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Romania Agribusiness Development Program (RADP)

Year 2 Work Plan

October 1, 2005 – September 30, 2006

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This project addresses USAID Strategic Objective 1.3: Accelerated private sector growth by supporting a market-driven environment.

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I. INTRODUCTION

The Romania Agribusiness Development Program (RADP) is a forty-four month project with the overall objective of increasing the competitiveness of Romania's agribusiness/rural sector for the international and domestic markets. RADP is assisting in this process of making agribusinesses and related rural activities more competitive by working at the industry level to increase cooperation and facilitate policy reform, while promoting productivity increases and a forging of marketing alliances and linkages to promote increased sales, both domestically and internationally. RADP has selected livestock/processing, wine, honey, wood products and rural/agro tourism as the sectors of focus. Key indicators and measures of success are increases in sales and investment into the sector.

II. OVERVIEW OF YEAR 1 ACTIVITIES

The first several months at Project startup were devoted to meetings and visits with private and public sector representatives, associations and donor agencies involved in a wide variety of agribusinesses, agricultural sectors and sub-sectors. These initial contacts and discussions were complemented in January with a more detailed and focused analysis of the potential for improving competitiveness in a variety of sectors and products. Final selection and submission of our initial clusters was made in March. The Mission approved our initial selection of working in the livestock/meat processing, wine, and tourism sectors. Additional information was requested to complement our initial selection of the wood products sector. In May we added two clusters of honey/beekeepers and divided the tourism sector into three inter-related clusters: national promotion, Brasov County and eco-tourism.

After Mission approval, several months were spent meeting with partner associations and individual firms, as well as discussions with agencies and firms in each product value chain in order to sensitize cluster members to the project, the types of assistance we can offer, and in developing a strategy to improve competitiveness in each sector or cluster. The RADP detailed Implementation Plan, Project Policy Agenda and the Project Monitoring Plan were submitted in June.

Parallel to this sensitization process and strategy development, with Mission approval, we initiated activities in each cluster both as a means to demonstrate to our partners that we are serious and can deliver quick assistance, but also in recognition of the relative short lifespan of RADP of only three years in which to achieve measurable impacts. These initial activities have included the development of marketing contracts between hog producers and Smithfield, assistance in obtaining financing and SAPARD funding, organic certification for almost 100 beekeepers, development of a Regional Tourism Strategy for Brasov County, and technical training programs and workshops in the livestock, honey, tourism and wine sectors. The project also began developing a pilot group marketing program in Arad and Timis counties so that smaller hog producers can also benefit from improved genetic breeds and find markets with large producers like Smithfield. In addition to marketing assistance for hog producers, RADP also provided marketing assistance to firms in the honey, wine, tourism and wood products sector. Through RADP assistance a winery in Chile is currently testing oak wine casks made in Romania.

III. YEAR 2 WORK PLAN

A. Livestock/Meat Processing

Although a national staple, Romania continues to import a major portion of the pork meat consumed. The project strategy in working in the livestock/meat processing sector focuses on linking hog producers with processors. Work during year 2 will build on the initial activities started last year in helping to strengthen marketing linkages and improve the quality of the meat produced. To facilitate growth and expansion, RADP will also continue to facilitate investment through the SAPARD program and work with the banking sector, processors and producers to facilitate financing.

Investment and Financing – There are two main hurdles faced by hog producers who wish to improve their operations and expand: investment for larger, more modern infrastructure and operating capital.

- *SAPARD* – To date we have identified two consulting companies who are willing to work with RADP and hog producers with which we work.. We will identify another two or three firms who meet the requirements of quality of their work and the cost to the producer. We are developing a check list for producers, which will assist farmers (as well as firms in other sectors) to negotiate contracts. To date, we have identified seven larger producers interested in expansion and in accessing SAPARD funding and put them in contact with the two firms identified thus far. Other assistance could include help in preparing business plans for those seeking to expand. This will be an on-going activity as more producers seek to expand their operations.
- *Operating Capital* – Processors are primarily interested in larger producers who can finish a large number of hogs in a three month cycle, using quality genetics and improved feed. This is costly and few of even the larger producers can finance this without bank loans. We will continue to work with producers, banks, processors, and guarantee funds to facilitate loans to cover operating costs. We will ask the ADAPS/Iowa State team to assist in organizing a roundtable on the financing of operating loans for hog producers, banks, guarantee funds, etc.

Group Marketing – Although processors are interested in the larger producers where they can obtain greater numbers, smaller producers are also interested in using better breeds, improved feed and in finding markets for finishing operations. The target group for now are medium sized, experienced producers and not the small inexperienced farmer with one or two pigs in the backyard. We are currently working to identify a pilot group or groups of medium sized producers who are willing and able to switch to better breeds and use improved feed formulas. At present we are looking at two options: importing piglets from Hungary (or elsewhere) or purchasing improved breed piglets from local producers. Both options have positive and negative factors which producer must weigh.

Training – In connection with the work with a pilot group or groups of producers, described above, additional training activities and technical materials will be developed to assist producers. Among the areas to be covered are the following:

- *Improved feed formulations*
- *Waste management*
- *Quality, Standards and Regulations*
For the various quality issues, standards and regulations (EU and Romanian), we will develop technical bulletins and organize training workshops which will be presented as needed. Work has already started on waste management and carcass grading. Others planned include quarantine requirements, environmental approval, hygiene and animal health requirements, as well as business registration, customs and import procedures, etc.
- *Farm management and record keeping*
- *Marketing contracts*
- *Contract farming*
- *Impacts of EU Accession*

For those producers who will import improved breeds of piglets for the finishing operations, additional project assistance will include:

- *Meeting on-farm quarantine requirements for imported animals*
- *Assistance in making purchases in Hungary*
- *Assistance in navigating customs requirements*
- *Identifying and arranging transportation*
- *Blood tests*
- *VAT reimbursement and business registration*

Assuming the pilot work with groups of medium sized farmers is successful, for future groups we will consider developing a more comprehensive training program lasting 2 or 3 days to introduce the program and to cover many of the areas identified above.

- *Swine Fever* – Although this topic could be covered in one of the training programs identified above, the risks of classical swine fever are high enough that we list it here separately. Until now, the three western counties of Timis, Bihor and Arad have been thought to be free of swine fever. Only last week, however, there was an outbreak and the entire stock on one farm had to be killed. In addition, the Government has indicated its intention, at the strong recommendation of the EU, to ban all vaccinations against swine fever as of January 1, 2006. It appears as if the best, if not the only way, to protect farmers hogs against swine fever will be a very strong preventive program of sanitary procedures, near isolation farm procedures, filters, showers, disinfectants and a ban of unnecessary movement of animals. Early next quarter, RADP will develop a technical bulletin and facilitate workshops to better inform producers of the necessary procedures to protect their livestock and farms.
- *Best Practices Study Tour* – Business to business or farmer to farmer is often one of the best methods of teaching new ideas and methods. As part of our assistance to hog producers in the Timis-Arad area, we will organize a study

tour for a group of Romanian producers to visit a modern hog finishing operation in Europe. We will try to time the study tour around a relevant trade fair to let the producers see the latest in equipment and methods.

- *Promote Contract Farming with Smithfield Foods* – Smithfield Foods is the world’s largest pork processor and has new facilities developing in Romania. RADP will work with Smithfield to promote their preferred production technologies through their contract farming model. RADP will explain and offer the model to potential investors as an alternative pork production method. RADP will facilitate regional meetings with potential producers to explain the Smithfield Model of production, investment, and waste disposal as well as funding options. RADP will also work with Smithfield to try to develop marketing opportunities for associations of medium size producers.
- *Assess New Investment Opportunities* – Opportunities for both new domestic and foreign investment into the sector exists. In order to compete with European producers Romania will need to modernize both production and processing facilities. RADP will explore opportunities to facilitate new investment into the pork and meat processing sector. Specific activities may include identifying and meeting with potential investors, analyzing and researching industry trends, organizing informational workshops, and linking producers with potential investors.

Policy

- *EU Standards and Regulations*- RADP will assist the Ministry of Agriculture and the private sector to prepare pamphlets and information factsheets on key EU regulations and how they will affect how business is conducted in the sectors in which we are working. RADP will also provide assistance in holding a series of workshops or seminars on specific issues, sectors and regulations. Among the issues affecting the swine sector are import regulations, quotas, animal health, waste management, and animal welfare.

B. Wine Sector

The central focus of the project strategy for the wine sector is on marketing and more specifically, on export promotion. Activities, interventions and training detailed below are built around this primary objective.

- *Marketing and Promotion* – Romania has a long tradition of wine production. However, during the communist regime, most was exported in bulk to the Soviet Union. It is only now that the privatized wineries are having to identify and access potential markets and clients.
 - *Marketing Strategy* - Late in Year 1, RADP assisted the wine sector in developing a draft marketing strategy. Initial opportunities and constraints were identified and the sector reached a consensus that its

two key markets will be Russia and the U.K. Further assistance will be required to turn this initial work into a true strategy or action plan.

- *RCI Wine Journalist Tour* – In early October, RADP will assist an AID/W program, the Regional Competitiveness Initiative, to implement a tour for three wine journalists who will visit Romania. RADP will help organize and implement the tour, as well as to plan and finance a welcome reception and wine tasting.

We will plan on at least one other Journalist Tour during the year, focusing on one of the sector's target markets, either the U.K. or Russia. Such tours are relatively inexpensive and are well worth the investment in terms of the resulting advertising and public relations.

- *Trade Shows* - Tradeshows can be an effective, but by no means, the only method of promoting a country's wine. The sector has admitted that they have not been happy with their participation in recent tradeshows. Project assistance for selected tradeshows will include:
 - Market research
 - Planning and implementation of tradeshows
 - Working at a tradeshow
 - Developing a database of importers, distributors, and retailers
 - Promotional materials and events such as a "Romania Night"
 - Media events and press releases

Tradeshows for which RADP will provide assistance next year are tentatively the following:

- *Russian International Wine & Spirits Fair* (October 2005)
- *Prowein* (Düsseldorf, Germany – March 2006)
- *London International Wine & Spirits Fair* (October 2006)

- *Promotional Campaigns* – As recommended in the draft Marketing Strategy, the sector should consider mounting a professional marketing/PR campaign in its target market to make Romanian wines better known and to dispel misconceptions and any negative image. We will explore this with the sector, prior to and leading up to trade shows.
- *Business to Business – road shows, buyer visits* – Organizing business to business events in target markets is also a way to become better known in a target market. RADP will assist the sector to organize and implement at least one such business to business event, either in conjunction with or after attendance at a tradeshow. A similar event would be to invite key buyers in target markets to visit Romania and to participate in a wine tour to meet our exporters and to taste Romanian wines.
- *Firm level marketing training and assistance* - Inexperience at national promotion, also carries over to marketing by individual firms. RADP will continue to develop workshops and training programs for

individual firms. Topics to be covered include: tradeshow attendance, sales and selling, promotional material, firm level marketing plans, etc.

- *Wine Quality Assessment* - Ultimately wine quality will be the determinant of how well a wine sells. Tastes also vary from one person to another and from one market to another. RADP will provide the assistance of a wine tasting expert to work with the industry's wine producers, to first evaluate the quality of the overall wine and provide feedback on how it might be improved. Second, based on the wine's characteristics, the tasting expert will indicate in which market(s) the wine most fits the demand characteristics.
- *Seal of Excellence* - The introduction of a national "Seal of Excellence" has helped improve the quality of some products in other countries. Products are evaluated using strict criteria on a variety of factors (production process, adherence to health and safety standards, quality, packaging, etc.). If meeting the criteria, the firm's product is awarded a Seal of Excellence, which can be used to enhance marketing and promotion. RADP will provide assistance to the sector in developing a quality seal program.
- *Wine Tourism/Wine Roads* – Assistance to improve (introduce) wine tourism will be a joint activity with our tourism sector. Experience in other countries (and even in Romania) show that sales at tasting rooms can be a significant source of revenue and a good means of promotion through foreign tourists. We will provide technical assistance to those wineries interested in starting (or improving their operations) and include winery visits as part of our tourism product development. Promotional materials to improve marketing will also be developed.
- *Organic Wine* – There is one winery currently seeking organic certification, with Ecocert, the certifying agency we are working with in the honey sector. Depending on the progress made in certification, we will assist in identifying potential export clients.
- *Policy*
 - *Trade Show participation* – Currently, the Department of Foreign Trade in the Ministry of Economy and Commerce subsidize the attendance at a certain number of tradeshows each year. This includes letting contracts for the design and building of booths and some promotional activities. Unfortunately, the contracts appear to be based only on cost, with little regard for previous experience or design quality. In addition, work for each tradeshow is left to the very end, often only 6 weeks prior to the show. This is an issue for two of our sectors, wine and tourism, and possibly others. RADP will assist wine and tourism (and contact other sectors as well) to lobby for the modification of the procedures and to give a greater voice to the sectors themselves in determining how funds are spent.

- *EU Standards and Regulations*- RADP will assist the Ministry of Agriculture and the private sector to prepare pamphlets and information factsheets on key EU regulations and how they will affect how business is conducted in the sectors in which we are working. RADP will also provide assistance in holding a series of workshops or seminars on specific issues, sectors and regulations. Among the issues affecting the wine sector are limits on production and acreage, elimination of hybrid varieties by 2014, requirements of the use of pesticides (2-3 year transition), labeling, etc.
- *Wine Institute* - The sector has been pushing for the establishment of a Wine Institute, a public/private body, which would oversee the regulations affecting the industry. The Institute would also assume overall responsibility for promotional activities for the sector as a whole. RADP will provide assistance to the sector in developing a draft model, based on the experiences of other countries, in how such an Institute should be organized, define its role and responsibilities, and how it could be financed.
- *SAPARD* – Although we have had no requests to date, we will provide assistance should any of our partners in the sector seek our help in accessing SAPARD funding. If able to identify potential wine investors RADP will assist them to develop bank and sapard funding. RADP may also assist in accessing credit and grants to fund improvements to wine road.

C. Honey

- *Technical Assistance and Training*
 - *Organic certification* - To date our assistance to the honey sector, working with two clusters, has been on organic certification. We have provided financial assistance to two groups of beekeepers (70 in Bacau working with Apicola and 20 in Baia Mare, working with Apiland) to be certified. Our goal is to have successful farmers reimburse the financial assistance so that more beekeepers can be certified each year.
 - *Training and technical assistance plan - Production and processing* – We will provide technical expertise to beekeepers and the two firms in Bacau and Baia Mare to undertake a training/technical assistance needs assessment which will result in a more detailed training program. It is expected that training will cover improved production methods, handling and storage, harvest methods and transportation, etc. for the beekeepers. For the firms, we will have the expert assess and recommend in such areas as handling and storage, packaging, labeling, and the possibility/feasibility of further processing to add value.
 - *Develop Value added processing* – RADP will train and assist our honey associations to process, package and market their honey rather than sell in bulk in order to obtain a higher price and retain greater

profits for the association and its members. RADP will assist the associations to obtain credit or grants and to develop a plan for adding value to their current supply of bulk honey.

- *Office/business skills* – Apicola in particular is in need of assistance in setting up business systems including computer/internet/email capability. RADP will provide assistance to improve the office efficiency.
- *Marketing*
 - *Website* – Apicola has just started developing a website. RADP will assist in completing and improving the website so that it can become a part of the company's and the association's marketing program.
 - *Market intelligence* - RADP will provide assistance in identifying potential buyers and importers of honey in Europe.
 - *Tradeshows and buyer visits* - RADP will assist both Apicola and Apiland to prepare for and attend organic tradeshows, to meet potential buyers and importers and to advertise their products. If possible, we will also invite potential buyers to come to Romania to meet with the firms and to inspect their operations.
- *SAPARD* – Apiland has indicated that they may want to access the SAPARD program to expand their operations. Apicola is interested in possibly further processing and/or setting up a small laboratory so that it could conduct some analyses in-house. If needed, RADP will provide assistance in accessing SAPARD funding.
- *Policy agenda*
 - *EU standards and regulations* – As with other sectors, RADP will provide assistance in identifying and making firms and producers aware of the quality and regulatory standards that will affect the beekeeping and honey sectors under EU accession. RADP will assist the private sector to prepare pamphlets and information factsheets on key EU regulations and how they will affect how business is conducted in the honey sectors. RADP will also provide assistance in holding a series of workshops or seminars on specific issues, sectors and regulations.
 - *Road tax* - Under current regulations, companies are required to pay a fixed annual fee of 2,000 Euros in fees and licenses for the use of the transportation (road) network. At present, Apiland and Apicola only transport honey three times per year. The effect is to greatly increase the cost of doing business and making them less competitive. The Bacau association is advocating for fees to be assessed on a real use basis, and not on an annual flat fee. Foreign investors, for example, are assessed on a use basis. RADP will provide technical and logistical assistance to the association in its efforts for a change in the basis of applying these transportation user fees.

D. Tourism

RADP will coordinate national level activities closely with NTA and the EDS Tourism Advisor. RADP will also try to both leverage EDS program activities as well as support EDS projects in other regions of the country. RADP assistance at the national level will focus primary on two issues, first, by providing assistance to the NTA in developing the national tourism strategy and second, at the demand level (marketing), by promoting Romania as a tourist destination through international promotions, FAM tours, etc.

1. National Level Tourism

- *National Tourism Strategy* - RADP has been providing assistance to the NTA over the past several months for the development of a National Tourism Strategy. At this point the USAID/EDS project and the NTA are leading this effort. We are ready and willing to provide whatever additional assistance might be required, in addition to our participating in several of the working groups.
- *Promotional materials* – RADP will provide assistance in developing promotional materials for national promotion of tourism in Romania. For WTM, we will assist in developing a UK specific flyer or bulletin which can be distributed at the tradeshow. In addition, Romania is in need of basic promotional materials that can be used more than once at different tradeshow, country promotions and tourism events. These could include country banners or tourism scenes for tradeshow, pamphlets, brochures, posters, etc.
- *FAM Tours* - The project will assist in the planning and implementation of at least two FAM tours during the year to increase the awareness of key foreign operators of the tourism potential in Romania.
- *Journalists tours* – As with Operator FAM tours, familiarization tours for tourism journalists is an relatively inexpensive means to advertise Romania, both to the foreign tourism business sector, as well as potential tourists. The Project will also sponsor at least two FAM tours for tourism journalists.
- *Wine tourism* – Most RADP assistance for product development will be provided at the ground level in Brasov county or through the Association of Ecotourism of Romania. On the national level, however, RADP will assist with product development in helping to establish one or more “wine roads” as both a tourism attraction and as a means to market Romanian wine. Specific activities related to developing these vineyard tours will include:
 - Identification of potential “roads” and winery participants
 - Assessment of quality of facilities, identification of infrastructure needs
 - Assistance in sensitizing, organizing, planning and financing (where needed – through SAPARD or other funding mechanisms)

- Development of promotional material
- Promote linkages with hotels (weekend tours for business visitors), Bed and Breakfast, agro-processors for local foods, etc.

2. Brasov County Tourism

A second tourism cluster focuses on regional tourism development in and around Brasov County. Technical assistance and training will be used to improve the number, quality and standards of tourism operations and attractions, while improved planning, enhanced marketing and promotion will help increase tourism sales and revenue.

Planning

- *Regional Strategy and Implementation Plan* – Work began last year in assisting in the development of a regional tourism strategy for Brasov County. A draft has been distributed to the over 120 participants who contributed to its development. Early in Year 2 a Stakeholders' Conference will be convened to amend and finalize the draft, and more importantly, to turn the document into an action or implementation plan with responsibilities assigned, implementation committees appointed, funding identified and a timeline for implementation developed with milestones set to measure progress.

Product Development and Improvement

- *Product Development* – Product development and improvement is part of the draft strategy and will be an important part of the Year 2 work plan. Early in the first quarter we will hold a series of workshops which will include representatives of government and especially representatives of touristic sites, local and Bucharest operators, guides, hotels, etc. to develop a series of new products: 3 day, 5 day and 7 day tours; events; combination tours of hiking, kayaking, agro-tourism, city tours, walking tours, etc. in order to increase the types of products and activities available. Follow up assistance, discussed below, will include domestic FAM tours to increase awareness, promotional materials and activities.
- *Events* – Weekend events, in the form of festivals (cultural, musical, food, etc.) can be an important source of income from domestic (especially Bucharest) tourism. RADP will assist Brasov County and the various towns and villages to coordinate, improve and promote such events. Early in the quarter we will begin by assisting in the county wide planning or scheduling of these events and the publication of a county (as well as city/town) events calendars.
- *Training* – Some training needs were identified during the strategy process. These will be finalized during the stakeholders' conference and developed into a training plan. Among the areas identified are:
 - *Tour product development – train the trainers*
 - *Marketing and e-marketing*
 - *Guide training workshops*

- *Specialty interpretative guide workshop*
- *Accommodation operations*
- *Interpretation*

At least one training program or workshop will be organized each quarter. We will coordinate these activities with the EDS Project and other cluster partners.

Promotional Activities

- *Domestic FAM tours* – It is important that domestic tour operators are aware of the tourism sites, accommodations, and activities available in Brasov County, so that they can include them in their sales materials and tour packages. We will organize a series of domestic FAM tours so domestic operators are aware of the opportunities.
- *Promotional material and Activities* – Again a prioritized list of activities will be finalized in the strategy. Among those discussed include:
 - *Development/publication of events calendar(s)*
 - *Website development*
 - *Improved Tourist Information Centers*
 - *Brochures, pamphlets, maps and posters*
 - *Possible attendance at tradeshow, FAM tours, and journalist tours*

Credit and SAPARD – RADP will assist entrepreneurs to develop business plans, write proposals and submit projects for bank loans or SAPARD grants in order to improve tourism infrastructure and services in the region. RADP activities may include: assisting to draft proposals, conduct informational workshops, and link financial consultants with interested entrepreneurs.

3. Eco-Tourism

Romania's tourism is based mainly on nature: agro-tourism, national parks and forests, bird watching, fishing and hunting, hiking, skiing, adventure tourism, etc. Romania is also recognized internationally for its biological diversity, for having one of the largest wetlands in Europe, and some of the largest remaining virgin forests which host one third of the European large carnivore populations west of Russia. RADP's third cluster in the tourism sector groups together those agencies and organizations which are working towards meshing the interests of economic development through tourism and the necessity of conserving the natural base upon which tourism rests. A key partner is the Romanian Ecotourism Association (AER).

Association Strengthening

Certification and Registration

AER is a new NGO and needs assistance in setting up the certification and registration procedures for both certifying its own members as meeting the necessary standards and for AER or another agency or organization to be accredited as a certifying agency. The first stage in developing a certification process will be to research the existing legal and regulatory system to identify the options and present recommendations for where an ecotourism accreditation system should be housed and

how it should be set up, given the existing legal and regulatory framework. The experience of accrediting agencies in Sweden, Canada and Australia could be particularly informing.

Quality and Standards

RADP will provide technical and organizational assistance in developing materials that will be used to strengthen AER and its members while providing clear guidelines for developing and promoting ecotourism. Financial assistance will be provided if strategically appropriate. Planned activities include:

- *Development of certification and evaluator manuals.* The finished product, the *Evaluator's Manual*, will be used as a guide to evaluating and certifying operators as meeting international ecological standards.
- *Best Practices for Ecotourism – Training Workshops and Guidebooks* A series of workshops will be developed for certified and other tour operators who are interested in ecotourism. The workshops will target three groups including, one for accommodations, one for destinations and a third for tour operators. Three handbooks will be developed to serve as resource materials for the workshops and as after training reference materials.
- *Assessment and Appraisal of Potential Eco-Destinations.* RADP will assist AER and ecotourism partners in conducting a rapid assessment which will be used to identify potential eco-tourism operators, possible regional accommodation networks and village eco-destinations that could adopt the ecotourism approach. The assessment will result in a list of nature and rural culture oriented domestic tour operators; a list of potential regional accommodation networks and identification of villages and communes which could benefit from the development of ecotourism operations. A database of potential ecotourism destinations will be developed.
- *Credit and SAPARD* – RADP will assist entrepreneurs to develop business plans, write proposals and submit projects for bank loans or SAPARD grants in order to improve tourism infrastructure and services in the region. RADP activities may include: assisting to draft proposals, conduct informational workshops, and link financial consultants with interested entrepreneurs.

Marketing and Promotion

Market Research on International Ecotourism and Ecotourism Tour-Operators. The assessment will provide information on the demand for ecotourism tours and destinations in key markets: profile of market demand, tourism destinations sought, and a compilation of international tour operators who package and sell nature-rural-Eastern European holiday and tours. A written assessment will be presented to AER and other partners and will be used in conjunction with above mentioned database to

promote Romanian ecotourism destinations to the tour operators with highest potential for success.

Participation in Tradeshows and Tourism Events

RADP will assist with the participation in at least three international tourism tradeshows or events this year to promote rural/eco/nature tourism in Romania. RADP assistance will include technical assistance in preparing for shows, organizational and logistic support, and when strategically beneficial will provide financial assistance. Among the events which target this type of specialized tourism are:

Wien Holiday Fair	Vienna	January 2006
Destinations 2006	London	February 2006
Deventer	Netherlands	February 2006

Final determination of specific events will depend on dates of the events and after-consultation with cluster members.

FAM Tours

Familiarization tours will be organized for tourism journalists and international tour operators so that they can learn first hand what Romania has to offer in terms of eco- and nature tourism. The results of the market research above will be used to identify potential operators and journalists to include in the tours. The initial FAM tours will be conducted next year beginning in May 2006. RADP and cluster partners will target 3 FAM tours for each of the next two years. RADP assistance will include technical assistance in preparing for events, organizational and logistic support, and when strategically beneficial RADP will provide financial assistance. (SAF)

Promotional Materials - Attendance at tradeshows requires good promotional material. Promotional literature and materials are also important to share with tour operators who package the type of tourism that Romania has to offer. RADP will assist the sector to develop and distribute promotional materials, including brochures, leaflets, CDs, development of a website and a proposed short promotional film on Nature and Rural Culture in Romania. RADP will also assist in the production and distribution of a guidebook (tentative title): *Nature and Rural Culture: Travel Opportunities in Romania*.

Policy

Advocacy

As with the other RADP sectors, assistance and training in advocacy techniques will be at the forefront of the Project's policy agenda. RADP will provide training in advocacy methods and procedures to participating associations and members. This advocacy training will assist the sector to work with national, regional and local governments to implement policies that will help promote and sustain eco-tourism.

Protected Areas Legislation and Nature Conservation.

Natura2000 NGO Romania has been lobbying the Government for passage of a new law on Protected Areas and in general for better management and financial support to the preservation of biological diversity in Romania. As part of its advocacy campaign the Coalition and its NGO partners would like to organize a study tour or field trip for

the media and 4-5 high ranking government officials (parliamentarians and/or Ministers). The group of 8 – 10 journalists and government representatives would first visit and spend 1 – 2 days in the Bavarian Forest National Park (located in Germany and the Czech Republic) to give the participants a good example of where nature conservation and local development have been able to co-exist and thrive. The group will then visit Piatra Craiului National Park in Romania as an example of where neither conservation nor local planned development have occurred and by the contrast with the Bavarian example, to show how Romania could gain from such a change in policy.

Domestic FAM Tours - RADP will assist AER to organize and implement one or more familiarization tours for ministry staff, domestic tour operators and journalists to visit successful ecotourism locations and programs in Romania. The purpose is to make all of them better aware of ecotourism and the opportunities that exist.

E. Wood Products

- *Environmental/Accession Assessment* - The Project hopes to begin work in the wood products beginning in Year 2. After our assessment and submission of the wood products sector as one of our clusters, the Mission asked that the project first undertake an assessment of the likely environmental impacts if USAID worked in the sector. In addition, we were requested to have an industry expert assess what effect EU accession might have on sector competitiveness. This assessment will be undertaken early in the first quarter.
- *Sector/Firm diagnostic*- Assuming the Mission then approves of RADP working in the wood products sector, we will undertake a rapid sector/firm diagnostic to identify firms within the sector with which we will work. Based on their products, needs and abilities, we will develop a more detailed work plan. However, among the activities we foresee are:
 - *Sales and marketing*
 - *Business linkages – both export markets and domestic linkages*
 - *Training where appropriate*