



STUDY OF THE CURRENT SITUATION IN RURAL TOURISM - AGROTOURISM IN REPUBLIC OF MOLDOVA



November 2013

CONTENTS

1. ABSTRACT

1.1 Basic information about Moldova

1.2 General information about economic situation in the country

2. INTRODUCTION

2.1 Historical background

2.2 Organization of touristic activities in Moldova

3. METHODS

4. RESULTS

4.1 Defining of the agrotourism

4.2 Reflection on governmental and civic society initiatives to support rural tourism

4.3 Survey of the stakeholders - findings and results

5. SWOT analysis (Strengths, Weaknesses, Opportunities, Threats)

6. CONCLUSIONS

1. ABSTRACT

1.1 Basic information about Moldova

Republic of Moldova is a small, densely populated country in South-Eastern Europe. **The total area** – 33.8 thousand km². Moldova neighbors Ukraine to the north, east and south, and Romania to the west.

Moldova's territory is 350 km long from the north to the south and 150 km from the west to the east.

Population – about 3.5 million people.

Capital – Chisinau, over 800 thousand residents.

The state language – Moldovan (Romanian). The inter-ethnic language of communication – Russian. In some regions Gagauzian, Ukrainian, Bulgarian along with Moldovan and Russian.

Religion – Orthodoxy – 98.5% of population.

Moldova (also called Moldavia) proclaimed independence on August 27, 1991. Moldova is a member of the United Nations and the CIS.

Form of Government: Republic.

Head of State: President.

Head of Government: Prime Minister.

National currency – Leu (1 USD = about 13 MDL), 1 leu equals to 100 bani (coins).

Internet zone - .md

Telephone code – 373.

1.2 General information about economic situation in the country

Economic growth and the poverty reduction trend are closely correlated in Republic of Moldova with the flow of remittances and consumption generated by the latter.

Revenues from Moldovans' work abroad have fuelled the disposable income of households, thus leading to an increased aggregate demand for consumption.

Constrained by the limited capacity of domestic production, this demand was largely met by imports of goods and services. The national public budget has benefited from this, but the trade balance has turned into an alarming trade deficit.

Economic growth based on consumption and on remittances exposes the economy to a number of vulnerabilities, but there is a greater danger associated with this model of economic growth, that remittances, at one point in time, will start to decline.

Currently, migration breaks families of Moldovan citizens. This in itself is bad enough, but following the evolution of migration in countries faced with this phenomenon, Government institutions anticipate that Moldovan families will reunite. Unfortunately, if it will not be acted firmly to create adequate working and living conditions in Moldova,

migrant family reunification will occur outside the country, which will trigger a decline in remittances.

In the context of economic development of the country, several initiatives are promoted under a wide range of policy papers, willing to value local natural, human and administrative resources. Tourism, including all its types recognized by local legislation, is considered an important niche for economy revives.

Current study emphasizes the position of rural tourism in the context of strategic social and economic development of the Republic of Moldova and describes existence of or lack of special mechanisms for recognition of specifically agrotouristic activities.

2. INTRODUCTION

2.1 Historical background

Republic of Moldova is a small country but has a wide diversity of touristic objects placed in areas close to the main communities and hotels. In Moldova there are more than 15 000 anthropogenic touristic attractions and more than 300 important natural areas. There have been identified several medieval monuments (citadels/strongholds, old books) and 50 orthodox monasteries more than 1000 of protected architectural monuments. This heritage is relatively proportionally distributed in all areas of the country and its value motivates the new visitors. Unfortunately the poor infrastructure, the low expressiveness makes it unattractive first of all for the population of Republic of Moldova. Moldova has a favorable geographical placement as it is situated in an accessible zone for international tourists (especially from EU). The most popular and accessible meaning of transport is avian transport. Even Moldova has a well-equipped International Port in the South of the country (Giurgiulesti village), this meaning of transportation is rarely used by tourists. Chisinau International Airport remain the only choice of foreign tourists, which corresponds to international standards but for a long term perspective needs big additional investments. Also the cost of the air-tickets is considerably higher and noncompetitive comparing to other countries from the region. The rail way transport is very advantageous in the interior of the country making the connection between the most important cities in the country, even it is not well equipped and do not assure the comfort.

Tourism in Moldova began to develop institutionally in 1960's. At that time tourism in Moldova was fully state-controlled and included in the tourism system of the former USSR. During this period, the range of tourist services was diversified. Besides the traditional points of tourism programs (city tour, museums, recreational areas) new forms has appeared such as: visiting enterprises, in particular wine producing plants and factories, organizing cultural and folklore programs.

The period 1980-1990 was characterized by stable development of tourism with positive annual growth indices of the number of tourists. This is due to the fact that Moldova was included inclusion in the Olympic route and in 1980, the year of the Olympics, the republic was visited by a large number of tourists. Also, on the territory of Moldova were 14 national touristic routes, 119 local routes and 9 tourist routes for weekend.

After the declaration of the independence of the Republic of Moldova in 1991, there is a gradual decentralization of tourism activity. By the Government Decision No. 352 of 09.26.1991 was created the National Tourism Association "Moldova-TUR" which undertook the basic functions in tourism management.

In 1991, Republic of Moldova has the highest number of foreign tourists - 367 300, but since 1992, the number of foreign tourists visiting the Republic of Moldova is decreasing: 313,900 in 1992, 107,800 in 1993, 32 800 in 1995. In these years appeared the first tens then hundreds of private travel agencies. If in 1991 there were 32 travel agencies then in 1995 were 309 tourist agencies.

In 1991 the Department of Tourism is established and in 1992 the Ministry of Youth, Sports and Tourism was created is that was responsible for the licensing and control of tourism activity. On 11.23.1993 Republic of Moldova became a member of the World Tourism Organization.

Given the purpose of stimulating tourism development and for the development of a single state policy in this domain, at 11.05.1996 there is issued the Presidential Decree on measures for tourism development, which includes the preparation and approval of the Tourism Development Strategy in the Republic of Moldova. Unfortunately this was not further developed and remained only on paper.

On 11.02.2000 the Parliament of Moldova adopted the Law on Tourism. Also, the National Tourism Agency under the Government of the Republic of Moldova was established, which has the right to develop, implement and monitor state policy in the field of tourism.

In 2000 starts the project "Sustainable Tourism Development" funded by UNDP in Moldova. The project aims to create a basis for international and domestic tourism development in Moldova in an integrated, balanced and sustainable way.

In order to have a more effective cooperation between state bodies responsible for monitoring the state policy in the field of tourism and travel agencies, at 25.04.2002 was founded the National Association of Travel Agencies of Moldova. The association is one of the major professional organizations in the field that encompasses the entire spectrum of activities in the field of tourism.

To motivate tourists to visit the Republic of Moldova, the International Exhibition Center "Moldexpo" besides traditional tourism exhibition held annually since 1995, also is organizing beginning with 2002, in collaboration with the Ministry of Agriculture and Food Service, the National Tourism Agency the "Wine Festival".

Thus, in the period 2000-2004 the number of foreign tourists who visited Moldova has increased from 19.0 thousand in 2000 to 26.0 thousand in 2004.

The bed infrastructure of the local roads is considered one of the main problems in Republic of Moldova concerning all areas of development. In this concern during the last years big investments from international partners were attracted and some positive changes can be observed.

2.2 Organization of touristic activities in Moldova



In Republic of Moldova touristic activities, including rural tourism (agro-tourism) are organized according to the Law no. 352-XVI of 24.11.2006 concerning the organization and development of touristic activities in Republic of Moldova. The law regulates legal

relations for the elaboration and promotion of state policies in the area of tourism, organization and coordination of touristic entrepreneurship activities, define the type of tourism, creation and activation of national touristic zones, establish the requirements concerning the quality of touristic services and insurance of tourists' security. Also the law reflects the principles of international cooperation in the area of tourism. Currently the needs to be improved in several areas: financial guaranties, touristic voucher, delimitation of tour-operators from touristic agencies, touristic guides, bureaus for touristic information, national touristic zones, training of the key actors and inclusion of the notions recommended by UNWTO, etc.

Additional to the main law, other laws are used for the good organization of touristic activities:

Law no. 451 (30.07.2001) concerning the licensing of entrepreneurship activities;

Law no. 200 (16.07.2010) concerning the condition of foreigners in Republic of Moldova;

Governmental decision no. 1470 (27.12.2001) concerning the touristic contract, touristic voucher and statistical evidence of tourists' traffic;

And Governmental decision no. 643 (27.05.2003) that establishes the methodological rules and the criteria for the classification of touristic structures for the accommodation and dinning services.

One of the policy papers where tourism, including rural tourism in approached is National Program "The Wine road" (Governmental decision no. 554 of 24.05.2004).

The main Program Document for the 2013-2015 period (of Gov. Decision no. 933 from 18.12.2012) includes 11 projects in the area of tourism that will be financed from National Found for Regional Development.

Touristic activities are coordinated in Republic of Moldova by state and private structures. The central administrative authority that elaborates and promotes state policy in the area of tourism is Agency of Tourism. The Agency also controls the touristic activities and classifies the accommodation structures. Unfortunately this mechanism is not perfect and need to be improved. Additionally to the Agency of Tourism, the Licensing Chamber, that is subordinated to the Ministry of Economy, and has the role to provide license for the touristic activities. Also the State Inspection subordinated to the Ministry of Finance, has the role to control the activity of all economic structures, including those from tourism are. At the local level the tourism is generally and randomly represented by one specialist of Culture or Economy Department of Local Public Administration.

By the other hand at private level the field is represented by economic agents and civic organization.

In 2003, for the purpose of establishment of state policies in the area of tourism the “Strategy for the sustainable development of tourism in Republic of Moldova 2003-2015” was elaborated. But, according to Governmental decision no. 796 of 25.10.2012 the document was abrogated and currently the new strategy - “Tourism 2020” is in process of elaboration by the Agency of Tourism.

3. METHODS

Although Moldova is not a big country and in terms of tourism is not so diverse and most of the tourist industry is located in the central part of the country, for the purpose of conducting the present study 4 geographic regions of Moldova were chosen according to the criteria “near - remote from big city”, “well - less developed tourism infrastructure” and “upland- lowland”.

The four research areas are: South of Moldova, districts Cahul and Comrat; North of Moldova, districts Edinet and Soroca; Central-West part of Moldova, districts Calarasi and Hincesti and Central-East part of Moldova, districts Orhei and Rezina. Altogether, about 80 persons representing different organizations, institutions and private companies were interweaved and carried out discussions.

For the elaboration of the study several methods have been used:

- *Literature search.* For the purpose of the study most of the relevant trade publications, newspapers, magazines, annual reports, company literature, on-line data bases, researches, monographs and book were analyzed.
- *Survey.* Within the research about 20 entrepreneurs were interviewed for the survey. Most of them were interviewed personally but also e-mail and telephone survey were used for this purpose.
- *Talking with people.* In many cases this was the method used in order to make people more open for communicating information about their opinion on current state of the rural tourism, problems in this domain, etc.

- *Personal interviews* were used for collecting information from local government representatives and officials. Also, this method was used to collect information from transport companies, travel agencies, tour guides

Interviews with relevant state and nongovernmental organizations:

- National Agency for Tourism, president Nicolae Platon
- National Association of Rural, Ecological and Cultural Tourism in Moldova (ANTREC-Moldova), president Svetlana Lazăr
- Association for tourism development in Moldova, president Viorel Miron
- National Centre for the continuous Training of Workers in Tourism Industry and High School for Tourism and Hotel Services, Neli Portneacov

The interviews had been used to collect quality information about the current situation in rural tourism and what are the initiatives of each organization to contribute to the development of agrotourism in Moldova.

The interviews had been used to collect quality information about the current situation in rural tourism and what are the initiatives of each organization to contribute to the development of agrotourism in Moldova.

4. RESULTS

4.1 Defining of the agrotourism

According to the Governmental Decision no. 352- XVI of 24.11.2006, rural tourism in Moldova is defined as: *"form of tourism organized in rural area and oriented to use of local touristic resources (natural, cultural, etc.), discovering of rural area and specific to it activities, habits and traditions of households and farmers, etc."*

Another Governmental Decision - no. 643 of 27.05.2003 that establishes the methodological rules and the criteria for the classification of touristic structures for the accommodation and dinning services, give following information related to agrotourism:

"The categories for classification of touristic pensions are: 4, 3, 2, 1 stars;

Agrotouristic pension – is a structure for touristic host, situated in a rural community, with the purpose to ensure accommodation for tourist, with a capacity between 3 – 20 rooms,

functioning in private houses or in independent buildings that ensure partially the tourist feeding with products from own household.

The categories for classification of agrotouristic pensions are 3, 2, 1 stars.”

The new Strategy “Tourism 2020” gives a categorization of all forms of tourism recognized in Moldova as following:

Active forms of tourism: Wine tourism, Business tourism, rural tourism, spa tourism, religious tourism, trips’ tourism.

In Republic of Moldova the rural tourism is based on tourists that benefit of following services:

- Accommodation in agro pensions;
- Feeding with pure ecological products grown and cooked in the region;
- Recreation;
- Participation (depending on season) at agricultural activities and community life.

The tourist may stay in the village in order to explore the surroundings. As Moldova has large agricultural surfaces and many villages, the country has a big potential for the development of this form of tourism. The participation at handcraft activities could be one of the motivations to visit rural area in Moldova. “*The rural tourism can directly contributes to the local and regional development*” as set in the Strategy for tourism development “Tourism 2020”.

Types of tourism that need to be impelled: Cultural tourism, gastronomic tourism, social tourism, sport tourism, motor-car tourism, week-end tourism, urban tourism, nostalgic tourism, ecological tourism.

Perspective types of tourism: Academic tourism, transit tourism, naval tourism, medical/health tourism, external tourism.

4.2 Reflection on governmental and civic society initiatives to support rural tourism

According to an express analyze recently made by Association for Tourism Development referring the strategy “Tourism 2020” for the development of tourism in Moldova elaborated by state institutions, several problems influence the diversification of non-agricultural activities through rural tourism in Moldova. The organization is very critical

when speaking about the big and not respected commitments of the Ministry of Agriculture and Food Industry in the strategic policies where has a key position for the development of rural tourism, diversification of non-agricultural activities and creation of new opportunities for the economic development, employment in rural area. This Ministry has a role position in the implementation of several policy papers (as SDARM 2020, National Program “Moldavian village”, National Program “The Wine Road”) for the support of rural tourism and coordination of common actions with other state and nongovernmental actors. It was planned to create 865 economic entities only in the National Program “Moldavian village” and thus to stimulate rural tourism (in that sense to create new 258 touristic structures for accommodation in rural area). Current Strategy for Agriculture and Rural Development of Republic of Moldova 2014 – 2020 (SDARM 2020) includes under priority no 3: Improvement of life level in rural areas and specifically target no. 3.2: Creation of employment opportunities in non-agricultural area and increase of incomes in rural area through (activity no.3.2.1) “Support for creation and development of agrotouristic services”. This actions should be implemented within 7 years by attraction and valuation of external funds only – 141, 5 ml. MDL and creation of 354 touristic units. So, according to analyze made by Association for Tourism Development, this new purposes are more realistic but by the other hand there is no connection and continuity with the preview commitments, there is no territorial distribution of aggregation in some regional roots.

Also, the special Commission created under the Governmental Decision no. 979 of 12.08.2008 concerning the boosting of tourism development in rural area - resulted in organization of 3 workshops and no working plan or relevant for SDARM 2020 actions was adopted so far. So, as a result the Ministry of Agriculture and Food Industry has totally ignored the preview declared commitments and determined disappointment of other actors interested to promote rural tourism in Moldova.

By the moment civic organizations consider that rural tourism actions are delegated to structures that have no attribution to it. Also, development of rural destinations needs an adequate regulation framework, relevant human resource, arrangement of touristic attractions and a good promotion. Unfortunately, some institutions subordinated to governmental structures and targeted to develop rural tourism within the national programs (as. Moldavian village and Wine road) had no capacities to follow the problem and needs and ho administrative resources to promptly influence the improvement of rural tourism.

One concrete example is possibility of “small accommodation of up to 7 places” that declined because of interdiction of special patent for entrepreneurship, and determined the migration to “black services”, and national statistic ignores them as units for collective accommodation. So, this is why during 2000 – 2012 in all country we have only 19 touristic pensions.

The new project of the strategy for tourism development was elaborated in a participatory way and both civil society and relevant state structures were involved in the process. Thus the strategy includes recommendations for a sustainable. The objective of the strategy is to create 354 agropensions in only 7 years but without using money from the state Budget. This is hard to realize that having no concrete directions and financial commitments the entrepreneurs from rural tourism will be twice abandoned despite the declarations of the Ministry of Agriculture to ensure necessary support.

It is necessary to mention that other policy papers and laws delegate the responsibilities concerning rural tourism to local public authorities that don't have necessary capacities and financial resources for the inventory and arrangement of touristic attractions in rural area.

In the action plan of SDARM 2020 includes one of the Ministry of Agriculture's target to finance the action 3.2.1 “Support for creation and development of agrotouristic services” with 141,5 ml. LEI for creation of 354 tourist units during 2014-2020. But these resources are planned to be collected from external sources and no state contribution is considered. Theoretically Ministry of Finance coordinate the activity of the Commission for the development of tourism in rural area, represented by governmental structures dealing with important national funds that finance the priority “Tourism” (National Found for Rural Development and National Ecologic Found) or relevant actions to create access to touristic objects, financial tools that could provide directions to co-finance the mentions initiatives.

The lack of cooperation between relevant institutions in the country, determine the lack of national financial support for concrete projects and release of financial resources allocated for rural tourism.

The majority of foreign donors that work in Moldova do not support directly the arrangement/constructions works of private accommodation units even in rural space. So, it is not clear enough why governmental institutions plan to finance touristic units from external sources that, as mentioned above, do not provide direct support for the creation of private economic structures.

It is important to mention the bad applications of terminology limits the area of actions for the support of rural tourism. There is still confusing the use of terms “rural tourism” and “agrotourism” that are different and the last one define the activity only in agrotouristic pensions. Therewith, the tourism in rural area represents in a wider interpretation the diversified customers’ service in rural space (accommodation, meal, degustation, traditional transport, cultural tours, handicraft, ethno-events, etc.). Or, the further maintained confusion limits the interventions of implementers of national policy papers.

It is important to notify that about 10 other accommodation units specific for rural tourism (officially named in the Nomenclature of touristic units in Republic of Moldova) even are not called agro pensions but touristic pensions / vacation villages, camping, etc.), and also those intended for meal serving are differently called “crame” (eng.: pubs). Thus, an incorrect term implies technical barriers for possible future actions.

So, by the moment National Tourism Agency elaborated the project of Strategy for tourism development “Tourism 2020” and included recommendations of both civil society and relevant governmental institutions. As inform the Agency, from the list of 20 priorities set for 2014-2016, one is related to certification of 20 already created touristic roots according to European standards and to elaborate and certificate other 10 touristic roots within 2015-2016. The main indicators in tourism area by 2016 are:

- 6 partnership agreements signed with other states;
- 30 touristic routes certified;
- 2 national roots created and connected to European routes;
- 2 advertisement materials elaborated;
- 1 touristic map elaborated;
- 5 touristic guidelines elaborated;
- 10 touristic events annually organized;
- Participation at 8 international touristic exhibitions;
- Valuation of 20 types of tourism;
- 50 touristic guides certified;
- 1 pilot touristic zone created;
- 35 touristic stops created;
- 600 trained persons within qualification trainings/seminars;
- 50% of accommodation structures classified;
- 4 automatized informational systems;

- 10 electronic applications oriented to promote tourism; etc.

It is expected that by 2020 the annual number of tourists in the framework of receptor tourism will increase with 3 % and will conduct to accumulation of 248 ml. lei. By the other hand the number of annual tourists for internal tourism will increase to 4% and will generate 851 ml. lei.

Another action favorable for the conditions of rural tourism development is elaboration of new Law of tourism. In October 2013 first meetings, workshops were organized for that purpose by the Agency of Tourism with the participation of inter-ministerial working team and of professional organizations from tourism area.

“The new law intend to define the limits between responsibilities of tour-operators and tourism agencies and introduction of the notion “financial guaranty” and of conformity certification in tourism” as claim the Agency of Tourism. So, no specific additional regulations concerning rural tourism have been yet discussed.

Within the discussion with representatives of National Association of Rural, Ecological and Cultural Tourism in Moldova (ANTREC-Moldova), that is also involved in the process of elaboration of the new Law of tourism, is was concluded that changes in Moldova concerning rural tourism are much dallied and depends on many social, political and economic aspects. The Association has a network of tourists structures which try to follow internal rules of the network concerning organization of agrotouristic activities, but no additional official documents, except of those named in this study to conform to the legal framework are used. The “internal regulations” are set by this organization for the purpose to make the entrepreneurs more competitive between them-selves and to bring them closer to European standards and requirements, making references to countries from the region that are more advanced in that sense. Currently this Association promotes a new concept for rural tourism development called “rural house”. This new concept, expresses a new form of organization of rural tourism except of agro pension (as set in the Law no.352), and simplify the conditions for its registration and development. Also, it will be much easier to certify this form of rural tourism organization. The recommendation is discussed by the working team of the new Law.

Existence or inexistence of standards in agrotourism in Republic of Moldova

Unfortunately, specific standards for rural tourism/ agrotourism don't exist in Moldova.

A framework of specific standards in agrotourism and a standardization process are necessary to be elaborated; even the rural tourism is considered an active form of tourism in Moldova. But, in order to pretend to European standards in tourism and other areas of economic development, it is necessary to analyze the good practices in standardization and elaboration and adoption of specific standards in agrotourism in Moldova and to ensure the quality of services and motivate local and foreign tourists.

4.3. Survey of the stakeholders - findings and results

The main stakeholders in the formation and implementation of tourism products are: institutions, local authorities and communities, „ producers of tourism products, tourists, tour operators and agencies.

Institutions identify the attractions by region, measure the qualities of tourist resources, build infrastructure and provide publicity and advertising.

Main institutions identified involved in the development of agrotourism in Moldova are, at central level, the Agency of Tourism, Ministries of Economy, Ministry of Regional Development and Constructions, at regional/local level Agencies of Regional Development, NGOs. Thus, at the central level were developed the following strategic documents for agrotourism impel: National Strategy - “Tourism 2020” - sets the main directions, principles and indicators that must be accomplished in tourism development, National Strategy for Regional Development 2013-2015 that will contribute to the development of agrotourism by building the necessary infrastructure and improving the environment and development of the business sector. Agencies for Regional Development and NGOs that implements strategies, programs and projects for promoting environment, green agriculture, conservation of natural and cultural heritage resorts, improvement of tourism infrastructure, services and marketing, human resource development by providing professional training and education locally adapted to the needs of the economy, promotion of entrepreneurship and managerial skills, Improving the quality of human resources services and tourism.

Local authorities and communities/local governments are important stakeholders that have the following responsibilities regarding to tourism development:

- a) inventories main tourist resources;
- b) participate in the development of tourist routes in accordance with tourism development programs;

- c) creates favorable conditions for the activity in the territory of the undertakings in the tourism industry and public associations in the tourism sector ;
- d) contribute to the renovation, protection and conservation of tourism resources by regulating human impact and compliance of enhancing them;
- e) gives authorizations for the areas for recreation and leisure;
- f) undertake actions for tourism development planning;
- g) ensure that areas authorized for tourism are equipped with necessary travel indicators;
- h) contributes to equip these areas with minimal facilities for visitors (places for preparing and serving meals, facilities for accumulation of waste , toilets, etc.).
- i) contribute to the improvement and protection of the environment through the development and implementation of actions and special programs coordinated with the central authority for natural resources and environment;
- j) train local people in tourism activity;
- k) contribute to the development of different forms of tourism in the territory.

However, from the discussions and interviews had with the representatives of these institutions very small part of these responsibilities are implemented by the local authorities. The main reason for this is the lack of human resources and funds. Also, there are no specialists on tourism within in the municipalities or local government. Their functions are taken over by specialists in culture, economy or investments.

At the same time, local authorities play a very important role in coordinating and creating partnerships with local businesses and non-governmental organizations through participation in various projects connected with tourism/agrotourism development. Also, with their participation, local strategies for tourism development are elaborated.

Tour operators are important stakeholders in providing information and promoting agrotourism destinations for tourists. According to statistical data there are more than 200 tour operators in Moldova. Most of tour operators are concentrated in the capital city of Moldova and in 17 districts do not operate any travel agency. In the first half of 2013 about 5400 foreign tourists who visited Moldova and about 14000 internal tourists used the services of travel agencies and tour operators. At the same time, through travel agencies and tour operators in the same period of 2013 went abroad about 61 500 tourists. This situation was confirmed also by representatives of tour-operators, their

services are mostly used by residents of Moldova to travel abroad than by in-coming tourists. Also, they would like to have more rural tourism destinations in order to create tourist routes attractive for tourists and compatible on international tourist market.

Entrepreneurs – usually owners of small enterprises in rural area offering tourism services for tourists. Initially 35 entrepreneurs were included in the survey, part of them have refused to participate in survey, some of them do not operate anymore, so the final number of entrepreneurs included in the study is 20. The summarized results of the survey are as follows:

- 81.8% of the surveyed entrepreneurs have established their enterprise in the last 10 years;
- 35% of them own a guest house, 35% a family hotel and 30% identified their self as villa and nobody of those interweaved were organized as farm;
- 45% has less than 10 bed places and 55% has more than 10 bed places;
- 30% of the interviewed entrepreneurs have any of the tree categories. 10% are 2 stars category and 20% are 3 stars category. Most of the tourism sites are not categorized;
- 45% of the respondents do not use a hired labor in their business and 55 has hired labor;
- 90% of those engaged in rural and agrotourism have an university degree or any tourism education, and 20% do not have;
- 60% pointed out that a small part of their staff has tourism education and 40% said that nobody from the staff has any tourism education;
- 95% from the entrepreneurs speak at list a foreign language, 85% said that *Small part speaks at least 1 foreign language* part of the stuff of the, tourism enterprises speaks foreign languages, respectively, 10% said that *Great part speaks at least 1 foreign language* and 5% said that *Everybody speaks at least 1 foreign language*. Here we have to consider the fact that Russian is widely used in Moldova and almost 85% of the population speaks both Romanian and Russian languages.
- 90% of the respondents use a computer for reservations, 75% for web page management and only 35% for reservations;
- At the question *How do you advertise your tourism enterprise?* the answers were as follows: Internet – 60%, Brochures – 20%, Catalogues – 0, Visit

Cards – 80%, TV – 40%, Radio – 40%, Tourist fairs – 40%, Internet site – 50%, Verbal communication – 60%.

- 80% explore the tourism market through the internet, 50% uses tourist guides and 20 % - marketing agencies.
- 80% of the respondents do not use any services of a tourist information center and only 20% uses.
- The greatest part (90%) doesn't have any quality certificate and only 20 % has one.
- 85% of the entrepreneurs do not apply any quality standards and only 25% do apply;
- 25% are members of any tourist association and 75% are not member of any association;
- 80% of the entrepreneurs attended a course for the improvement of management culture.
- 60% never had any quality control and 40% were checked by a state authority (Center for Preventive Medicine);
- From the services offered to the customers 90% said that they are offering also short walks, picnics or BBQ and cooking local food, 80% are offering also wildlife, bird watching, 60% has guided tours mainly on foot, 50% are offering cycling and agricultural process, also 25% are offering traditional handicraft, 15% - boating, 10% long walk, 5% participating in folklore activities;
- 70% pointed out the increasing of the number of costumers is the main objective of their business, 90% want to improve the quality of the tourism product and 80% - to improve the efficiency of the tourism enterprise and 90% - attract more international tourists;
- 95% of the entrepreneurs have indicated that they want their business to be certified;
- The problems hindering the prosperity of rural tourism business were pointed out by the entrepreneurs as follows: 90 %- poor infrastructure of the region, 30% - the insufficient transport links, 50 %- the poor road infrastructure, 95% - the large bureaucracy of administrative procedures, required for starting

and conducting tourism business and 50% - lack of managerial culture in tourism.

5. SWOT analysis (Strengths, Weaknesses, Opportunities, Threats)

Strengths (S)	Weaknesses (W)
<p>1. Positioning tourism as a priority branch of the economy</p> <p>2. The availability of natural and human resources</p> <p>3. The existence of the legal framework in the field</p> <p>4. Implementation of tourist projects financed by the state budget</p> <p>5. Implementation of strategies and programs for tourism development in different districts</p> <p>6. Availability of tourist accommodation with modern accommodation and food: 51 touristic pensions (from which 19 are considered agropensions) in all regions of the country – North, Centre, South (in the districts: Edineț, Soroca, Rezina, Telenești, Glodeni, Călărași, Hâncești Orhei, Criuleni, Chișinău, Ialoveni Căușeni, Stefan Voda, Cantemir);</p> <p>7. Existence of conference rooms equipped with modern equipment</p> <p>8. Existence of two training centers and retraining of staff in the tourism industry</p> <p>9. Specialized activities of various tourism associations</p> <p>10. Moldova is a member of international organizations that support development of tourism (World Tourism Organization of the United Nations, Danube Competence Center, BSEC, GUAM, CIS Tourism Board, etc.)</p>	<p>1. Tourism Legislation not aligned to European standards</p> <p>2. Legal and regulatory framework is insufficient and outdated:</p> <ul style="list-style-type: none"> - The Governmental Decision no. 643 of 27.05.2003 needs changes for stimulation of accommodation structures' development under a more competitive cost on international market. - The Governmental Decision of 12.08.2008 referring the impel of tourism in rural area is not implemented at all - The mechanism for implementation of legal framework concerning the Registry of tourism is missing <p>5. Shortage of skilled human capital in managing the domain and providing quality services</p> <p>6. At the central level, there is no institutional framework for the implementation of state policy in the field</p> <p>7. Lack of functional tourist information offices Moldovan diplomatic missions accredited abroad</p> <p>8. Limited number of tour operators and travel agencies</p> <p>9. The small number of tourist hotels of 2-3 star categories, which would contribute to the development of inbound tourism by attractive prices competitive on the international tourism market. <i>During 2000-2012 there are only 19 agropensions.</i></p> <p>10 High costs for accommodation services in domestic tourist receptions structures</p>

	<p>9. Limited number of accommodations is located in rural areas where sights are located.</p> <p>10. Limited number of classified accommodations</p> <p>11. Insufficient tourist signs</p> <p>12. Lack of information panels</p> <p>13. Lack of places for camping</p> <p>14. Old tourist buses park</p> <p>15. Lack at most of the tourist attractions and museums of qualified staff that are speaking foreign languages</p> <p>16. Statistics are calculated incorrectly and do not reflect the real situation of the field</p> <p>17. No evidence of individual tourists is taken</p> <p>18. Poor efficiency of the control mechanism of compliance of the quality of tourism services.</p>
Opportunities (O)	Threats (T)
<ol style="list-style-type: none"> 1. Traditional hospitality. 2. Strategic positioning of the country (border with CIS and European Union). 3. Free-visa regime for citizens of EU countries, USA, Japan. 4. Air connections with major hub airports, price liberalization and de-monopolization of flights and aviation 5. The existence of foreign assistance projects for tourism development 6. Large number of tourist attractiveness events: cultural, artistic, sporting, recreational 7. Brand known wine country 8. Availability of unique wine cellars in the world 9. Massive penetration of information technologies in service 10. The existence of political support. 	<ol style="list-style-type: none"> 1. Underdeveloped tourism infrastructure 2. Low level of knowledge in Europe and in the world of Moldova as a tourist destination 3. Lack of favorable investment climate for investors to develop infrastructure of tourist reception with functions of accommodation and food for mass tourism. 4. Reduced competitiveness of tourism in Moldova (high cost for a visa to Moldova and flights) 5. Extremely limited number of objectives included in the UNESCO Heritage List in Guinness Book 6. Insufficient financial resources for the promotion of tourism: exhibitions, promotional materials, financial support of projects in the field, etc. 7. At local level, there is insufficient domain management 8. Inadequate road infrastructure 9. Missing or improper fitting toilets at entry and at gas stations designed to serve

	groups of foreign tourists on national tourist routes.
--	--

6. CONCLUZIONI

The rural area represented by typical Moldavian villages is rich of culture, old traditions and specific agricultural activities, represents the essential elements for the development of rural tourism. In Republic of Moldova practicing of this form of tourism can bring many direct benefits to rural communities, where the peoples' salaries are under the average level, creating new working places and income for the farmers. The natives can offer accommodation services in their own households.

Unfortunately, there is a limited number and no official evidence of agrotouristic services and there is no specific legal framework to encourage rural tourism in Republic of Moldova. Rural population and local public authorities have a low level of awareness about the local needs for the development of rural tourism and its advantages in our country. The population from rural area is not ready enough to host local and foreign visitors. People have limited knowledge about the real value of rural touristic heritage.

Bad infrastructure of roads and communication channels the problem of trash burial or recycling in entire country represents a big barrier for other developmental actions. Unfortunately there are no agrotouristic routes and poor information about the cultural events from rural area. There are no facilities in the area of touristic attractions (like professional guides, public toilets, touristic signs, etc.)

As a conclusion it is necessary to intervene with concrete actions regulated by legal framework that would clearly specify the mechanisms for agrotourism development. It is necessary to elaborate and apply quality standards in agrotourism and to classify the structures working in this area. Also training and information activities are crucial for professionals and representatives of local public authorities.

