

Rural Tourism in Bulgaria – An Important Trend and a Factor for Accelerating the Process of Diversifying Activities in Rural Regions

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Abstract: This publication analyses the development of rural tourism in Bulgaria in the period after the country's accession to the European Union (EU). It is part of two project studies on the barriers to the development of rural tourism in Bulgaria and the possibilities for developing a new, profitable, agro-tourist product conducted in association with the Bulgarian Association for Rural and Ecological Tourism (BARET).

The article proposes that diversifying supply in the years of full EU membership is a key problem of the Bulgarian tourism development. Naturally, the possibilities for this development have to be sought mainly in villages and rural areas. Diversification of activities in rural areas through tourist development affects significantly employment, incomes and quality of life of population in these areas and increases the competitiveness of Bulgarian economy. An increasing number of the registered tourist site and accommodations offer a complex tourist product while the density of the settlements in the rural areas determines the formation of complexes with guest houses and family hotels. The concentration of sites in the areas according to offered services allows diversification through additional services. In the country rural tourism is developed in established tourist complexes as well as in relation with other types of tourism. Therefore, it is a factor for reducing the disproportions in the regional distribution of tourism and accommodation facilities in the country. Due to the national and regional characteristics of the rural areas in the country, characterized by a high level of variety, rural tourism has a positive influence on the development of specific villages and micro-regions.

Keywords: diversification of activities, rural tourism, rural regions, rural areas economy

JEL: R11; L83; O18.

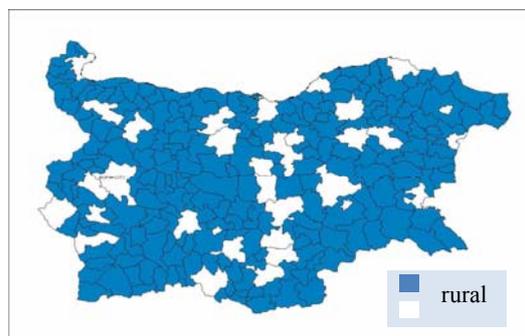
I. INTRODUCTION

This publication is a result of project funded by the “Tsenov” Institute of Scientific Research at the “D.A. Tsenov” Academy of Economics, Svishtov during the period 2008 – 2011. The research work was done by lecturers from the Academy and BARET, represented by its chair.

The object of research were the main subjects related to rural and agro tourism, namely village houses and family hotels, village houses guests, farmers, accommodations in suburban city areas, local authorities and other related institutions.

The main analytical instruments used in the research can be grouped in four categories: study of related scientific publications and legislation; on-site research at the Regional Offices of the Ministry of Agriculture and Forests, the State Fund Agriculture, town halls and municipalities; meetings with experts from BARET, BAAT, NUAC and RUAC; questionnaire-based surveys. Some of the research findings are presented and analyzed in this article to further develop the possibilities for producing a profitable agro-tourist product as well as outlining the positive effects of alternative tourism for the rural areas economy.

According to the most recent application of this definition in the current RDP (MAF, 2007), 231 out of total of 264 municipalities in Bulgaria are classified as rural (see map below).



Designation of Rural Areas at LAU 1 Level Using the National Definition
(Source: MAF, 2007)

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The issue of diversifying activities in rural areas in Bulgaria is a priority especially after the country's accession to the EU. An important element of this diversification aiming at reviving the economy in these areas and preventing from leaving villages is the development of rural tourism. At the same time, it is one of the prerequisites for the sustainable development of the rural areas.

The economic crisis has given a new impetus for the development of rural tourism. Authentic village houses, folklore and unique cuisine successfully compete with big winter and summer resorts. Tourism is one of the main pillars of Bulgarian economy despite the excessive urbanization of big resorts which puts foreign tourists off. More often villages with incredible architecture and unspoiled traditions attract new groups of tourists with specific customer attitudes.

Rural tourism in Bulgaria is practiced as agricultural tourism. Although it provides additional incomes to farmers, it is rather risky, volatile, and not very profitable. Rural tourism also exists as a collective form which can generate considerable profits [6]. The development of tourism and its accompanying activities in the rural areas stimulate the investment activity. Conditions are created for the opening of small and medium-size enterprises for the production and processing of agricultural products, crafts, etc. some of which are bought by tourists, by local people or sold in other areas.

One of the instruments for achieving the strategic goals of Bulgaria's government in reference to the development of rural areas for the period 2007-2013 is rural tourism. Surveys conducted over the recent years show clearly the trend of opening promising markets and entrepreneurial niches for the development of rural tourism in Bulgaria [3].

II. DIVERSIFICATION OF ACTIVITIES IN RURAL AREAS THROUGH TOURISM DEVELOPMENT

Over the last years for a significant part of the territory of Bulgaria the issue of diversifying rural economy has become a key factor. The practical answer to this problem is connected with specific programs and measures which aim at increasing non-agricultural production together with developing traditional agriculture.

In certain regions the diversification of activities through developing alternative tourism affects dramatically employment and the incomes of the population, their quality of live and the competitiveness of the country's economy. A domineering development and importance in these regions have the different types of tourism – mainly the rural, agricultural and ecotourism. The degree of their influence is determined by their development and the objective circumstances and characteristics of the specific regions such as available natural resources and degree of their utilization, available tourist infrastructure and the degree of its utilization,

existing traditions in tourism and the degree of popularity of the specific territory as a tourist destination.

Rural, including agricultural, tourism in the country have specific characteristics determined by the objective realities in the country. To a great extent, these characteristics have defined the nature of the diversification of economic activities in the rural areas and the trends of rural tourism development (the concept or rural tourism also includes agro tourism) over the last five years. Inevitably, the more clearly outlined trends of its development have a number of positive effects which are shown in the figure below. (see Fig.1)

III. POSSIBILITIES FOR INCREASING THE UNIQUENESS OF THE AGRITOURIST PRODUCT IN BULGARIA

Diversifying offering is a key element in increasing the uniqueness and attractiveness of the Bulgarian agro-tourist product. With reference to this, the nature of diversification is determined by some important conditions: the complexity of the tourism product, the concentration of tourist sites in complexes and the concentration of sites by area according to the provided services. The results of the undertaken measures are revealed through diminishing the disproportions in the territorial development of tourism in general, the positive effect of these measures on rural areas and the activities related to alternative tourism development.

When studying the issue of supplying tourism products on very small territorial units, what comes into focus is the imbalance between available attractions for tourists (motivation) and the lack of hospitality, catering or other types of services, and vice versa. Therefore, special attention needs to be paid to the *principle of complementarities*, i.e. the possibility to combine multiple environmental elements and local heritage in rural areas. Thus the services provided combine conservation of environment and village systems. More and more registered tourist sites are now offering a **complex tourism product**. At the same time, Bulgaria's firm position as an alternative tourism destination (rural, agricultural, cultural and eco-tourism) *as an individual or combined tourism product* is a prerequisite for sustainable economic and social development by implementing environmentally friendly solutions.

Another characteristic of rural tourism in Bulgaria is **the concentration of tourist sites in complexes**. This trend is determined by the fact that the villages in our country are closely located to farmlands. Bulgarian villages differ from rural areas villages and farms in a number of West European countries where farmers' homes are situated on the farmlands. The compact nature of rural areas villages in Bulgaria accounts for the trend to establish complexes of guesthouses, by reconstruction and renovation of existing buildings, in addition to newly-built guesthouses and family hotels. Tourist complexes are mainly located in Central Balkan Mountains, some parts of



the Rhodope Mountains, as well as other micro-regions. The highest concentration of individual tourist sites is in the South-Central region, in the Rhodope Mountains, where rural tourism sites offer elements of agricultural tourism.

A survey we conducted in 2009 found that the number of accommodation facilities vary from between eight to ten, sixteen, twenty-eight, to seventy-two, depending on the type of accommodation offered. Small hotels mainly offer a holiday in a farmhouse, combining accommodation and walking, while tourist complexes offer a diverse tourism product including meals, eco-itineraries, cruises, trips, spa-procedures, sports, fishing and hunting, mountain guides, etc. If holidaymakers are interested, they could engage in different agricultural activities, get familiar to unique production techniques or processes, or join some festivals and celebrations [6].

Usually small hotels accommodate about fifty guests per year, while the figure for tourist complexes is much bigger – from 5 000 to 15 000. We could not ignore the fact that operators whose main business is tourism or whose income is largely generated from tourism employ qualified staff speaking a foreign language and with some background in tourism. Employees in tourist complexes usually have a secondary school or university degree, nearly half of them being under the age of 30 [3].

The approach for *concentrating tourist sites in complexes* has already been implemented in a number of villages in Bulgaria where five, ten or more guesthouses have been registered which offer both individual and joint activities. This creates better opportunities for cooperation with foreign as well as Bulgarian tour companies. For instance, the total number of villas and guesthouses in Ribaritsa now exceeds 150. Come see us once so that you can visit again” are the word with which the people from Ribaritsa meet everybody arriving in the blessed by God place. Rural tourism lovers and adventurous people do not miss the chance to relax regularly there - in the heart of the Balkan Mountains, where trees are green and air crystal clear. Numerous surprises and attractions await them on the picturesque slopes of the mountain. All of them have been decorated in good taste and have picturesque gardens with well-groomed vegetation and flowers. Having more than ten guesthouses registered in a single village has a beneficial effect on the overall development and quality of life in the village. This provides favourable conditions for involving the whole village community in various festivals and other joint events which are interesting to tourists. For example, this year the Wine Fest in Hotnitsa village, Veliko Turnovo region, many English settles from the village local people and even some new comers from India joined the local people. What is more, the fest coincided with the Midwives’ day which is also celebrated in the village. And increasing number of foreign tourists are now combining their holiday in Bulgaria with getting acquainted to traditional local crafts, such as weaving, pottery, wood carving, casting of sheep bells, etc. Another popular activity, especially to French and Spanish visitors,

is the so-called gourmet tour, which introduce them to Bulgarian cuisine and local varieties of wine. Therefore the areas offering a greater variety of natural resources are highly appreciated by tourists and are in a more favourable situation.

In creating suitable conditions for rural tourism, the local authorities, the local action groups (LAGs) operating under the LEADER approach could participate more actively to improve the infrastructure, investments, etc. An example of successful activity realized with the help of the Local Action Groups (LAG) is the setting up of “Rhodope” LAG. It facilitated the realization of a project under which a family farm is engaged in breeding sheep from the local “Karakachanka” and “Tsigai” breeds. This is an effective way of preserving local biodiversity and traditions in the Middle Rhodope Mountains area. The project also improved the well being of local people by increasing the number of tourists visiting the area. LEADER is a method which is applied on the territory of all rural municipalities in the country. It enhances the formation of Local Action Groups (LAG) whose activities cover areas with a population of minimum 10,000 to maximum 100,000 people (including towns in rural areas). The objective of LEADER is to provide financial support for the development and realization of local development strategies.

One of the directions for diversifying the rural areas economy with the help of LAGs is through targeted support in certain spheres: rural tourism, agro-tourism, local crafts, setting up of small and medium-size enterprises and alternative agricultural activities. Territorial communities play an increasing role in the process of developing the products of the rural and agro tourism. Their initiative is backed up by the LEADER approach which contributes to achieving the objectives of the priority axes of the Rural Areas Development Program for the period 2007-2013. The aim of these axes is to improve the quality of live in rural areas and also improve the employment possibilities of their population.

As a rule tourist complexes are generally located in the countryside, near unique landscape formations and historic landmarks (Emen, Krushuna, Trigrad). A lot of areas in our country now offer **complex tourism products** (accommodation, meals and various additional services). The additional services provided by agricultural tourist sites are frequently related to agriculture. In the Rhodope Mountain, for example, where stock breeding is predominantly developed, tourists are offered to buy on the spot local products (yellow or white cheese, eggs, etc.), try them on the spot or take part in their production process. The availability of farms and dairies on the same site offer various other services, such as demonstrations of milking or feeding the livestock, or even becoming part of certain daily farming routines.

Changes in Bulgarian legislation [9] have now made it easier to offer goods produced in farms and dairies. The newly adopted *Ordinance for Direct Supply from Small Farms* allows direct supply from producers to end

consumers or local retailers supplying goods directly to end consumers of small quantities of milk, eggs, honey, fish, fresh meat from poultry and lagomorphs, small and big game meat. This enables small farms to look for good alternatives for offering their produce as well as become part of holiday travel deals. Supplying the produce of their farms and dairies to a pub, their own restaurant or merely the guests' dining-room results in a much higher price, i.e. profit generated from agricultural produce for local producers. Thus, on the one hand, the development of farming establishes better opportunities for supplying *a good-quality complex product*, and on the other hand the development of tourism *raises the value of agricultural produce*. Similar services are usually provided in specially established sites in the mountain areas, and have lately become available close to natural landmarks. Frequently, the food supplied consists of local area products (often small privately-owned farms) which are ecologically pure (milk, meat, dairy and meat products, trout). For example, a farmer near the Hotnitsa waterfall attracts tourists with home-made yoghurt. In Hotnitsa village, Veliko Turnovo region, a farmer sells its produce (milk, honey, meat) to the tourists who climb the eco path to the waterfall. The agriculture in the region is environmentally friendly, and the yoghurt is excellent quality. An example of good practices is the "Vila Cherven" guest house in the Teteven region of the Balkan Mountains. It was awarded the golden prize for "Best Guest House" for 2009 and has a fish hatchery where guest can always enjoy the taste of fresh trout [11].

III. EFFECTS OF TOURISM DEVELOPMENT IN RURAL AREAS

The concentration of a large number of sites for rural and agricultural tourism has a beneficial effect on the cultural and social development of the area. It boosts the interest in common festivals and customs, which not only render the destination more attractive, but also contribute to the revival and proliferation of local traditions and customs (mummers' dances, fire dances, song contests, various fests). On the one hand, these act as a factor to attract more tourists, and on the other hand, they raise local people's motivation to preserve the local cultural heritage and allocate funds for related investment.

Rural tourism services in our country are also provided in well established recreation complexes related to other varieties of tourism. Rural tourism development thus acts as *a factor alleviating the existing imbalances among different areas* and accommodation facilities in the country.

Over the last years, there has been considerable progress in the development of rural and agricultural tourism whose main objective, staying in a rural environment, close to nature and indulging in the relaxing pace of interesting tourist activities, is achieved through efficient functional relations to other varieties of tourism

(e.g. seaside tourism, ski tourism, religious tourism, mountain tourism, etc.). Thus the existing imbalances in tourism development in different areas are reduced. Often, tourist stations and hotels which have existed for years are redesigned to acquire an atmosphere of customer service and customer relations that resemble those in agricultural tourism. In well established tourist centers, such as Troyan, Tryavna, Apriltsi, Dryanovo, Elena, etc., small family hotels and guesthouses appear to provide services whose nature and contents is typical of rural tourism.

A particularly important national and regional characteristic of Bulgarian rural areas is their high level of diversity. This diversity, the natural resources diversity mainly, determines the necessity of developing relevant, adequate economic activities. This means, that the natural resources are determining prerequisites for the development of the respective economic activities. For a better clarity and systematization, the diversity could be classified as follows:

- geographical diversity – nonliving nature ;
- biological diversity (flora and fauna);
- landscape diversity;
- ethnographic diversity, etc. [8].

This leads logically to the natural and cultural diversity and the possibilities for its use, including for tourism which from point of view of sustainability is a very suitable economic orientation.

There are enough examples of reviving separate villages on the basis of unknown, nontraditional forms of tourism. This is also typical of other European countries such as France, Italy and Hungary. In Bulgaria these examples include Trigrad, Yagodina and Mogilitsa in the Rhodope Mountains; Emen and Krushuna on the border between the Danube Valley and the Balkan Mountain (see illustration 1).

The main issue related to the emergence and presence of tourism as a market offering in our villages is determined by the production of **attractive tourist products**. The decisive motive for visiting, at least under Bulgarian conditions, are not the services but the natural, cultural and historic sites whose tourist attractiveness is defined by the categories of uniqueness, being exotic and aesthetic value. The extremely various natural landscapes and the rich cultural and historic heritage facilitate the development of tourist products that are unique for the particular areas and micro-regions. With reference to this, BARET offers possibilities for diversification of rural economy on the basis of particular areas. The tourist products there are connected mainly to elements of the natural heritage. According to BARET, in the country there are the certain types of villages [8]: *lowlands - plains valleys* - "Ryahovo" nature park, situated along the Danube river, Slivo pole Municipality, Ruse; *hilly-lowlands* - "Misiya" nature park, Karayisen village, Veliko Turnovo region; *Hilly-plateau-ridges* - "Rachene" karst nature park, Kameno pole, Roman Municipality, Vratsa Region; *low-mountain areas* - "Gradishte" national and historic park in Dolno Dryanovo village, Gurmen



Municipality, Blagoevgrad Region; *middle-height mountains* - Ethnographic complex “Rhodope drinking fountains and wells”, Davidkovo village, Banite Municipality, Smolyan Region (illustration 2) .

According to BARET, some of these nature parks do not have analogues even in Europe (“Misiya”, “Gradishte”, “Ruchene”). Their tourist product is related mainly to elements of the natural heritage.

With reference to the trend of gradually increasing the share of organic and ecological agriculture, the possibilities for creating local, „in situ” markets also improve. This means that clients, buyers come to the market. There have already been observed positive examples of direct sales (in villages) and indirect (subsequent) consumption of local produce on behalf of visiting tourists. These practices occur together with the well-known road-side trade.

Practice has shown rather convincingly the dynamic and catalyzing role tourism has for the integrated development of rural areas. The interrelations between tourism and other, non-tourist activities has led to a specific, often sought multiplication effect.

The consumer formula of traditional rural tourism includes not only informative and visual aspects but also local food products such as eggs, vegetables, honey, etc.; local drinks such as juices, syrups, herbal teas, etc.; local craft products such as souvenirs, organic packing materials such as wicker, willow, hazel baskets, etc.). A very indicative example is the so called Mursalski chai (Siderits scardica) also known as mountain tea, shepherd’s tea or ironwort. In some areas in the Rhodope Mountains it is offered for direct consumption or dried and packed so that tourists can buy it (not only as a souvenir) since it has become very popular.

The impact rural tourism has on the development of certain villages and the quality of life there could be summarized under the following headings:

- Investments and activities directly related to tourisms (accommodation facilities, restaurants and other places for preparing food, additional service facilities);
- Improved infrastructure which is also favourable for the local population;
- Development of a better services sector both for the local population and tourists;
- Events and activities related to the preservation and protection of local cultural, historic, ethnographic, folklore and natural heritage and biodiversity (flora and fauna).

Rural tourism considerably stimulates local initiatives in a number of ways. Currently in the country there is an increase in the construction of guesthouses, small and medium-size family hotel in the countryside.

The development of rural tourism especially in the areas of the Rhodope Mountain and the Central Balkan Mountain is a stimulus and a factor for boosting economic activity in spheres which are both directly and indirectly related to tourism. Thus it is an important factor and at the

same time one of the areas of economic diversification in rural areas.

The improved infrastructure influences positively the village environment. The range of offered services is increased including those offered to local people. Employment and incomes also rise and the number of people migrating from rural areas decreases. This results in a considerable improvement of the quality of life there.

This process has some reverse effects, though, because this is a two-way relationship. The improvement of life quality in particular areas and micro-regions has led to mobilization of efforts and initiative and local people have improved the nature and quality of the offered, complex, tourist product. This in turn has attracted more investments and increased living conditions in the respective areas.

The requirements for creating complex tourist products enhance the development of various activities. Their realization is financed and often subsidized under numerous programs whose objective is to develop and stimulate tourism (RADP [10], projects for sustainable development, LEADER with its LAGs, etc.). LAGs are the main intermediaries between local communities and the RADP management and implementation. Their main objective is to create opportunities for an easier access to financial support for farmers, entrepreneurs, nongovernmental organizations and community centers which would like to stimulate and diversify employment and the preservation of rural areas cultural heritage and identity.

Considerably bigger financial resources for infrastructure, services and other economic activities are, to a certain extent, concentrated in areas with preserved settlement system, picturesque landscape and other resources benefitting the development of rural tourism.

To ensure a balanced development of villages and to boost rural areas economy it is very import to have a realist understanding of the available resources and possibilities. This analysis should facilitate the development of activities that will allow the effective use of local heritage and natural resources and at the same time foster their protection and preservation not only for the present but also for the future generations.

A very important prerequisite for accelerating the diversification processes of rural and eco tourism activities and the improvement of employment possibilities in these fields is the government and EU policy. The EU policy pays considerable attention and subsidies to the development of agriculture including rural areas and rural tourism. A lot of the funding under Priority axis 3 of its agricultural policy, namely “Improving quality of life in rural areas and stimulating diversification”, is used for diversification through non-agricultural activities.

The territorial communities and the local initiatives play A main role in the process of developing the “rural tourism” product. For Bulgaria it is particularly important to look for opportunities for developing common regional product in collaboration with its neighbouring countries which have established rural tourism destinations.

IV. CONCLUSIONS

As a result of the different analysis carried out in the previous sections for Bulgaria the following conclusions can be drawn:

- Rural tourism in Bulgaria is one of the government's instruments in achieving the strategic objectives of developing rural areas for the period 2007-2013;
- The development of tourism and its accompanying activities in rural regions stimulates investment practices which create conditions for opening small and medium-size enterprises for processing agricultural products and developing the local crafts. This production is offered to tourists, the local population or outside the particular regions;
- Tourism as a diversification element of the rural micro-economy is an important direction and, at the same time, a factor for accelerating the process of activities diversification in rural areas;
- The profitable agro-tourist product is determined by the complexity of the product, the concentration of tourist sites in complexes and regions depending on the offered services. The results are revealed by alleviating the disproportions in the territorial distribution of tourism in general and their positive effects on both the development of rural areas and the alternative tourism related activities;
- The development of an unique agro-tourist product in Bulgaria secures improvement of the economic and social conditions in rural areas, diversification of economic activities in agriculture, high standard of life, advancement of employees' skills and knowledge and preventing depopulation of disadvantaged rural areas.

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- BAAT** – Bulgarian Association for Alternative Tourism, <http://www.baatbg.org/>
- NUAC** – National Union of Agricultural Cooperatives
- RUAC** – Regional Union of Agricultural Cooperatives



Illustration 1. Emen - complex „Imenieto”; The Trigrad gorge; Emen - complex „Nigovanka”, The Hotnica Falls

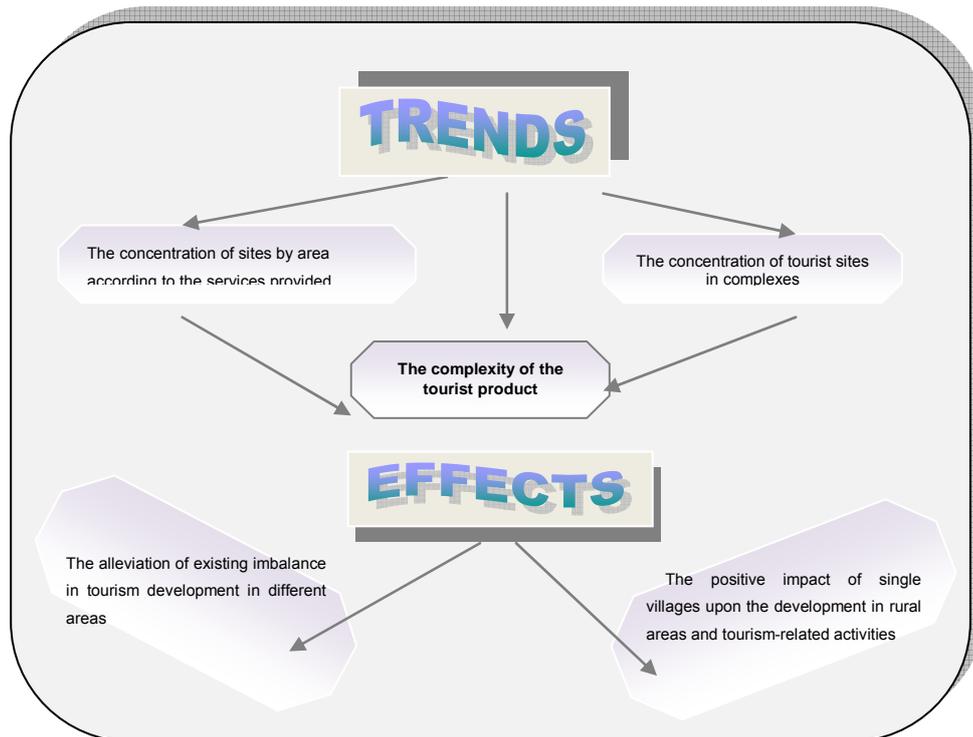


Fig.1. Rural development trends in Bulgaria after 2007 and their positive effects on the development of rural economy



Illustration 2. Topology of Bulgarian villages with reference to rural economy diversification on the basis of specific particular places