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**Programme:** Private Sector Development and TVET in South Caucasus (PSDTVET SC)

**PN:** 16.2179.6-002.00

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**Activity:** “Green Key”: National and International standards for B&B accommodation

**Period:** 10<sup>th</sup> October 2018 – 30<sup>th</sup> January 2019

## 1. Brief information about the programme

The Private Sector Development and Technical Vocational Education and Training programme which has been developed jointly with the Public partners and private sector in the South Caucasus Countries, aims at promoting the private sector development with a high attention to employment impacts and a close integration of vocational education and training.

Due to the small domestic markets with limited purchasing power, the South Caucasus Countries have focused so far on expanding foreign trade to promote economic development. The export-dedicated strategy achieved only limited success in improving the employment situation and living conditions. Employment growth in sectors that afford the greatest potential for *pro-poor growth* and employment promotion in comparable economies and also in South Caucasus, such as tourism and agricultural, cannot be sustained, because businesses lack well-trained skilled labor.

The core challenge consists thus in the difficult framework conditions for sustainable economic development in the sectors relevant for employment. The capacities available are not yet sufficient to generate the envisaged employment and growth momentum.

Therefore, the programme **module objective** is: The conditions for sustainable economic development have improved in selected sectors relevant for employment.

The programme will adopt the integrated approach of German development cooperation in employment promotion. It will address both the supply and demand side of the labour market to lay a better foundation for employment. Development assistance will focus primarily on involving the private sector in vocational training.

To do this, the programme will operate in three intervention fields:

**Intervention field 1** will aim to strengthen capacities for improving competitiveness in the sectors relevant for employment.

In **intervention field 2**, private and public actors will cooperate to improve the labour-market relevance of selected training courses for these sectors.

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**Intervention field 3** will seek to strengthen the regional and international exchange of experience in sustainable private sector development and dual-oriented vocational training.

Improving the promotion of economic development will contribute to raising demand for labour. At the same time, supporting vocational training and qualification will increase the supply of qualified labour, i.e. trainees that have successfully completed initial and continuing education and training will be better prepared to cope with the requirements and their tasks in enterprises. In the medium and long term, this will make a contribution to reducing structural unemployment and underemployment and to social and sustainable economic development.

The programme is scheduled for a term of 3 years (from April 2017 to March 2020).

## **1. Context and current situation in the field of assignment**

High quality accommodation is one of the preconditions of the tourism industry distinction. B&Bs and small guest houses are emerging in the communities every day. However, the households who are running the B&Bs and other accommodation services will need to follow firm quality standards. Globally for tourism industry there are available both national and international standards.

National standards in Armenia are defined by the Law of the Republic of Armenia on “Tourism and Tourism Activities” and Decree of the Government of the Republic of Armenia “About Setting Conditions and Rules for Hospitality Services, Verifying Conditions and Procedures for Hotel Property Rating System” in force since June 2004.

According to the information provided by the State Committee of Tourism less than 10% of existing B&Bs are applied for national certification, explained by the lack of awareness about the existence of this system and its benefits.

This taskforce will update and promote national certification system and introduce international quality standards, at the same time to scale-up cooperation opportunities within value chain through following objectives:

1. Observe and promote national and international quality standards applicable for Armenian B&Bs.
2. Encourage better reputation of Armenian B&Bs via introduction of internationally recognized standards.
3. Capacity building of Armenian organizations and individual experts providing assistance in a field.
4. Ensure the availability of comprehensive business development services (BDS) targeted to B&Bs and related hospitality sector operators, equipping them with contemporary business skills and competences; facilitate knowledge transfer on quality standards, proven business models, etc.

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5. Support set-up of a cooperation network by facilitating connectivity between hospitality sector value chain actors within and across regions of Armenia.
  6. Develop and promote new hospitality services in a pilot region around B&Bs.
  7. Promote environmental responsibility (green economy) and sustainable operations within the industry.

Feasibility analysis of application of International Green Key certification standard to Armenian B&Bs will be implemented on selected B&Bs on the Bike Tour trail launched by GIZ from Dsegh village in Lori province to Borjomi in Georgia.

## **2. Conditions of the assignment**

### **3.1 Objective and tasks**

The objective of this activity is to have an image of accommodation subsector in a selected pilot region Lori (but not limited to) in the Northern Gate of Armenia from the managerial and entrepreneurial capacities standpoint. This should contribute to a country strategy to ensure high quality accommodation subsector as a main precondition for community tourism development.

Following tasks will be realized:

1. Baseline study in a scope of identification and mapping of B&Bs having certification and capacities to introduce higher quality standards (national, international). Available national quality standards for Armenian B&Bs, control mechanisms for those and potential to use them as marketing tool will be observed. Feasibility study on application of internationally recognized standards, such as "Green Key" will be implemented as well.
2. Capacity building of stakeholders (Armenian B&B Association NGO, selected B&Bs and individual experts) on introduction of internationally recognised standards, such as "Green Key" as well as maintain application.
3. Introduction of international quality standards such as "Green Key" at country level, based on pilot project propose support mechanism (roadmap) development.

Overall activity in Armenia will be implemented with the support Armenian B&B Association NGO, "Green Key" Standard Representation, Bike Tour NGO in close coordination with the State Committee of Tourism. International Green Key expert introduces the standards in the new target country free of charge, the implementing company will cover the travel expenses.

GIZ will announce a tender to recruit a local consulting company specialized in tourism and green economy to instrument the whole course of action with the objective to continue the standardization throughout Armenia by becoming a local representative of

Green Key standard in Armenia. This will be a new venture established under current PSD TVET activities that will grow and extend the task of B&B certification along with B&B association in the future throughout Armenia.

**a. Deliverables and resources**

<b>Tasks – Deliverables</b>	<b>Timeline</b>	<b>Expert day</b>
1. Baseline study in Lori region in a scope of identification and mapping of B&Bs having certification, and capacities to apply higher quality standards (national, international), as well as identification of available and potential hospitality services around B&Bs, extension of B&Bs service portfolio.	10 Oct. – 20 Oct. 2018	10 days
2. Observation of national quality standards for Armenian B&Bs and feasibility study on application of internationally recognized standards, such as “Green Key”. Development of specific training modules and training of trainers for the local business development services for B&B quality management.	20 Oct. – 5 Nov.	10 days
3. Stakeholder workshop and focus group discussions on introduction of internationally recognized standards, such as “Green Key” (Preparation and implementation) with the international expert.	10 Nov. – 21 Nov.	5 days
4. Training of Trainers to build the capacity of local experts on provision of quality business development services to B&Bs based on international standards, such as “Green Key” (Preparation and implementation).	24 Nov. – 29 Nov.	5 days
5. Interim Report to GIZ until 05.12.2018	1 Dec. – 5 Dec.	5 days
6. Implementation of series of individual consultancy for selected B&Bs on quality management standards to maintain application	8 Dec. – 5 Jan. 2019	20 days

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<b>Tasks – Deliverables</b>	<b>Timeline</b>	<b>Expert day</b>
of new standards.		
7. Final report and recommendations for support mechanism (roadmap) on introduction of international quality standards such as "Green Key" at country level to GIZ until 24.01.2019	6 Jan. – 24 Jan. 2019	15 days
Total		70 days

**b. Conditions and payment terms**

The activity should be realized within 3 months from the start date. It is envisaged to have 3 payments.

The implementing partner will cover logistic expenses and any printing cost.