<td>7%</td>
</tr>
<tr>
<td>Accomodations</td>
<td>330</td>
<td>7%</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>400</td>
<td>8%</td>
</tr>
<tr>
<td>Animation</td>
<td>20</td>
<td>0%</td>
</tr>
<tr>
<td>Other Expense (extra)</td>
<td>170</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total tourist expenditure</strong></td>
<td>4,965</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Case 3: Domestic tourism

<table>
<thead>
<tr>
<th>Item</th>
<th>$/tourist</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign TO (fees + gross margin)</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Fly tickets</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>National TO (fees + gross margin)</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Vehicules</td>
<td>63</td>
<td>23%</td>
</tr>
<tr>
<td>Staff (drivers, guides, cooks)</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Accomodations</td>
<td>62</td>
<td>22%</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>130</td>
<td>47%</td>
</tr>
<tr>
<td>Hotspring access</td>
<td>13</td>
<td>5%</td>
</tr>
<tr>
<td>Other Expense (extra)</td>
<td>10</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total tourist expenditure</strong></td>
<td>278</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Case 4: Backpackers

<table>
<thead>
<tr>
<th>Item</th>
<th>$/tourist</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign TO (fees + gross margin)</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Fly tickets</td>
<td>1,000</td>
<td>58%</td>
</tr>
<tr>
<td>National TO (fees + gross margin)</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Vehicules</td>
<td>115</td>
<td>7%</td>
</tr>
<tr>
<td>Staff (drivers, guides, cooks)</td>
<td>135</td>
<td>8%</td>
</tr>
<tr>
<td>Accomodations</td>
<td>177</td>
<td>10%</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>243</td>
<td>14%</td>
</tr>
<tr>
<td>Animation</td>
<td>10</td>
<td>1%</td>
</tr>
<tr>
<td>Other Expense (extra)</td>
<td>55</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total tourist expenditure</strong></td>
<td>1,735</td>
<td>100%</td>
</tr>
</tbody>
</table>

9. GEOGRAPHIC CONSIDERATIONS

9.1 Potential of a regional strategy

The results of the study conducted of the Pamir Region and the Zarafshan Valley underscore the need to work on a regional level in order to:

> **Strengthen the most promising tourist destinations:** At the regional level, it will be critical to build a strong brand name, to adopt a specific and targeted marketing strategy, and to organize the principal players in the tourism industry.

> **Take steps to make tourism more inclusive:** In terms of geographic scale, implementing plans at the regional level will be the most effective way to achieve the goal of increasing the pro-poor income (efforts at the national and local levels would have less of an impact).

This finding is not surprising, as other development projects have already intervened at this level, but the study confirms its relevance. From this standpoint, the Pamir Region and the Zarafshan Valley both represent the most pertinent geographic regions.

9.2 No advantage to intervening in two regions simultaneously

The feasibility study underscores the following issues:

> The Pamir Region and the Zerafshan Valley are at the same time too distant from each other and too similar to be complementary.

> These two destinations are almost never sold in the same vacation package.

> Accordingly, the two destinations are packaged separately and each must have its own, distinct branding and marketing strategy.

This issue is illustrated in the figure on the next page.

In this regard, even if the issues and perspectives in both regions are fairly similar, there are still a number of additional issues which would need separate consideration:

> industry players to unite, organize and mobilize;

> positioning, marketing and sales strategies to be developed; and

> plans to be implemented.

Accordingly, there are very few possibilities to take advantage of economies of scale and shared costs. If one of the destinations is doing well, its growth would not have an impact on the development of the other destination. Intervening in the two destinations would lead to increased risk and duplicate efforts. This hypothesis is illustrated in the figure on the following page.
A few remarks

- The Pamir Region and the Zarafshan Valley are at the same time too distant from each other and too similar to be complementary.
- These two destinations are almost never sold in the same vacation package.
- Accordingly, the two destinations are packaged separately and each must have its own distinct branding.
- They both suffer from the distance and poor performance of Dushanbe’s international airport.
- A number of tours are organized with departure and/or arrival points at the airports of Tashkent and Bishkek.
- These transnational tours put the Tajik tour guides at a disadvantage compared to their competitors from Uzbekistan and Kyrgyzstan, both of whom work with Western tour operators and are sub-contracted to handle the portion of the tour taking place in Tajikistan.
- The Pamir Region has more potential: the Pamir “brand” is better-known; it has more advantages, a stronger relationship with Kyrgyzstan, as well as more promising opportunities for combined packages with China and Afghanistan.
9.3 Less favorable conditions in the Zarafshan Valley

The feasibility study suggests that the Pamir Region should be favored over the Zarafshan Valley. As outlined below, the Zarafshan Valley has a number of disadvantages, while, at the same time, the Pamir Region has more potential:

9.3.1 The Zarafshan Valley: existing German development

Some progress has already been made in tourism in the Zarafshan Valley. A number of projects have led to the emergence of the “Community-Based Tourism” programme in northern Tajikistan. In most cases, these projects were put in place and/or financed by German agencies (GIZ, BMZ, Welt Hunger Hilfe, etc.) Among the noticeable results of these investments is the TO DO Award 2010, received by the ZTDA. GIZ remains committed to contributing to the development of tourism in this region, as well as in the Rasht Valley. Accordingly, we believe it is less pertinent for SECO to invest in this region as well.

9.3.2 Zerafshan Valley: Tourism development penalized by a rivalry

Currently, two tourism organizations in the region (the ZTDA and the ZTB), both of which have been financed for many years by various donors, have a very conflictual and competitive relationship. They offer the same services and are located only 50 meters from one another on Panjikent’s principal road. However, they are unable to have a constructive conversation. This situation seems impossible to resolve without external arbitration. Nevertheless, the success of a future DMO for the Zerafshan Valley would need the cooperation of at least one of these organizations. It does not seem prudent for SECO to invest in one of these organizations given the conflictual nature of their relationship.

9.3.3 Zerafshan Valley: Tourism requires stable relationships with neighboring Uzbekistan

Tours to the Zerafshan Valley are sold principally in Uzbekistan by TOs who sub-contract the services rendered in Tajikistan. The potential benefits of cooperation with the cities of Samarkand and Bukhara are clear. However, the political relationship between the two countries is complicated, as evidenced by the limited number of open border crossings, and the fact that it is impossible for a business or individual from one country to operate in the other. For example, the border between Samarkand and Panjikent (although separated by only 60 kilometers) is currently closed (since 2011). This closure has penalized the region, as in the past, approximately 600 visitors crossed for one-day excursions to the Zerafshan Valley. It is impossible to anticipate how the political situation will evolve. Accordingly, this uncertainty represents a major risk factor and significant deterrent to SECO investing in a development project in the tourism sector in this region.

9.4 More favorable conditions in the Pamir Region

Factors favoring investment in the Pamir Region include:

9.4.1 More significant potential for tourism

Today, the Pamir Region does not have adequate support in terms of “branding” (as it is a politically sensitive issue) but it has the potential to be a genuine “name-brand.” The Pamir Mountains and the Pamir Highway are products in high demand, which can support the addition of numerous other, smaller products to reinforce the region’s appeal.
9.4.2 A more promising cross-border potential
The region has stronger relationships with neighboring countries:
> **Kyrgyzstan**: peaceful relations favorable to developing joint tourism products
> **Afghanistan**:
  - multi-faceted relationship and obvious cultural complicity between neighbors (fostered by AKDN’s cross-border activities)
  - increased tourism potential in northern Afghanistan (the Wakhan Corridor and the new National Park) from the Pamir Region
> **China**: substantial market potential at the gates of the Pamir Region along the ancient Silk Road

9.4.3 Potential valuable partners
The Pamir Region has several institutions with which it could be beneficial to establish partnerships:
> **MSDSP** (a branch of the AKDN): The MSDSP has local roots, significant experience in the region and strong credibility in the Pamir Region. In addition, it can draw on the resources of the AKDN and can make a long-term impact. The multi-disciplinary nature of its work is also an advantage. AKDN Tajikistan and AKDN Afghanistan are also valuable partners and interesting collaboration can be sought with their cross-border programme.
> **PECTA**: The functioning and sphere of influence of this organization can clearly be improved. However, PECTA is recognized in the region, and has a dynamic team with increasing knowledge of the tourism industry, which makes it an essential partner in promoting tourism.
These two organizations provide a very promising view of the prospects for developing tourism in the region.

9.4.4 Likelihood of rapidly increasing pro-poor income
The warm and welcoming nature of the residents in the Pamir Region, when combined with the most popular tourist activities in the region (trekking, in particular) provides the ideal conditions to develop a tourism industry which will have the most significant economic impact on a large number of people. Lodging in homestays, restaurants, handicraft sales, and participation in cultural activities are the most promising levers on the tourism value chain.

9.4.5 Swiss advantages relative to the Pamir Region
Switzerland already has roots in the Pamir Region in terms of cooperation. The following are just a few of the many examples:
> Over the course of several years, **Swiss Agency for Development and Cooperation (SDC)** supported the “**Pamir High Mountains Integrated Project,**” which was a tourist project put in place by ACTED in the eastern part of the Pamir Region, as well as in Kyrgyzstan (which could in fact provide opportunities for exchange).
> **The Pamir Archive** is the result of a private initiative of a Swiss researcher named **Markus Hauser**, who compiled a substantial number of extraordinary and one-of-a-kind works on the history, culture and geography of the region. This cultural heritage deserves to be featured (from a tourism standpoint) and put on display in the heart of the region.
> The same Markus Hauser has also produced a **remarkable map of the Pamir** (scale 1: 500,000 with adjacent areas of Afghanistan, China, Kyrgyzstan and Pakistan). This work was partially funded by the SDC as part of a UNESCO project. As stated its author: This map brought for the first time detailed, accurate and updated information about this region (…) Latest satellite images were used to update river systems, intermittent lakes or glaciers. The symbols as well as the legend of the map were made under the view of the most important features necessary to travel through the still unknown area and to guide the travelers to the most interesting sites (…) The backside of the map
gives many geographical and historical background information about the area, information about the Flora and Fauna, sightseeing tips, and two simple city maps of the major cities of Gorno Badakshan (Murghab and Khorog).

One of the most definitive guides and blogs on the Pamir Region was created by a well-known expert by the name of Robert Middleton (http://www.pamirs.org), who retired from the AKDN and who now lives in Geneva.

These projects and resources could be drawn upon to support a future tourism project.

9.5 Benefits of Initiatives at the National Level

9.5.1 A turning point
At the political and institutional levels, Tajikistan’s tourism industry recently received an unprecedented boost during the 12th Session of the Consultative Council on Improvement of Investment Climate taken under the President of the Republic of Tajikistan in December 13, 2013. The official Minutes of the 12th Session state: “Therefore a range of actions have been taken in Tajikistan to develop tourism. However, this cannot satisfy us. Particularly, proposal of tourist destinations and their promotion, the level of service at airports and other border crossing points, simplified and easy rules and procedures for obtaining visas, permits and licenses, tourist registration, statistics and information of the tourism sector require fundamental improvement.”

At the end of this session, the President of the Republic of Tajikistan also gave a long list of instructions specifying the identity of the Ministry charged with carrying out these actions (see chapter 5.4, p.12). This type focus and attention afforded to tourism by the government has never before been seen.

9.5.2 Potential needs
Clearly, the central government does not currently have the means (in terms of personnel, technical and even financial resources) to achieve these goals in the short-term. These circumstances present an excellent opportunity for SECO to implement a cooperation programme with the central government at a level never before envisioned by the various development projects (those projects targeting CBT). There is potential for collaboration between ITC and GIZ.

9.5.3 Potential benefits
Having the support of the central government provides a unique opportunity to influence decision-making and to contribute to the implementation of more significant reforms. Developing interventions at the central and regional levels (in the Pamir) will lead to more systematic projects in which the two levels can be articulated and completed in an intelligent and complementary manner.

9.5.4 Potential limitations
It is impossible to predict whether the directives in President’s speech will be followed up with concrete plans in the coming months. Furthermore, the fact that no development partner has yet signed on with the ComTYS is an indication of the how difficult it is to garner the support and commitment from the central authorities.
Finally, it is important to note that this potential aspect of the project is not part of the study discussed herein, and that the authors of this report did not conduct specific interviews at this level. (The two missions were made before the President’s speech.)

Also read chapter 11 (p. 87).
PART 3

PRE-IDENTIFIED INTERVENTIONS

TAJIKISTAN INCLUSIVE TOURISM AND DESTINATION MANAGEMENT ORGANIZATION
10. PRE-IDENTIFIED INTERVENTIONS AT THE REGIONAL LEVEL

Below pre-identified interventions for tourism development in the Pamir are listed by theme:

**Theme: Professionalism and institutional positioning**
- Outcome 1: Increase the professionalism in destination management and in the dialogue between stakeholders
- Outcome 2: Better defend the interests of the region with the central government

**Theme: Communications and marketing**
- Outcome 3: Improvements to communications and marketing

**Theme: Lodging and Food and Beverage**
- Outcome 4: Inventory and classification of available lodging and restaurants
- Outcome 5: Improving the standards at hotels and restaurants
- Outcome 6: Strengthen Khorog’s appeal
- Outcome 7: Create new products to generate more interest and to extend the tourist season

**Theme: Farmers producing fresh fruits and vegetables and prepared food**
- Outcome 8: Increased supply of fresh and prepared food via tourism businesses
- Outcome 9: Increased consumer awareness on impact of purchases and spending

**Theme: Local crafts, visual arts and entertainment**
- Outcome 10: Improve the quality and creativity of the products
- Outcome 11: Improvements in sales and marketing
- Outcome 12: Revitalize the available entertainment

Outcomes and respective outputs are developed in the following pages.
Theme: Professionalism and institutional positioning

Outcome 1: Increase the professionalism in destination management and in the dialogue between stakeholders

Output 1.1 Improve the governance and increase the sphere of influence of PECTA

PECTA is charged with the development and promotion of the tourism industry in the region and must be equipped to respond to the needs of the various participants in the industry. The organization is the liaison between the customers and the industry representatives in the region, and it could be integrated into a DMO. In order to support PECTA in carrying out its role, it would be necessary to:

> Review its bylaws and its structure and ensure that its members are representative of the larger tourism industry
> Improve its accountability to its members with regard to its management and its activities
> Strengthen its ability to audit activities in the region and to advise its members accordingly
> Improve the financial solvency of the organization
> Expand its sphere of influence to the entire Pamir Region and pursue cross-border collaborations

In order to succeed in making these reforms, PECTA will need financial support and the advice of a number of experts over the course of three years from the organization in charge of the future project.

In cooperation with other financial supporters (the AKDN, in particular), an investigation into the feasibility of enlarging PECTA’s office should be made, as the existing space is currently too small.

Output 1.2 Implement targeted training programmes

Training tourism businesses and their workers will be a critical component of the project. The following types of businesses and persons would be entitled to training:

> PECTA members
> TOs and local travel agents
> Hotel and homestay owners
> Guides

Some training programmes could be conducted by UCA, based in Khorog (as they are already running modules covering tourism) while others would be offered by the organization in charge of the project.

Output 1.3 Organization of educational trips

It is surprising to observe the extent to which representatives of the tourism industry in the region work in almost complete “isolation,” not having any knowledge about the way tourism is managed elsewhere, whether in other regions, or on a national or international level. Educational trips should be organized for small groups of selected industry representatives from the region to expose them to current industry practices in a number of fields: organization of the industry, marketing and commercialization of a destination, improving hospitality, how to feature cultural heritage sites, furnishing hotels and homestays in rural locations, etc.

Kyrgyzstan would be the most logical choice for these trips as the country’s tourism industry has reached a higher level of professionalism. The proposed trips could include:

> Four educational trips for ten people to neighboring countries; and
> Four educational trips for ten people to other regions of Tajikistan.
Outcome 2: Better defend the interests of the region with the central government

Output 2.1 Increase the capabilities of the Pamir Region’s lobbyists

The region is not consulted by the central government when it comes to defining strategies or making revisions to policies affecting tourist activities. For various reasons, it will be difficult to change this situation. Nevertheless, the future project would have to assist local actors to be more and more a “community of fate” for tourism issues.

Theme: Communications and marketing

Outcome 3: Improvements to communications and marketing

Output 3.1 Publicize the Pamir Region

As of today, no public entity uses the name “Pamir” to promote the region, and instead use the GBAO (which has no appeal from a marketing standpoint.) However, private TOs generally use the word “Pamir” in their company name. The region is rich in beauty and places of interest (mountains, Marco Polo sheep, the Pamir Highway) for a wide range of tourists. The cultural heritage of the Pamir Region is a key selling point which differentiates it from other destinations. This aspect of the plan would play a role in the development of the marketing and communications strategies for the region, as would plans to promote higher quality handicraft products.

Output 3.2 Building a visual “corporate” identity

In order to promote the Pamir Region as a tourist destination, it would be necessary to create a consistent visual identity (a group of graphic elements used to identify the destination, such as a logo, specific fonts, colors and description). Included in this identity would be a set of standards for use of these visual elements, including page layout and the use of pictures and illustrations. Currently, there is no such visual identity.

Output 3.3 Develop a communications strategy

Communications in the tourism sector is a field, which is constantly evolving. The communications about the Pamir destination must be improved, most importantly in online marketing. This aspect involves providing PECTA with the support and tools, which would reach the market with the most promising customers. This strategy would of course rely on web-based information and communications technologies.

Output 3.4 Organize “promotional tours” for the various sub-products

“Promotional tours” are trips offered by tourism industry representatives to test their new “products.” Tour operators, travel agents and others are invited, either free of charge or at a minimal price to discover a newly proposed circuit or destination so that they can in turn sell them more effectively to the ultimate customer. Four informational tours (each one targeting eight travel writers) should be organized. One of these tours should focus on domestic tourism and as such national journalists would be invited.
Theme: Lodging and Food and Beverage

Outcome 4: Inventory and classification of available lodging and restaurants

Output 4.1 Inventory and classify all hotels, guest houses and restaurants

The number of hotels and restaurants in the region are rapidly growing. However, PECTA does not have a clear picture of these establishments. An important aspect of the project would be to take full stock of all the businesses in this category so that both practical (Output 5.1) and financial (Output 5.2) support can be provided in the most effective manner.

There is a diverse range of accommodation in the region, and PECTA would need to classify each establishment into one or more categories. Each hotel would be “labeled” with a classification using criteria such as:

- Respecting traditional materials and techniques in the construction or renovation of the facility;
- Environmentally-friendly lodging, in particular with regard to water and waste management;
- Restaurants featuring traditional recipes and locally-grown ingredients;
- Quality of the hospitality and guest services.

It is important to note that this type of classification has already been implemented by the ZTDA in the Zerafshan Valley, and accordingly, their experience can be drawn upon in the context of this project.

Output 4.2 Prepare a list of all existing lodging and restaurants

Such a document would be prepared in an attractive format in both print and electronic form, and would be made available principally to tourism industry professionals (as opposed to directly to the tourists) so that they can easily identify the available establishments in the region. This “working document” would need to be reviewed and updated every year to ensure that it provides the most current information. It would also serve as a foundation for communications activities (Output 3.3) and for “promotional” tours (Output 3.4). PECTA would be charged with preparing this document and keeping it updated.

Output 4.3 Improve Tourist Signage

The tourist information signage is practically non-existent, and therefore, improvements in this area would greatly facilitate visiting the region, in particular for FITs. Signage is necessary to help direct visitors to sites of interests and provide information on these sites, including road signs, landmarks, signposts, ground markers, etc. The signage should be created using the visual identity elements created for the region (Output 3.2). The steps involved in this aspect of the project would be:

- Endorse a type of signage;
- Identify the priority sites and circuits requiring signage (the work already done by the National Science Academy of Tajikistan (GBAO / Department Archeology and History) could be a very good basis for this);
- Define and validate the content of the signs with a scientific committee;
- Produce and install the signage.
To implement this action different actors should be involved: Local Government GBAO, Hunkumat Khorog, Ministry of Transport, Boarder Control, Academy of Science, Local Hukumants (depending on where will be the signs), ComYST, ... Local communities should also be consulted.

Outcome 5: Improving the standards at hotels and restaurants

Output 5.1 Provide hotel and restaurant owners with practical advice

Businesses in the lodging and restaurant category suffer from a lack of professionalism. It will be important to provide them with professional and practical advice during the development phase of their projects. This type of support would be provided to homestays in the villages and those close to the hot springs, as well as to the tea houses located along the principal thoroughfares. It is also worth looking into the necessity of providing the same type of support to hotels and more established restaurants (such as those in Khorog.) Support could be given in a number of subjects, including legal, financial, architectural (both structural and interior fixtures) and marketing. With the support of the project, PECTA would create a sort of “store” where business owners could come to request advice and counseling in order to improve the quality of their “products.” As soon as the full inventory of establishments has been compiled, this project should be far enough in advance to be able to provide such support to existing business owners.

Output 5.2 Provide financial support to hotel and restaurant owners

Improvements to both the quality and the quantity of hotels and restaurants in the region must be made. In addition to the practical and professional support proposed (Output 5.1), financial support or access to micro-credit must also be provided to the most promising projects, which would allow the establishments to make the necessary upgrades and renovations to bring their facilities up to national and international standards. Financial support could include:

> Subsidies for certain types of upgrades, such as installation of waste water treatment facilities and solar thermal electricity, renovation of sanitary facilities, restoration of traditional building materials, and provision of charming interior decoration fittings.

> Loans at favorable conditions, such as preferential interest rates, deferred payback, etc.

> Lobbying for easy access to the products of micro-credit organizations

An additional approach would be to support the creation of one *model restaurant* of *model coffee bar* in Khorog whose business model, if successful, could be then reproduced by others.

This Output would likely be the most costly of all the initiatives in the project, but it would be the most effective way to improve the conditions in the available hotels and restaurants in the region.

Output 5.3 Improve the language skills of hotel and restaurant owners

Hotel and restaurant owners located in remote villages have a difficult time communicating with their guests. It will be necessary to help them learn to communicate in a foreign language (most notably, English.)

Outcome 6: Strengthen Khorog’s appeal

Output 6.1 Develop cultural activities and urban entertainment

Khorog is the principal tourist hub in the Pamir Region. The major roads all meet here and there are a number of government administration offices and services located in the city. On the other hand, there is nothing of interest
to see or do beyond a stay of 48 hours, which limits its status as a base for regional tourism. Its appeal should be improved by increasing the number of cultural activities and entertainment in the city. In this regard, several possibilities exist:

> Renovation of the museum (in partnership with the AKDN) and a complete restoration of its exhibits
> Re-classification of the Botanical Garden and enhance its entrance
> Organization of city tours lasting two to three hours to allow visitors to experience the city from original per-spectives
> Enhance and increase the cultural activities

### Outcome 7: Create new products to generate more interest and to extend the tourist season

#### Output 7.1 Develop new tourism products

The Pamir Region has enormous potential for a number of “extreme” sports requiring significant technical know-how (mastering the techniques and understanding the risks) and high-quality equipment (through investment aid). Following support to the Pamir guides association and the Pamir Alpine Club areas are needed to complement tourism TRTA project:

> Training in several extreme sports
> Organization of study trips to better understand the requirements of these sports
> Providing the necessary equipment for mountaineering and rafting.

Based on what is currently done in the montains Fans, the project would support:

> Creation of tour packages to commercialize these new products
> Development of promotional materials and networking with specialized TOs
> Conduct a feasibility study of the renovation of the former Soviet basecamp in Boghav
> Gain a better understanding of the potential for speleology

The project could finance the establishment of partnerships between European associations (Swiss) and Tajik associations, which could encompass the above-mentioned activities (Swiss Alpine Club - SAC). Another approach would be the enforcement of decentralized cooperation between Khorog and an Alpine City.

#### Output 7.2 More focus on domestic tourism

Domestic tourism related to wellness and stays at hot springs is a very effective way to extend the tourist season:

> Increase the professionalism in the way tourists are hosted
> Improve the facilities at the hot springs
> Categorize the accommodation at these sites
> Improve the restaurants and entertainment
> Launch a marketing campaign at the regional and national levels
Theme: Farmers producing fresh fruits and vegetables and prepared food

Outcome 8: Increased supply of fresh and prepared food via tourism businesses

Output 8.1 Improve the packaging and conservation of agricultural products

A number of agricultural products are harvested over a fairly short time period. During this time, the market is flooded with these products and therefore the pricing is quite modest. The project would examine the possibility of implementing methods to improve the packaging of the products in order to:

> Ensure that they are not damaged in any way and to allow them to be sold more gradually on the local and regional markets (extend the work already done by the Hukumat Khorog (Department for Investments and State Property);
> Allow tourists to purchase easier certain products (such as honey, dried fruits and almonds) directly from the farmers or purchase them at homestays;
> Strengthen capacity on labelling and certification

The project could develop different sightseeing tours, such as “Discovering the lives of local producers” or “tasting at the producer”.

Outcome 9: Increased consumer awareness on impact of purchases and spending

Output 9.1 Inform tour operators and tourists on the benefits of eating local produce

Many tour operators and tourists are unaware that their food choices while visiting the region can greatly influence the daily lives of the local farmers. In this regard, it would be advisable to:

> Encourage tourist industry workers (TOs, guides, hotel and restaurant owners) to primarily purchase local products rather than imported products (through educational campaigns and presentations);
> Persuade workers in the industry to build awareness among the tourists of the benefits of eating local products.

Output 9.2 Promote local culinary experiences

By promoting the traditional cooking methods and food of the region, tourists will be more likely to consume local products. In order to do so, it will be necessary to:

> Teach restaurant owners and chefs how to promote the local cuisine, to reintroduce “historical” local dishes, as well as the most successful methods of modifying their recipes to meet Western tastes (such as vegetarian, low fat or mild dishes);
> Offer cooks practical training at a restaurant or homestay (learn by doing)
> Publish illustrated cookbooks promoting the culinary traditions of the region (begin with republishing and translating in English the existing books edited in Russian in the 1970s, 1980s and 1990s)
> Offer cooking classes for guests at homestays during which they can learn to prepare traditional fare
Theme: Local crafts, visual arts and entertainment

Outcome 10: Improve the quality and creativity of the products

Output 10.1 Educate to improve the quality and durability of the products

The quality of the handicrafts from the Pamir Region needs some improvements. The project should support certain categories of artisans to improve the quality of their crafts. An educational programme of this sort could run throughout the course of the project, and would specifically target artisans working with wool, leather, wood, stones and silver. The design of local crafts should meet the expectations of 3 categories of buyers: i. Locals (Pamirians), ii. Russian speaking tourists (Soviet countries) and iii. Western tourists.

Output 10.2 Create products which better meet the expectations of the tourists

There is no doubt that the use of traditional techniques and materials is important. However, the artisans should learn to create products with more contemporary designs and better usability that will be appealing to a large number of tourists (a good example of this concept is the success story of the “little donkeys of Roshtqala”). The artisans would need education and training on the typical tourist’s expectations and on current trends for design, colors and the selection of material. This type of training could be done by introducing the local artisans to designers in Dushanbe or from western countries and conducting training workshops.

Output 10.3 Adopt a quality certification to encourage and recognize of the use of environmental and social norms

It would be advisable to adopt a “Pamir” label for handicraft products, similar to what is proposed for the tour packages. Such a certification would lend credibility to the most serious artisans and support their efforts in selling their products. This certification would also attest to the respect of requirements of the Fair Labour Association.

Outcome 11: Improvements in sales and marketing

Output 11.1 Packaging improvements

The packaging of handicrafts is extremely important, as it is one of the best ways to highlight a product. However, this aspect has been completely neglected. There is a need to:

> Identify more attractive packaging materials
> Instruct the artisans on the importance of packaging
> Train the artisans on specific packaging techniques
> Help the artisans develop a line of stylish packaging
Output 11.2 Develop a marketing and communications strategy
It would be necessary to improve the professionalism in the marketing efforts for handicraft products, as is the case for the tour packages (Outputs 3.2 and 3.3). It would be advisable to build on the results of former projects.12

Output 11.3 Improve the sales outlets in the region
The De Pamiri shop located in PECTA’s office has been very successful because tourists frequently stop by. This aspect of the project would envision the opening of two to three additional sales outlets in the region. It would also be beneficial to give tourists the opportunity to visit several sites where the handicrafts are produced (at the artist’s home or other facility) where they could not only purchase the items but also see how they are made and try it themselves.

Output 11.4 Improve supply channels at the regional and national levels
Currently, the supply of materials for producing handicrafts is fairly efficient. However, a few improvements could be made to ensure the reliability and timeliness of the deliveries. Written agreements between the various parties in the chain of production and commercialization process could be signed.

Output 11.5 Participation in national trade shows
Trade shows are an excellent opportunity not only to exhibit products, but also to discover new trends, evaluate the competition and above all, to forge relationships with potential buyers. The most sophisticated artisans should be provided with support to exhibit their goods at these events.
> Participation in national trade shows (like the biannually craft fairs (May and December), which are conducted in Dushanbe city at the Ismaili centre or festivals like "The roof of the world" (Khorog) or “At Chabysh” (Murghab).
> Participation in international trade shows, for example in Uzbekistan, Kirghystan, Afghanistan and Pakistan.
> Facilitate membership in the "Mountain business alliance" and in the "Creative hands alliance" (structures involving Ismaili communities from Tajikistan, Afghanistan and Pakistan).

Outcome 12: Revitalize the available entertainment

Output 12.1 Organize the principal parties in the entertainment sector
The Pamir Region is particularly rich in folklore, but there has been very little effort made to offer this type of entertainment to tourists. Folklore performances are rarely offered to organized tour groups (on touring and trekking packages), and the shows that are performed are basic and not very realistic. In order to make improvements in this area, the following steps should be taken:
> List all the possible folklore performances that could be offered (music, dance, theatre or other shows)
> Help the artists improve the quality and creativity of their performances, and make them more comprehensible to a non-Tajik audience
> Support the artists in producing their shows outside of the Pamir Region (within Tajikistan or elsewhere in Central Asia.)

12 In 2012 slogans and logos for all products from Tajikistan (especially from the Pamir mountains) were developed. The same was made for the logotype of the union of Tajiks craftsmen was also adopted. Then the products were presented at the international fair "Import shop Berlin" together with 4 craftsmen from all regions of Tajikistan.
Output 12.2 Give tourists the opportunity to attend cultural performances

These performances must be held in locations frequently visited by tourists, such as at hotels, guesthouses and restaurants in order to increase the proceeds from the shows. The project would include efforts to establish relationships between the performers and the tourist industry representatives, and during an initial phase, subsidize the production of certain performances.

Performers groups should also be provided with knowledge about taxes, marketing etc.
As outlined in chapter 5.4 (p. 12), the development of tourism is for the first time an ambition for the highest spheres of Tajik government. A strategy and an action plan have been prepared and approved (see Appendix 3, p. 99). These documents today form a coherent framework and make it easier to target the government’s orientations. Nevertheless, this ambition requires financial resources and technical know-how which the central administration does not have. For this reason, it is highly desirable that the government should be able to benefit from technical and financial support from technical and financial partners in order to place its new ambitions on a concrete footing. Note that the Swiss Government has supported a project of this type (central level) in Kyrgyz Republic: Destination Marketing for the Kyrgyz Republic - DEM - since 2004, implemented by Helvetas.

In this context, it would be useful to articulate a tourist development programme on two complementary levels:
> The **regional level** (namely Pamir), at which level it would be possible to structure, federate and professionalise intermediaries, implement a new promotional strategy for the destination, develop new products, and encourage backward linkages to creative industries and agro-foods products
> The **national level** (namely the central administration), at which level it would be possible to improve framework conditions (reform legislative and regulatory contexts, strengthen international air links, simplify the visa regime, encourage the opening of new border posts, ...).

Furthermore, the creation of a **national tourist office** now seems indispensable. As suggested by P. Riddle, this new agency should be operated by the government but be subject to the overall direction of a mixed public/private Board of Directors (with at least half the number nominated by the private sector). It should be an executive body staffed by general business and tourism professionals to carry out government policy. The Government seems to accept that the new structure should perform the following tasks:
- the marketing of Tajikistan and its regions as tourism destinations
- the management of the national tourism information and promotion web site
- the management of the quality advice and grading scheme;
- the provision and management of an information network in the country and national tourism signage
- the management of the national tourism training organisation
- the collection, in conjunction with the State Bureau of Statistics, of tourism data and presentation thereof to government and businesses
- advice to government on tourism issues generally and on the progress being made in implementing the national tourism plan (revision of the plan as necessary).

Such arrangements would allow concrete actions to be carried out simultaneously at regional level and encourage reforms of a more structural nature at central level. A programme composed of these two levels could potentially have far more powerful knock-on effects than all projects conducted to date in Tajikistan in the field of tourism.

However, identifying an action programme at national level is a task in itself which involves dealing with specific challenges and opening a dialogue with senior officials in various administrations in Dushanbe and reaching agreement with other partners active in the development of tourism. Indeed, a link-up with efforts made by the GIZ would offer many advantages. **This work has not been done within the framework of the present mission, since this national dimension is not part of our terms of reference and the allocated budget did not allow investigations of this nature.**

However we urge ITC and SECO to rapidly conduct such investigations or mobilise competent additional resources to this end.
12. CONCLUSION

This report provides the following:

> Diagnostic elements:
- current situation of the tourism sector at the national level
- current situation of the tourism sector in the Pamir Region and in the Zerafshan Valley
- current situation of the creative industries sector in the Pamir Region and in the Zerafshan Valley
- tourism value chain analyses (in particular, a chain map from Tajik tourism and tracking revenue flows and pro-poor income)

> Intervention proposals:
- Geographic proposal for the future programme (proposing to intervene in the Pamir region and at the national level)
- Pre-identified interventions for tourism sector development at the regional level.

The contents of this report will be the subject of consultations between ITC and SECO. It will then be subject to corrections and amendments.

It will then be distributed on a large scale in Tajikistan.

Under the responsibility of ITC, a tourism stakeholder roundtable will be organized in Tajikistan (most likely in spring 2014) to validate the present document and to refine project interventions.

Finally, the project proposal will be refined according to input received from the stakeholder roundtable and a logical framework, an action plan, a budget and a stakeholder mapping of proposed projects will be done.

Geneva, March 2014
12.1 DMO Organizational Chart

12.2 Governance of the DMO

The legal structure of the DMO must be determined (association, federation, etc.) The governing bodies of the DMO will differ according to the type of structure selected. However, the representatives and functioning of these bodies will remain largely the same. It is advisable to have three levels:

> General Assembly
> Board of Directors
> DMO Management
12.3 General Assembly Members (GA)

12.3.1 Members of the General Assembly

The mission of the DMO is to promote two tourist destinations: (1) Pamir and (2) Zarafshan Valley. This will be achieved by enhancing the cooperation between the various stakeholders at the local and regional levels. In this regard, the likely members of the GA will come from the government sector, the private sector and/or non-profit associations and community organizations. Their membership will allow them to participate at meetings of the General Assembly. Each member will be classified into one of three groups according to their sector:

> Government members
> Private sector members
> Non-profit associations and community organization members

The members of the GA are the owners of the DMO and as such, they hold the ultimate responsibility for the functioning of the DMO.

The members of the DMO are representatives from the tourism industry who:

> commit to protect the values and the interests of responsible tourism in the region;
> commit to a long-term perspective which includes local, sustainable development, including tourism;
> ratify a “Code of Conduct” for regional tourism;
> commit to helping the DMO in ensuring the relevance and the quality of its mission and to ensure its independence and continued existence; and
> respect the fundamental values of regional tourism, in particular with regard to humanity and mutual respect, integrity, responsibility, reliability and openness.

12.3.2 Rights and Responsibilities of the Members

By a majority vote, the members of the General Assembly are entitled to:

> adopt and modify the rules governing the DMO;
> nominate the directors and the Chairman of the Board, including the right to propose one or more candidates and to have sufficient time and information to evaluate the proposed candidates;
> appoint the financial auditors, including the right to propose candidates to serve as auditor and to have sufficient time and information to evaluate the proposed candidates;
> approve the Annual Report and the financial statements of the DMO and to dismiss the directors, including the right to have sufficient time and information to adequately assess the work and results of the directors.

12.3.3 Financial aspects of the GA

It would be advisable for members of the GA to pay an annual membership fee. The Annual General Meeting should underscore the importance of tourism in the region. In this regard, in conjunction with the Annual General Meeting, additional tourism-related events should be organized (such as an academic symposium, a national tourism congress, etc.) Such an event is to be organized under the auspices of the future Project, with a request for partial funding from the Central Government.
12.4 Board of Directors (the Board)

12.4.1 Composition of the Board

The Board should include representatives from the groups of key players in regional tourism. The number of Board members should be limited to a maximum of 12 people in order to maintain its effectiveness. The Board should serve as a liaison between the members of the GA and the DMO as the operational branch. For example, the Board could be comprised of the following:

> Government representatives (3);
> Private sector representatives (6), including:
   - (1) Homestay owner;
   - (1) Hotel representative;
   - (1) Rental car agency representative;
   - (2) Tour operator representatives;
   - (1) Tour guide association representative.
> Non-profit organization representatives (3)
   - (3) representatives from national or regional non-profit associations charged with the preservation and promotion of the region’s cultural heritage, national treasures, handicrafts or local development agencies.

The Board is made up of a maximum of 12 members who are representatives of the members of the GA. Board members are elected for two years by the members of their respective group (e.g., government representatives, private sector representatives, etc.) They can be re-elected. The Chairman is elected by the General Assembly. As the Board consists of an even number of members, the Chairman will cast the deciding vote in the case of a split vote on a particular issue.

The various donor groups supporting the DMO (such as SECO) are each entitled to a Board representative who will have observer status (without any voting rights). The Director of the DMO will also participate in all the meetings of the Board.

12.4.2 Mission of the Board of Directors

The Board can make decisions on all issues which are outside of the authority of the members of the GA. In particular, the Board:

a. Represents the members of the GA and protects their interests
   The Board will act in accordance with the laws and regulations currently in effect.

b. Provides the high-level direction for the DMO
   This will be achieved, most notably, by approving the medium-term strategy and the annual objectives of the DMO, as proposed by the DMO management, and by providing guidance on:
   > investments in real estate or other investments, apart from expenditures required for the daily operations of the DMO;
   > the signing of contracts which, by their size or content, incur a certain level of risk;
   > risk management policies and procedures;
   > resolution of significant litigation and the initiation of legal proceedings by the DMO.
c. Establishes the overall organization of the DMO
Based on proposals from the Director of the DMO, the Board will adopt:
> the policies of the organization;
> the legal and financial structure of the DMO
> the management principles, communications and internal controls;
> the organizational chart; and
> the policies and procedures concerning the representation of the organization, and signing authority.
All questions concerning governance, financial and legal issues (which are unrelated to the daily operations of the DMO) remain within the authority of the Board.

d. Establishes sound controlling and accounting principles
Based on proposals from the Director of the DMO, the Board will approve:
> the organization of the accounting function and internal controls;
> medium-term financial planning;
> the operating budget; and
> the procedures for the preparation of the annual financial statements

e. Holds the ultimate responsibility for the DMO
In particular, the Board ensures the DMO’s compliance with all laws, regulations, decisions and internal procedures, including following an ethical code of conduct. It controls all activities of the DMO management team.

f. Prepares the Annual Management Report
The Board prepares the DMO’s Annual Report, including the consolidated financial statements and convenes the Annual General Meeting of the GA. During this meeting, the Board submits the Annual Report and presents proposals to the GA.
The management report includes an analysis of the work carried out by the Board and the management of the DMO, as well as a review and analysis of potential risks the DMO may encounter.

12.4.3 Financial Compensation of the Board
In order for the Board to effectively perform its duties, it would be advisable for members of the Board to be compensated for their services. Board member fees would be subsidized by the future Project.

12.5 Destination Management Organization (DMO)
The DMO will need permanent and salaried employees. Set forth below, we have outlined the various functions that must be included.

12.5.1 Management
Reporting directly to the Board, the Director will be responsible for developing and implementing the strategy of the DMO, with the goal of promoting a new tourist destination and developing the local economy. The Director will participate in the development of the budget, making best use of the available resources and ensuring that the principal
goals are achieved. The Director will develop the internal objectives of the DMO and provide rewarding opportunities for the staff. The Director will represent the DMO with the national and regional tourist agencies and participate in any workgroups established by the Committee of Youth Affairs, Sports and Tourism in order to promote tourism in the region. These activities should highlight the value of the DMO’s contribution (as well as the future Project) and the attractiveness of the region (Pamir or Zarafshan Valley.) These efforts should be carried out locally by building a network of partners from institutions and the tourism industry. The Director will be responsible for developing an annual communications plan in order to ensure that the activities of the DMO are highlighted. In this regard, the Director will be responsible for coordinating the editorial content of the DMO and maintaining strong relationships with the local, regional, national and international press in order to publicize the region, the DMO and its activities.

12.5.2 Accounting - Secretariat

The Secretary-Accountant is responsible for keeping accurate accounting records in order to prepare the year-end financial statements for review by an independent auditor. The Secretary-Accountant will provide the Director with regular reports on the financial condition of the organization to ensure there is sufficient cash flow for the operations. The Secretary-Accountant will attend all departmental meetings, Board meetings, including meetings of the GA, and is responsible for taking and maintaining the meeting minutes.

12.5.3 Hospitality

The Hospitality Manager is responsible for meeting the individual needs of tourists by providing customized information based on the specific requests from the visitor. The information provided should reinforce the visitor’s interest in discovering the region, and lead to a request for further information or suggestions on specific places to stay and visit. The Hospitality Manager facilitates the visitor’s stay in the region, provides access to places of interest and generally develops the tourism economy in the region. The benefit of providing high quality tourist information is not only to provide the specific information requested by the visitor, but also to generate further interest.

The Public Information Center (PIC) should be set up in a location that will facilitate the discovery of the region. It develops and offers tourist packages, including lodging, dining, activities and events and visits to sites of interest. It should also include a tourist shop which sells local products, such as books, postcards, posters, handcrafts, etc. (such as the “De Pamiri” shop in Khorog.)

12.5.4 Marketing and Promotion Manager

The Marketing and Promotion Manager identifies and defines the target market and develops the customized products to offer potential visitors. The Marketing and Promotion manager also identifies the marketing channels and puts in place loyalty programmes. The Marketing and Promotion Manager helps the tour operators and travel agencies develop tours in the region, including undertaking the following tasks:
> offering advice and assistance in creating the programmes: such as the feasibility of a particular tour, identifying a hotel or other accommodation, restaurant or event;
> actively participating in investigational trips for information gathering;
> providing images for brochures;
> sending materials written by the DMO to the network of sales representatives (brochures, flyers, maps of the region);
> providing a supply of materials to travel agents to include in the travel documentation provided to customers (maps, travel guides);
> maintaining relationships with tour operators and guides in the region who are members of the DMO (and who have signed the Regional Tourism Charter);
> organizing informational tours in the Region to allow members of the DMO to discover the region.

The Marketing and Promotion Manager will launch a broad communications programme abroad in order to highlight the region for individual tourists, and create various tourist packages, in particular those publicized on the DMO website (special offers, lodging reservations and activities). In cooperation with tourism industry professionals who are members of the DMO, the Marketing and Promotion Manager ensures the creation and appropriate use of current communication tools, such as websites, social networks, and newsletters.

**12.5.5 Manager, Improvement of the Destination**

This manager is the primary representative of the future Project, as the principal mission of this role is to provide support to the members of the DMO who have signed the Regional Tourism Charter. The manager will work closely with SECO (or its local organization) and contribute to the success of the various aspects of the project.

**12.5.6 Financial Aspects**

In order to fulfill its mission, the DMO will be entitled to an initial financial contribution for setting up its operations and purchasing equipment, and then receive an operating budget. Over the course of this project, these costs will be covered in part by the project. However, these subsidies will be reduced over time and an independent financing plan put in place (progressively integrating a contribution from the Central Government.)
The two-page Country/Economy profiles from Tajikistan (next pages) is taken from “The Travel & Tourism Competitiveness Report 2013”: Reducing Barriers to Economic Growth and Job Creation, Jennifer Blanke and Thea Chiesa, editors World Economic Forum, 2013
Key indicators

Population (millions), 2011 ................................................................. 7.0
Surface area (1,000 square kilometers), 2011 ................................. 142.6
Gross domestic product (current US$ billions), 2011 ...................... 6.5
Gross domestic product (current PPR, $) per capita, 2011 ............... 2,079.4
Real GDP growth (percent), 2011 .................................................. 7.4
Environmental Performance Index 2012, rank (out of 132 economies), 2011 .................................................. 121

Travel & Tourism indicators

T&T industry, 2012 estimates
T&T industry GDP (US$ millions) ................................................. n/a
T&T industry employment (1,000 jobs) ........................................ n/a

T&T economy, 2012 estimates
T&T economy GDP (US$ millions) ................................................. n/a
T&T economy employment (1,000 jobs) ........................................ n/a

International tourist arrivals (thousands), 2001 ............................ 3.5
International tourism receipts (US$, millions), 2011 ...................... 3.1

The Travel & Tourism Competitiveness Index

2013 Travel & Tourism Competitiveness Index........... 114 ...... 3.4
2011 Travel & Tourism Competitiveness Index........... 118 ...... 3.3
2009 Travel & Tourism Competitiveness Index........... 109 ...... 3.4

T&T regulatory framework ................................................. 90 ...... 4.3
Policy rules and regulations ................................................. 113 ...... 3.9
Environmental sustainability ............................................. 79 ...... 4.4
Safety and security .......................................................... 71 ...... 4.7
Health and hygiene .......................................................... 77 ...... 4.6
Prioritization of Travel & Tourism .................. 104 ...... 3.8

Business environment and infrastructure .... 123 ...... 2.7
Air transport infrastructure .................................................. 107 ...... 2.4
Ground transport infrastructure .................. 104 ...... 2.9
Tourism infrastructure ...................................................... 139 ...... 1.2
ICT infrastructure .......................................................... 109 ...... 2.1
Price competitiveness in the T&T industry ....... 42 ...... 4.8

T&T human, cultural, and natural resources ........ 122 ...... 3.3
Human resources .......................................................... 60 ...... 4.9
Education and training ...................................................... 60 ...... 4.8
Availability of qualified labor ......................................... 64 ...... 5.1
Affinity for Travel & Tourism .............................................. 127 ...... 4.1
Natural resources .......................................................... 125 ...... 2.6
Cultural resources ........................................................... 122 ...... 1.4

Note: For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 83.
### The Travel & Tourism Competitiveness Index in detail

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>SCORE</th>
<th>RANK</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st pillar: Policy rules and regulations</td>
<td>3.9</td>
<td>113</td>
</tr>
<tr>
<td>1.01 Prevalence of foreign ownership</td>
<td>3.6</td>
<td>122</td>
</tr>
<tr>
<td>1.02 Property rights</td>
<td>3.8</td>
<td>92</td>
</tr>
<tr>
<td>1.03 Business impact of rules on FDI</td>
<td>4.0</td>
<td>106</td>
</tr>
<tr>
<td>1.04 Visa requirements, no. of countries*</td>
<td>64.2</td>
<td>95</td>
</tr>
<tr>
<td>1.05 Openness bilateral ASAs (0-38)*</td>
<td>4.0</td>
<td>132</td>
</tr>
<tr>
<td>1.06 Transparency of government policymaking</td>
<td>4.3</td>
<td>66</td>
</tr>
<tr>
<td>1.07 No. of days to start a business*</td>
<td>24</td>
<td>94</td>
</tr>
<tr>
<td>1.08 Cost to start a business, % GNI/capita*</td>
<td>27.1</td>
<td>107</td>
</tr>
<tr>
<td>1.09 GATS commitment restrictiveness (0-100)*</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

| 2nd pillar: Environmental sustainability | 4.4 | 79 |
| 2.01 Stringency of environmental regulation | 3.9 | 68 |
| 2.02 Enforcement of environmental regulation | 3.9 | 68 |
| 2.03 Sustainability of T&T industry development | 4.3 | 76 |
| 2.04 Carbon dioxide emission, million tons/capita* | 0.5 | 25 |
| 2.05 Particulate matter concentration, μg/m³* | 29.7 | 70 |
| 2.06 Threatened species, %* | 5.0 | 73 |
| 2.07 Environm. treaty ratification (0-25)* | 11 | 136 |

| 3rd pillar: Safety and security | 4.7 | 71 |
| 3.01 Business costs of crime and violence | 4.8 | 73 |
| 3.02 Reliability of police services | 4.0 | 76 |
| 3.03 Road traffic accidents/100,000 pop.* | 14.1 | 58 |
| 3.04 Business costs of terrorism | 5.0 | 105 |

| 4th pillar: Health and hygiene | 4.6 | 77 |
| 4.01 Physician density/1,000 pop.* | 2.1 | 55 |
| 4.02 Access to improved sanitation, % pop.* | 94.0 | 58 |
| 4.03 Access to improved drinking water, % pop.* | 64.0 | 126 |
| 4.04 Hospital beds/10,000 pop.* | 52.0 | 31 |

| 5th pillar: Prioritization of Travel & Tourism | 3.8 | 104 |
| 5.01 Government prioritization of the T&T industry* | 5.1 | 82 |
| 5.02 T&T govt' expenditure, % govt' budget* | n/a | n/a |
| 5.03 Effectiveness of marketing to attract tourists | 3.8 | 107 |
| 5.04 Comprehensiveness of T&T data (0-120)* | 18.0 | 137 |
| 5.05 Timeliness of T&T data (0-18)* | 6.0 | 108 |

| 6th pillar: Air transport infrastructure | 2.4 | 107 |
| 6.01 Quality of air transport infrastructure | 4.2 | 88 |
| 6.02 Airline seat kms/week, dom., millions* | 0.5 | 83 |
| 6.03 Airline seat kms/week, int'l, millions* | 49.5 | 93 |
| 6.04 Departures/1,000 pop.* | 0.7 | 102 |
| 6.05 Airport density/million pop.* | 0.4 | 90 |
| 6.06 No. of operating airlines* | 20.5 | 79 |
| 6.07 International air transport network | 4.1 | 100 |

| 7th pillar: Ground transport infrastructure | 2.9 | 104 |
| 7.01 Quality of roads | 3.2 | 97 |
| 7.02 Quality of railroad infrastructure | 3.5 | 43 |
| 7.03 Quality of port infrastructure | 1.7 | 139 |
| 7.04 Quality of ground transport network | 4.6 | 58 |
| 7.05 Road density/million pop.* | 19.0 | 91 |

| 8th pillar: Tourism infrastructure | 1.2 | 139 |
| 8.01 Hotel rooms/100 pop.* | 3.6 | 138 |
| 8.02 Presence of major car rental co. (1–7)* | 0 | 136 |
| 8.03 ATMs accepting Visa cards/million pop.* | 53.7 | 104 |

| 9th pillar: ICT infrastructure | 2.1 | 109 |
| 9.01 ICT use for B-to-B transactions | 4.2 | 118 |
| 9.02 ICT use for B-to-C transactions | 4.0 | 96 |
| 9.03 Individuals using the Internet, %* | 13.0 | 110 |
| 9.04 Fixed telephone lines/100 pop.* | 5.4 | 106 |
| 9.05 Broadband Internet subscribers/100 pop.* | 0.1 | 123 |
| 9.06 Mobile telephone subscriptions/100 pop.* | 90.6 | 95 |
| 9.07 Mobile broadband subscriptions/100 pop.* | 0.6 | 114 |

| 10th pillar: Price competitiveness in T&T ind. | 4.8 | 42 |
| 10.01 Ticket taxes and airport charges (0-100)* | 62.5 | 115 |
| 10.02 Purchasing power parity* | 0.4 | 7 |
| 10.04 Fuel price, USD cents/liter* | 91.0 | 42 |
| 10.03 Extent and effect of taxation | 3.7 | 51 |
| 10.05 Hotel price index, US$* | n/a | n/a |

| 11th pillar: Human resources | 4.9 | 60 |
| Education and training | 4.8 | 60 |
| 11.01 Primary education enrolment, net %* | 97.3 | 37 |
| 11.02 Secondary education enrolment, gross %* | 87.2 | 76 |
| 11.03 Quality of the educational system | 3.7 | 66 |
| 11.04 Local availability specialized research & training | 3.8 | 87 |
| 11.05 Extent of staff training | 3.8 | 78 |
| Availability of qualified labor | 5.1 | 64 |
| 11.06 Hiring and firing practices | 4.2 | 51 |
| 11.07 Ease of hiring foreign labor | 4.8 | 14 |
| 11.08 HIV prevalence, % adult pop.* | 0.2 | 52 |
| 11.09 Business impact of HIV/AIDS | 4.5 | 106 |
| 11.10 Life expectancy, years* | 67.5 | 105 |

| 12th pillar: Affinity for Travel & Tourism | 4.1 | 127 |
| 12.01 Tourism openness, % of GDP | 0.2 | 140 |
| 12.02 Attitude of population toward foreign visitors | 6.5 | 30 |
| 12.03 Extension of business trips recommended | 4.5 | 127 |
| 12.04 Degree of customer orientation | 4.3 | 101 |

| 13th pillar: Natural resources | 2.6 | 125 |
| 13.01 No. of World Heritage natural sites* | 0 | 79 |
| 13.02 Quality of the natural environment | 4.8 | 53 |
| 13.03 Total known species* | 398 | 99 |
| 13.04 Terrestrial biome protection (0-17%)* | 4.1 | 112 |
| 13.05 Marine protected areas, %* | n/a | n/a |

| 14th pillar: Cultural resources | 1.4 | 122 |
| 14.01 No. of World Heritage cultural sites* | 2 | 88 |
| 14.02 Sports stadiums, seats/million pop.* | 6.736 | 119 |
| 14.03 No. of int'l fairs and exhibitions* | 0.7 | 125 |
| 14.04 Creative industries exports, % of world total* | n/a | n/a |
APPENDIX 3: LIST OF RECOMMENDATIONS FROM “A FRAMEWORK FOR THE DEVELOPMENT OF TOURISM IN TAJKISTAN”

These recommendations are issued from “A Framework for the Development of Tourism in Tajikistan” the most recent and most comprehensive report on the issue of tourism in Tajikistan, written by Professor Philip Riddle (VSO Volunteer Tourism Advisor) during the last trimester 2013:

> **Recommendation 1**: Customer attitudes surveys should be done in western European target market areas with easy access to Tajikistan (at this stage, the catchment areas of Frankfurt and Dubai airports).

> **Recommendation 2**: Conduct a brand definition exercise to stimulate thinking about how visitors and prospective visitors see Tajikistan.

> **Recommendation 3**: Establish a national web site featuring a comprehensive and continually updated database of information about Tajikistan and links to every tourism business.

> **Recommendation 4**: Initial marketing efforts involving on-line promotion and PR around a small sample product offering should be directed at one or two markets in western Europe with easy access to Tajikistan.

> **Recommendation 5**: A web enablement programme needs to be undertaken to help businesses acquire the necessary ICT equipment and skills to not only be on-line but to trade on-line.

> **Recommendation 6**: There should be an on-going review of airline access with a view to encouraging more airlines and more destinations to link with Tajikistan from western Europe whilst also boosting the viability of existing international standard carriers.

> **Recommendation 7**: Processes for departure and arrival at Dushanbe International Airport – and, in due course, all other international airports and border crossings - should be reviewed and changed where appropriate to enhance the visitors’ experience on both arrival and departure.

> **Recommendation 8**: Tourism through its industry bodies (see section on Managing Tourism later) and through the NTO should be actively engaged with those involved in planning and implementing road maintenance and development in the country.

> **Recommendation 9**: The various systems of visas, permits and registration should be reviewed and, where possible, any barriers to tourism travel should be removed. Where this is not possible rules should be clear, consistent and published widely on line; acquisition of any necessary visas and permits should be easy, available on line and low cost. As part of this on-line facilitation, a central database should be established that can be accessed by all authorised government agencies (Consulate, OVIR, KGB, NTO, Bureau of Statistics).

> **Recommendation 10**: The industry and its supporters, particularly the Diplomatic Corps, need to lobby at home and abroad to have open borders and easy, visa free access – as much as is consistent with national security – with Tajikistan’s neighbours.

> **Recommendation 11**: Tajikistan’s tourism product portfolio should centre on four main activity sets: i. Trekking, ii. Adventure, iii. Tough Touring and iv. Meetings, Incentives, Conferences and Events (MICE).

> **Recommendation 12**: Public, private and donor resources should be focused on developing trekking and adventure centres across the country in four or five key centres.

> **Recommendation 13**: Establish a nationwide system of tourism signage together with printed and on-line tourism guides to the regions of Tajikistan.
> **Recommendation 14**: Encourage the development of guest houses, restaurants and other visitor oriented facilities along all the main routes in Tajikistan through regulatory incentives, professional tourism planning assistance and ready access to finance.

> **Recommendation 15**: Undertake the phased introduction of a quality advice and assessment scheme.

> **Recommendation 16**: Develop a national tourism training organisation to undertake a training needs analysis aligned to the national tourism strategy and oversee a programme of appropriate training provision.

> **Recommendation 17**: Establish a national network of visitor information centres.

> **Recommendation 18**: Undertake an industry communications and PR campaign within the country under the banner “Tourism is Everyone’s Business”.

> **Recommendation 19**: Establish a national tourism business web site.

> **Recommendation 20**: A national tourism organisation (NTO) should be established.

> **Recommendation 21**: Regional and national tourism business associations (NTBA) should be established.

> **Recommendation 22**: Streamline data collection around numbers (on-line visas), attitudes (in-market surveys) and value (in-country surveys).
Projects related to tourism development are:

**Project Strengthening Tourism Business Intermediary Organisations for Sustainable Economic Development in Tajikistan (2009–2010),**

Implemented by Stichting European Centre for Eco-agro-tourism and funded by the EU.

**Tourism Objectives:**
1) Development of the tourism sector while protecting and preserving the historical, cultural and natural resources of the mountainous areas of the Western Pamirs and Zerafshan Valley
2) Enhanced sustainable economic development in the mountain regions of Tajikistan.

**Activities:**

**Geographical coverage:** Zerafshan valley and Gorno Badahshan

**Budget:** approx. EUR 504,238

**Community Based Tourism Project in Zerafshan Valley (2007–2009),**

Implemented by Deutsche Welt Hunger Hilfe (WHH) and funded by the EU.

**Tourism Objectives:** The revitalisation of tourism as a viable economic sector in Tajikistan's Zerafshan Valley in an effort to diversify sources of income of the valley's inhabitants.

**Activities:**
2.1 Creation of a Tourism Development Association and registration as local entity
2.2 Establishment of a steering board including representatives of communities, private sector and authorities for the TDA
3.1 Technical training of individual service providers in order to meet required standards
3.2 Exchange with similar, but more advanced CBT projects in Tajikistan and its neighbouring countries in order to learn from peers
3.3 Standardization and certification of services
3.4 Creation of attractive packages for external marketing
4.1 Lobbying for removal of barriers to tourism at local and national level
4.2 Improvement of infrastructure in the pilot areas
5.1 Creation of information and promotion material
5.2 Creation of an updated tourist map of the region
5.3 Creation of a web-site presenting Community Based Tourism in the Zerafshan Valley
6.1 Establishment of contacts with tourism agencies and tour operators
6.2 Development of new marketing strategies
6.3 Organization of "familiarization tours“ for tourist agencies and media
6.4 Presence at selected tourism fairs
6.5 Creation of a tourist information point in the Ayni Crossroads Marketing Centre.

**Geographical coverage:** Zerafshan Valley

**Budget:** EUR 193,655

Implemented by Stichting European Centre for Eco-Agro-Tourism and funded by the EU.

Tourism Objectives:

Capacity building of the Tajik Association of Tour Operators (among other activities in other CA countries).

Geographical coverage: Kyrgyzstan and CA, including Tajikistan

Budget: not available

Promotion and strengthening of community-based ecocultural tourism in the Western Pamirs (2006–2009)

Implemented by Mountain Societies Development Support Programme and funded by EU.

Tourism Objectives: Rural communities and tourism actors of the Western Pamirs have increased opportunities for sustainable livelihoods through “community-based eco-cultural” tourism

Activities:

1.1. MSDSP facilitates the setting up of a Pamir Tourism Board (PTB) by tour operators of the Pamirs

1.2. Provision of office space and selection and training of Pamir Tourism Board staff

1.3. The PTB lobbies decision makers to ensure that laws favourable to tourism development are passed, including the improvement of tourists’ security

1.4. A tourism information centre is set up by the PTB and is running

1.5. Sign posting of tourists spots in Khorog and elsewhere

1.6. 75 additional service providers are selected, provided with equipment and trained. They form corporate associations that join the PTB.

1.7. Security guidelines for the PTB members are strengthened, security equipment is made available to them

1.8. An independent home stay ranking system is set up and run by the PTB

1.9. The PTB develops 2 new tourism products during the project

2.1. Environmental, social and cultural protection are offered in training programmes for service providers

2.2. International marketing of the Odyssey guidebook on Tajikistan

2.3. A code of conduct for service providers and visitors is developed

3.1. The Pamirs are represented in international tourism fairs

3.2. A brochure common to Pamiri TOs is developed and distributed internationally

3.3. Set up and regular update of a comprehensive website on the community-based eco-cultural tourism offer of the Pamirs

Geographical coverage: Gorno Badahshan

Budget: EUR 194,880
Implemented by The European Commission – TACIS IBPP Taci Institution Building Partnership Programme (IBPP) and funded by MSDSP (a Project of the Aga Khan Foundation)

Tourism Objectives:
- to build institutions able to foster sustainable local development through good governance and partnership with civil society, local government and the private sector; and
- to increase income and promote economic growth by investing in community-infrastructure, appropriate technology, enterprise development and human capital in community based tourism

Geographical coverage: Western Pamirs
Budget: USD 128,600

Implemented by The European Centre for Eco and Agro Tourism (ECEAT), The Mountain Societies Development Support Programme (MSDSP), Welt Hunger Hilfe (WHH), The Pamirs Eco Cultural Tourism Association (PECTA) and the Zerafshan Development Tourism Association (ZDTA) and funded by MSDSP (a Project of the Aga Khan Foundation).

Tourism Objectives:
- Development of the tourism sector while protecting and preserving the historical, cultural and natural resources of the mountainous areas of the Western Pamirs and the Zerafshan Valley
- Enhanced sustainable economic development in mountain regions of Tajikistan.

Specific objective: Strengthened and sustained capacity of Tourism Associations to promote their members’ interests and engage national and international tourism service providers and enhance cooperation and marketing linkages between Tajik and European tourism associations and tour operators.

Geographical coverage: GBAO, Sughdoblaz
Budget: EUR 504,238 + USD 264,500 (MSDSP)

Enhancing Licit Livelihoods Opportunities in Northern Afghanistan (2009 – 2011)
Implemented by CIDA and AKF Canada AKF Afghanistan and MSDSP (as implementing partners) and funded by MSDSP (a Project of the Aga Khan Foundation).

Tourism Objectives: This project fosters greater cross-border collaboration in tourism between Tajikistan and Afghanistan, including the development of new tour products, capacity building for tourism stakeholders, and tourism infrastructure improvement.

Geographical coverage: Afghan Badakhshan and the border areas of Tajikistan
Budget: USD 157,900

Promoting the cross border tourism (2010 – 2012)
Implemented by AKF Afghanistan and MSDSP (as implementing partners) and funded by MSDSP (a project of the Aga Khan Foundation).

Tourism Objectives: Promoting the cross border tourism
Geographical coverage: Afghan Badakhshan and the border areas of Tajikistan
Budget: USD 156,410
Development of Community Based Tourism in Zerafshan (Expert Placement, working with ZTDA) (2008–2013), Implemented by BMZ and GIZ.

Tourism Objectives:
- establishment of CBT system
- capacity building in the association
- product development and international marketing

Geographical coverage: Regional – Zerafshan Valley/ Fan Mountains
Budget: Approx. EUR 500,000

Implemented by BMZ and GIZ.

Tourism Objectives:
- capacity building in the ComYST
- promotion of tourism development as an important part of economic development
- international destination marketing
- supporting continuously Public-private dialogue platforms such as a National Tourism Conference

Geographical coverage: National
Budget: Approx. EUR 250,000

Implemented by BMZ and GIZ.

Tourism Objectives:
- support the coordination of the craft’s sector on a national level
- support the integration of tourism development and crafts development projects on a national level
- advise craftsmakers individually in all aspects of their work and running a business
- support international marketing for crafts from TJK

Geographical coverage: National
Budget: Approx. EUR 250,000

Implemented by BMZ and GIZ.

Tourism Objectives:
- consolidate GIZ, GAA and other organisations’ involvement in tourism development in the Zerafshan Valley and the Fann Mountains over the last couple of years
- assess potential to develop tourism in the Rasht valley
- further support tourism development initiatives on the national level and promote the improvement of the legal framework and business environment

Geographical coverage: Regional (Zerafshan + Rasht) / National
Budget: Approx. EUR 250,000
APPENDIX 5: INFRASTRUCTURE CONTEXT: GENERAL INFRASTRUCTURE

The development of tourism in the two regions is highly dependent on the quality of the infrastructure.

> **Roads:** The roads are paved (for the most part) along strategic routes (e.g., the Pamir Highway or Dushanbe - Panjikent). On the other hand, accessing certain remote valleys and mountain passes can be severely limited by weather (in winter and early spring) or by mudslides, avalanches or floods.

> **Ground Transportation:** Because there is no public transportation between Dushanbe and the principal regional centers, locals and backpackers use private cars. There are generally no fixed prices for this kind of transportation; rather the price is negotiated on a case by case basis. It is quite expensive with only a minimum level of comfort. In Khorog, some privately-owned mini-vans provide transportation in town, and there are some public buses providing transportation from Khorog to the nearest destinations.

> **Air Transportation:** Flights on airlines are available and attractive, but the schedules are irregular and dependent on weather conditions in the Pamir Region. There are two daily flights between Dushanbe and Khujand. There are also old airports in Murghab, Ishkashim and Roshan, Panjikent, Aini, but they have been inactive for many years. The airport in Vansch (GBAO) is open again since January 2014 (once a week there is flight from Dushanbe to Vansch).

> **Communications:** In Tajikistan, several Internet and mobile phone providers offer comparably cheap rates. Access to the mobile telephone network is available in almost all villages. Internet and 3-4G network access is also available but very slow in the principal regional centers. Network access is limited in the mountainous regions, and so some remote mountain villages may not have these services.

> **Electricity and water:** Electricity and water are available in almost all towns, excluding remote areas. The voltage is normal (220 V) during day time and decreases in the late afternoon (specifically in the area of Murghab). In the north and south, electricity is sometimes irregular, especially in winter (for example, in November 2013, the city of Panjikent had no electricity).

> **Healthcare:** There are public hospitals in all district centers. These hospitals are not well-equipped but are sufficient to provide initial medical treatment and some basic surgical procedures. Ambulances are available in the district centers but are used only for long distances. In the remote villages, there are only small "medicine rooms" as a rule, or some local residents with very basic knowledge of medicine.

> **Postal System:** The local postal system is inefficient and slow and, accordingly, it will be necessary to set up a more organized postal service. This type of service could be based on local exchange offers between different areas and provided by the private sector.

> **Credit Card:** In both regions, no hotel, no restaurant and no store accept credit cards. It is also very difficult to withdraw money from cash machines with foreign credit cards (only one ATM in Khorog). These difficulties are very restrictive for the development of tourism.

The Figure on the following page illustrates the level of infrastructure in Tajikistan.
The development of tourism is highly dependent on the quality of the infrastructure. The roads are paved (for the most part) along strategic routes (e.g., the Pamir Highway.) On the other hand, accessing certain remote valleys and mountain passes can be severely limited by weather (in winter and early spring) or by mudslides, avalanches or floods. With the exception of remote areas, a steady supply of electricity and water is available in almost all villages, as is access to the mobile phone network. There are public hospitals in all district centers. These hospitals are not well-equipped but are sufficient to provide initial medical treatment.
APPENDIX 6: DETAILED PRESENTATION OF AKDN AND MSDSP

1. Aga Khan Development Network

The Aga Khan Development Network (AKDN) works towards the vision of an economically dynamic, politically stable, intellectually vibrant and culturally tolerant Tajikistan. AKDN supports the establishment of programmes and institutions that allow the Government, private sector and civil society to play complementary roles in increasing prosperity and creativity within a pluralistic society.

The Network brings together individual agencies that operate in a range of areas – from economic development to education, rural development to cultural revitalization, health care to financial services. Together these agencies collaborate towards a common goal – to build institutions and programmes that can respond to the contemporary challenges and opportunities of social, economic and cultural growth in Tajikistan.

The AKDN is extremely active in the Pamir Region, and enjoys a strong reputation for the quality of its work and its generosity over the past twenty years. (The initial efforts in the GBAO region consisted primarily of providing humanitarian aid.) Through its various agencies, the AKDN has undertaken numerous projects. It will be essential to work with them in the context of any future project.

2. Mountain Societies Development Support Programme (MSDSP)

The MSDSP is an AKDN agency (registrated as a local NGO), and is one of the most active in the Pamir Region. MSDSP’s current efforts include developing a strong civil society at the community level, which is able to address the concerns of citizens in a structured manner. This also includes uniting communities in order to increase their ability to plan and carry out development projects while seeking increased support from the government. The areas of intervention of the MSDSP in the region are:

> Civil Society
> Enterprise Development
> Infrastructure for Livelihoods
> Agricultural Diversification and Income Generation
> Assessing Rural Incomes
> Facilitating Change
> Access to Finance
> Market Development
> Natural Resource Management
> Community Infrastructure
> Cross-border Cooperation

The MSDSP has a very large antenna network throughout the region, which provides significant logistical support for implementing projects. As described in Chapter 5.5 (describing tourism projects p.14), the AKDN is a major donor and the MSDSP an important agency for implementing tourism projects in the Pamir Region:

> Promotion and strengthening of community-based eco-cultural tourism in the Western Pamirs (2006–2009)
> Promotion and strengthening of community-based eco-cultural tourism in the western Pamirs (2007–20008)
> Enhancing Licit Livelihoods Opportunities in Northern Afghanistan (2009 – 2011)
> Promoting the cross border tourism (2010 – 2012)
The MSDSP is at the origin of the creation of the Centres for Business Development Services (CBDS), the Pamir Eco-cultural Tourism Association (PECTA) and De Pamiri Handicrafts, all structures charged with designing and delivering demand-driven services to their respective constituencies. The subsectors that have been identified as having pro-poor growth potential include agricultural processing, seed crop production, community-based tourism and cross-border trade.

The MSDSP is one of the agencies that is convinced that tourism offers the best potential to increase the income of the poorest members of the society.
APPENDIX 7: OUTCOMES FROM ROUND TABLES ON TOURISM DEVELOPMENT IN GBAO 2013-2016

This outcomes from Round Tables on Tourism Development in GBAO 2013-2016 are issued from the 1st International Economic Forum GBAO (August 2013) organized by Department on Investment and State Property Management GBAO:

Round Table 1: “Tourism Development in GBAO 2013-2016“

1. Support of the GBAO Council of Tourism with participants like PECTA and other institutions, organizations and private companies involved in the tourism sector in GBAO
2. Opening of International Checkpoints for Tourists in both directions:
   - Kulma is favorable for the development of tourism that allows to combine two historic natural areas Murgab - Tash - Kurghan (Tajikistan – China)
   - Karamik is favorable for the creation of a unique circular tours: Dushanbe - Khorog - Murghab - Karamyk (Kyrgyzstan)- Karamyk – Dushanbe, (Tajikistan – Kyrgyzstan)
   - Sarazm - for tourists visiting the historic architecture of Uzbekistan and Tajikistan natural places (Tajikistan-Uzbekistan)
   - Iskashim, stable tourist activities in the summer season (Tajikistan – Afghanistan)
3. Improving of service providers in GBAO:
4. Immediately start Promotion of the GBAO tour operators on the international level with the participation in International Tourism Fears and events with the own stand and Regional Tourism Web site.

Round Table 2: “Development of Cultural Social Businesses in GBAO 2013-2016“

1. Immediate need of strengthening the communication between the main actors, involved in cultural, educational, historical and tourism development in GBAO: (Department of culture of GBAO, Hukumat, Branch of National Academy of science of RT in GBAO, Pecta, Hotel business, tour operators, international development organizations: GIZ, SECO, Rupani foundation, Christensen found, Kivekas foundation, UCA, Regional Department of Education of GBAO, Ismaili National Council in GBAO, Committee of environment protection in GBAO, IFEZ) with the goal of support of the Tourism Council GBAO with participants and regular suggestions.
2. Immediate need of education improvement of the GBAO population on traditional arts and applied arts for preservation and marketing of the GBAO region.
3. Immediate need of support of the institutions, NGOs and private sector, involved on cultural and art development in GBAO with trainings, information and workshops on project writing and additional possibilities for financial support.
4. Need of experience exchange of the GBAO service providers, NGOs and other institutions involved in cultural tourism sector.

Round Table 3: “Hotels and Home Stays Organization in GBAO 2013-2016“

1. Training for service provider (Homes stays and Hotels)
2. Qualification of Home stays and Hotels in GBAO
3. Identify Home Stays only for traditional and ecologic food from GBAO
4. Update info on home stays on PECTA web site
5. Linking the home stays with Common interested Groups
Round Table 4: “History and Historical Sites in GBAO: Marketing and Conservation 2013-2016”
1. Immediate need of preservation and marketing of historical sites in GBAO
2. Need of organization of a working group on development of project proposals on preservation and marketing of historical monuments and sites for developing additional income for rural population (tourism) and supporting the GBAO tourism council with such suggestions and participation.
3. Need of informational sharing to the local population on preserving of historical Sites
4. Immediate need of developing of educational programme for GBAO citizens on historical monuments and sites in GBAO

Round Table 5: “Development of Additional Tourism Offers and Infrastructure 2013-2016”
1. Providing important suggestions to the Tourism Council in Dushanbe for presentation to the President of Tajikistan
2. Need of continuous meetings and informational exchange of all persons, institutions and private sector involved in the tourism sector in GBAO
3. Support of the regional GBAO tourism council through information from the side of all persons, institutions and private sector involved in the tourism sector in GBAO

Round Table 6: “Statistics and Research on Tourism Sector 2013-2016”
1. Collection and storage of all national and international data and research publications on tourism development in GBAO via UCA’s Mountain Societies Research Institute (Knowledge Hub).
2. Informing and sharing of these materials with national and international organizations and research institutions through UCA Knowledge Hub.
3. Existing IT database with all knowledge and research on tourism sector at the University of Central Asia should be maintained with the help of local and national institutions.
4. Conducting future mountain tourism research in Central Asia should be coordinated with UCA's Mountain Societies Research Institute.

Round Table 7: “International Marketing Strategy and Branding of GBAO 2013-2016”
1. Development of a common regional tourism brand and slogan in GBAO
2. Juridical expertise on the name “Pamir” for avoiding future problems with the brand
3. Announcing of a national and international competition for development of a regional tourism brand and slogan in GBAO
4. All governmental and non governmental institutions and organizations and the private sector, involved in the tourism development in GBAO develop together a common regional touristic brand and slogan GBAO (PECTA, Government of GBAO, Hotel business, tour operators, international development organizations: GIZ, SECO, Rupani foundation, Christensen found, Kivekas foundation, UCA, Regional Department of Education of GBAO, Department of culture of GBAO, Branch of National Academy of science of RT in GBAO, Regional Council in GBAO, Committee of environment protection in GBAO, IFEZT
5. Establishing of a coordination board on tourism development in GBAO
APPENDIX 8: DESCRIPTION OF KEY PROJECTS SUPPORTING CREATIVE INDUSTRIES SECTOR

The main projects are:

> In Pamir Region the great support is rendered by AKDN and MSDSP. AKDN implements such programmes as Documentation and Dissemination Programme, Performance and Outreach Programme, Project “Silk way”, and also render support to the Center “Hunar” and annual festival “The roof of the World” (supported by SDC), which is carried out in Khorog.

At present the collection Music of Central Asia is prepared within the framework of Music initiative which consists of ten CD and DVD disks and includes the anthology of Central Asian musical traditions. This project is performed in collaboration with the Smithsonian Institution’s Centre for Folk life and Cultural Heritage. Six volumes of the series had been released at the fall of 2007.

> AKMI’s “Performance and Outreach Programme” presents Central Asian musical traditions to audiences worldwide, as well as encourages interest and increases knowledge of Central Asian cultures around the world. AKMI uses the specialized appraisal for selection of the prominent performers, development of innovative concert compositions and arranging worldwide tours, including conduction of educational events and seminars.

In 2007 AKMI organized the concert of seven musicians from Tajikistan in ten cities of the USA. During one-month tour the concerts were visited about 10 500 spectators. There were also organized demonstration lectures, seminars and films in the different halls beginning from meeting rooms of primary school in New York to Carnegie Hall.

> The Khunar (“Talent”) Centre, operating with a multi-year grant from the Music Initiative, conduct sustainshagird (master-apprentice) programme in four cities of northern Tajikistan: Khujand, Istaravshan, Isfara and Penjikent. The children are taken to the centre from 11 to 16 years. In 2007 the quantity of students was approx. 200 persons. In addition to lessons with teacher (30 persons), the centres sponsor organizing of concerts, records of cassettes and disks, as well as publication of methodical music manuals.

> In 2005 NGO "De-Pamiri" was created at support of AKDN which is engaged in craft activity, realizes the goods of artisans. Also De-Pamiri supports and trains the talented children who are engaged in music and in 2012 organized the festival with participation of these children.

> In 2013 MSDSP has realized the project “Support of public trade”. The aim of the project was to train and to help the women of Ishkashim in gaining craft skills on processing wool, manual embroidery and beads plaing. As a result of project there were created groups of the women, who produce the craft products and sell them to tourists through homestay in Yang and Ptup villages.

> Rupany foundation in partnership with the Aga Khan Rural Support Programme (AKRSP) and Karakoram Area Development Organization (KADO) was established in 2009 in Khorog. Center provides trainings in faceting and stone carving skills to approximately five hundred mostly unemployment or underemployed men, women and youth in the region each year. This NGO conducts six-month training for artisans to jewelry deal and after graduation supports them to start their own business (buying the equipment on credit) or graduates of training can use equipment of the centre, but for determined payment.

> Within the framework of CESVI project “Promotion of development of handicraft sector in Tajikistan through fair-trade links and BIOs networking” 60 artisans take part at the bi-annual handicraft fair in Dushanbe. The Union of craftsmen of Tajikistan has been operating; it promotes the national handicraft sector and the rights of its members.

> Tourism development center (TDC) in collaboration with GIZ are creating 3 handicraft centers in different regions of Tajikistan (support by the Royal Norvegin Embassy in Astana). They are in Khorog, Istarafshan and Dushanbe. The Centres will be located directly in the houses of artisans, where tourists will have possibilities to get acquaintance with craft and to participate in the production of craft. There were bought equipment and invited specialists from Senior Expert Service (SES) on design, technologies of processing of hide and wool.
APPENDIX 9:   PORTRAITS TAJIK CRAFTSPERSONS
1. **Title:** Madalieva Tojibubu
2. **Legal Status:** Craft artisans
3. **Production Sites:** Murgab
4. **Producer/staff:** 10 women
5. **Products:** Wool products (traditional hats, carpets, bags, wall hangings, souvenirs)
6. **Markets:** Local market
7. **Fairs Visited:** Exhibition in Khorog (one time in a year), and during the 1st economic forum 2013 Khorog
8. **Sales Channels:** Shops in Murgab and in Khorog (De - Pamiri)
9. **Sales Distribution:** Local market, De – Pamiri’s shop
10. **Design:** Made by her in traditional style
11. **Production Capacity:** X
12. **Price Range p/pdt:** $5 - $200
13. **Yearly Profit:** $820 per year
14. **Yearly Sales turnover:** $1500
15. **Sourcing:** Local raw materials (wool from yak)
16. **Supported by:** No support
17. **Challenges:** Lack of raw materials, equipments, market.
18. **Notes:** Unfortunately last 2-3 years artisans from China are buying raw materials from Murgab which makes competitors for local artisans.

Photos submitted by Zdravkova Nadezhda (GIZ) or taken by Tahmina Karimova
1. Title: Avalbekov Nazarmamad
2. Legal Status: team leader for the producing woollen socks
3. Production Sites: Basid village, Bartang valley, GBAO
4. Producer/staff: 10 women which are knitting socks at home (women 3 of them are his relatives)
5. Products: Socks
6. Markets: Local market, shops
7. Fairs Visited: no experience on participating in fairs and exhibitions
8. Sales Channels: Shops and markets in Khorog
9. Sales Distribution: (De-Pamiri, Layoqat) and through home stays
9. Design: Traditional stile
10. Production Capacity: No information
11. Price Range p/pdt: from 7$ to 14$ per pair of socks
12. Yearly Profit: No information
13. Yearly Sales turnover: No information
14. Sourcing: Local raw material (wool from sheep)
15. Supported by: No support
17. Notes: Jurobi is a traditional Pamirian socks which is made only by the Pamirian women from natural wool.
1. **Title:** Master Maysan
2. **Legal Status:** N/A
3. **Production Sites:** Andarob, Pamir
4. **Producer/staff:** Has six students
5. **Products:** musical instruments (tablak, dutor, rubob, pizhak)
6. **Markets:** DePamiri Arts and Crafts Centre, Layoqat shop for crafts (both in Khorog), diverse shops in Dushanbe
7. **Fairs Visited:** Dushanbe, Tajikistan and Moscow, Russia
8. **Sales Channels:** DePamiri Arts and Crafts Centre, Layoqat shop for crafts (both in Khorog), diverse shops in Dushanbe
9. **Sales Distribution:** DePamiri Arts and Crafts Centre, Layoqat shop for crafts (both in Khorog), diverse shops in Dushanbe
10. **Design:** By himself
11. **Production Capacity:** Big – 20 and Small – 100 in a year
12. **Price Range p/pdt:** Small $10 - $15 and Big $200 - $500
13. **Yearly Profit:** $2,000
14. **Yearly Sales turnover:** $3,500
15. **Sourcing:** N/A
16. **Supported by:** N/A
17. **Challenges:** Because they don’t have a workshop where they could work, they only make instruments during summer. Also, there is a lack of instruments and raw materials.
18. **Notes:** Master Maysan has been making musical instruments since 1973 and he has made 50 different musical instruments out of which 25 are placed in the museum.
1. **Title:** Alamshoev Komoliddin

2. **Legal Status:** legalized craftsmen cooperative

3. **Production Sites:** Medensharv, Pamir

4. **Producer/staff:** 10 people (9 women and 1 man)

5. **Products:** products out of wool; purses, slippers, hats and donkey souvenirs

6. **Markets:** Different shops in Dushanbe, GIZ office Dushanbe, products placements in different shops in Berlin

7. **Fairs Visited:** exhibitions in Dusanbe and International fair "import shop Berlin" 2012

8. **Sales Channels:** Different shops in Dushanbe, GIZ office Dushanbe, products placements in different shops in Berlin

9. **Sales Distribution:** Exports to Germany

10. **Design:** Traditional and he works with international designers from SES

11. **Production Capacity:** 600 donkeys a year

12. **Price Range p/pdt:** $ 3 - $ 11

13. **Yearly Profit:** $ 1, 300

14. **Yearly Sales turnover:** $ 2, 500

15. **Sourcing:** Local raw materials

16. **Supported by:** GIZ and Norwegian Embassy Astana

17. **Challenges:** He doesn’t have enough space or workshop and not enough machinery for row material processing

18. **Notes:** He planning open educational centre and home stay where tourists can stay and learn how to make different goods from wool.

Photos submitted by Zdravkova Nadezhda (GIZ) or taken by Tahmina Karimova
ANNEX 5 : TRADITIONAL BEADING

Photos submitted by Zdravkova Nadezhda (GIZ) or taken by Tahmina Karimova

1. **Title:** Nikpaeva Lola
2. **Legal Status:** Craft artisan
3. **Production Sites:** Horog
4. **Producer/staff:** 5 students
5. **Products:** traditional beading
6. **Markets:** local market
7. **Fairs Visited:** exhibitions in Dushanbe
8. **Sales Channels:** De-Pamiri and hotel Serena
9. **Sales Distribution:** X
10. **Design:** She creates her own designs
11. **Production Capacity:** 20 – 25 pieces a year
12. **Price Range p/pdt:** $10 - $25
13. **Yearly Profit:** $400
14. **Yearly Sales turnover:** $600
15. **Sourcing:** she using local beads and stones, accessories from India and China
16. **Supported by:** no supports
17. **Challenges:** not enough materials and accessories
18. **Notes:** Most of her customers are local people. According to ancient tradition, the Pamir peoples every girl and woman should have a neck-lace from beads.
1. **Title:** Abutolib Butabekov
2. **Legal Status:** License to sell
3. **Production Sites:** Horog
4. **Producer/staff:** alone
5. **Products:** Jewellery made out of silver and semiprecious stones
6. **Markets:** Local market
7. **Fairs Visited:** Exhibition in Dushanbe
8. **Sales Channels:** De – Pamiri and has a spot in bazaar in Khorog, also through the De-Pamiri’s page on facebook
9. **Sales Distribution:** X
10. **Design:** He using traditional stile of Pamir
11. **Production Capacity:** Depending on the order
12. **Price Range p/pdt:** $20 - $500
13. **Yearly Profit:** $3000 - $5000
14. **Yearly Sales turnover:** $5000 - $7000
15. **Sourcing:** De-Pamiri, took a loan
16. **Supported by:** De - Pamiri
17. **Challenges:** Complications with buying silver for the jewelry
18. **Notes:** De – Pamiri helped to him to buy equipment in leasing

Photos submitted by Zdravkova Nadezhda (GIZ)
1. **Title:** Alamshoev Zoir
2. **Legal Status:** craft artisan
3. **Production Sites:** Medensharv, Roshtqala, Pamir
4. **Producer/staff:** 4 staff members
5. **Products:** pieces made out of wool and leather; sleepers, purses, wallets, belts, bracelets and toys
6. **Markets:** local market
7. **Fairs Visited:** exhibition in Dushanbe
8. **Sales Channels:** De – Pamiri and Laekat
9. **Sales Distribution:** souvenir shops in Dushanbe
10. **Design:** Makes his own designs and uses traditional ornaments in them
11. **Production Capacity:** X
12. **Price Range p/pdt:** $7- $18
13. **Yearly Profit:** $1, 020
14. **Yearly Sales turnover:** $2, 040
15. **Sourcing:** local raw material
16. **Supported by:** GIZ helped him with equipment and trained him
17. **Challenges:** He has not a workshop where he could work, lack of equipment for processing
18. **Notes:** After the working with international creative consultant from SES he start to making interesting accessories from leather and bronze bracelets and bags

Photos submitted by Zdravkova Nadezhda (GIZ)