RESPONSIBLE WINTER TOURISM IN KYRGYZSTAN
FEASIBILITY AND MARKET SYSTEM ANALYSIS
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<th>Acronym</th>
<th>Full Form</th>
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<tr>
<td>BFEA</td>
<td>Bishkek Financial Economic Academy</td>
</tr>
<tr>
<td>BfS</td>
<td>Swiss Federation’s Bundesamt für Statistik</td>
</tr>
<tr>
<td>CBT</td>
<td>Community Based Tourism</td>
</tr>
<tr>
<td>CIS</td>
<td>Commonwealth of Independent States</td>
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<tr>
<td>DFID</td>
<td>United Kingdom’s Department for International Development</td>
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<tr>
<td>DMO</td>
<td>Destination Management Organization</td>
</tr>
<tr>
<td>DOT</td>
<td>Department of Tourism</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
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<td>IFMGA</td>
<td>International Federation of Mountain Guides Associations</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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<tr>
<td>IPA</td>
<td>International Promotion Agency</td>
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<tr>
<td>ISIA</td>
<td>International Ski Instructor Association</td>
</tr>
<tr>
<td>KATO</td>
<td>Kyrgyz Association of Tourist Operators</td>
</tr>
<tr>
<td>KCBTA</td>
<td>Kyrgyz Community Based Tourism Association</td>
</tr>
<tr>
<td>KMGA</td>
<td>Kyrgyz Mountain Guides Association</td>
</tr>
<tr>
<td>KGS</td>
<td>Kyrgyz Som</td>
</tr>
<tr>
<td>SECO</td>
<td>Swiss Secretariat for Economic Affairs</td>
</tr>
<tr>
<td>TUK</td>
<td>Trekking Union of Kyrgyzstan</td>
</tr>
<tr>
<td>UNIDO</td>
<td>United Nations Industrial Development Organization</td>
</tr>
<tr>
<td>UNWTO</td>
<td>United Nations World Tourism Organization</td>
</tr>
<tr>
<td>USAID BGI</td>
<td>United States Agency for International Development’s Business Growth Initiative</td>
</tr>
<tr>
<td>USD</td>
<td>United States Dollar</td>
</tr>
<tr>
<td>VSTM</td>
<td>Verband Schweizer Tourismusmanager or Swiss Association of Tourism Managers</td>
</tr>
<tr>
<td>WTTC</td>
<td>World Travel and Tourism Council</td>
</tr>
</tbody>
</table>
The Swiss State Secretariat of Economic Affairs (SECO) commissioned the International Labour Organization (ILO) to conduct a feasibility study to assess the market potential of initiating a future Responsible Winter Tourism Development Project in Kyrgyzstan. With this project SECO aims at enhancing employment opportunities and reducing poverty along the tourism value chain, while increasing the competitiveness of this industry in Kyrgyzstan and abroad.

The tourism sector has increasingly become an important part of Kyrgyzstan’s economy and is expected to grow in size in the upcoming years. While the labour market has slightly benefited from this increasingly relevant sector the country has failed to capitalize on the potential benefits the sector could bring to create more and long-lasting jobs for its population. Kyrgyzstan faces an unemployment problem, which particularly impacts its youth. With an 8.6% general unemployment rate\(^1\), underutilization of the youth labour potential remains a concern at top. Youth unemployment rate stands at 15%\(^2\), which explains that large parts of the population resort to emigrating in search of job opportunities. As such, the issue of outward labour migration keeps impacting Kyrgyzstan, with approximately 12% of Kyrgyz working abroad, of which the majority are youth\(^3\).

In light of this problematic, a previously held report in 2016 deemed the winter tourism market as an opportunity to provide employment and growth opportunities for Kyrgyzstan. A research team, in charge of the feasibility study, conducted a desk review complemented by a field visit to probe this hypothesis and concluded that there is enormous market potential to develop the winter tourism in Kyrgyzstan in a sustainable way. This is based on the growing demand for specific winter tourism products and services, mainly classical skiing (ski bases) and freeriding and ski touring experiences, of which Kyrgyzstan offers a solid

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2. ILO Stats for Kyrgyzstan, rate reported for the year 2016
experience. Complemented by an attractive mountainous geography and cultural experiences, the winter tourism market offers an attractive proposition to both international and national tourists.

Nevertheless, the study also found a series of systemic constraints that inhibit the sustainable development of this sector, while it also pointed out at a set of market opportunities and actors with whom the project could partner to achieve an impactful and beneficial change. The following are the key systemic constraints to the development of the winter tourism market:

- Shortage of qualified ski-instructors and guides with appropriate technical and methodological knowledge due to the absence of formal ski instructor certification and training opportunities;
- Lack of affordable access to winter sport and security equipment for instructors due to poor linkages between community-based ski instructors and ski equipment providers;
- Poor winter tourism product development and marketing skills due to the inadequacy of existing training and knowledge exchange offers;
- Conflicts between the ski business community and local populations and lack of tourism awareness of parts of the population due to the absence of effective resolution bodies and dialogue mechanisms;
- High number of accidents and risks at ski destinations due to the absence of safety standards and national safety information providers;
- Lack of effective coordination among tourism businesses and relevant stakeholders in destinations due to DMOs with unsustainable financial and business plans;
- Insufficient activities and prioritization of the tourism industry by the national government reflected by the lack of a national winter development strategy and of a national marketing strategy;
- A very weak tourism system all over the country and lack of a tourism network;
- Lack of winter tourism relevant data, figures and facts due to the absence of efficient registration processes and unskilled Ministry staff.

The study concludes by outlining a set of potential market-driven solutions and project interventions which form the basis of a future project. This project is detailed in a further project document developed for SECO.
Kyrgyzstan is one of SECO’s partner countries for economic development and cooperation. As such, SECO is currently exploring its future trade promotion project portfolio in Kyrgyzstan. To support this process SECO has commissioned the International Labour Organization (ILO), in collaboration with the Institute of Tourism of the Lucerne University of Applied Sciences (ITW), to assess the market potential to initiate a Responsible Winter Tourism Development project in Kyrgyzstan. If deemed feasible this project is planned to start in 2018 through approximately four years. With this project SECO aims at enhancing employment opportunities and reducing poverty along the tourism value chain, while increasing the competitiveness of this industry in Kyrgyzstan.

The tourism sector is recognized by the Kyrgyz Government as one of the key sectors for the economy. According to the World Travel and Tourism Council (WTTC) the share of tourism in the country’s GDP was about 3.9% in 2016. A total of 89,500 jobs are created by the tourism industry, which accounts for 3.7% of total employment in Kyrgyzstan. This puts the country on rank 166 out of the 185 countries investigated. Considering the number of unique attractions and natural resources, the tourism sector has high economic potential. However, the magnitude of this potential is yet to be analysed not only in terms of competitiveness but also in terms of its sustainability.

The sector has increasingly become an important part of Kyrgyzstan’s economy and is expected to grow in size in the upcoming years. While the labour market has slightly benefited from this increasing relevant sector the country has failed to capitalize on the potential benefits the sector could bring to create more and long-lasting jobs for its population. Kyrgyzstan faces an unemployment problem, which particularly impacts its youth. With an 8.6% general unemployment rate, underutilization of the youth labour potential remains

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5. Rate reported for the year 2014. UN Data Information. Please consult: http://data.un.org/CountryProfile.aspx?crName=Kyrgyzstan
a concern at top. Youth unemployment rate stands at 15%⁶, which explains that large parts of the population resort to emigrating in search of job opportunities. As such, the issue of outward labour migration keeps impacting Kyrgyzstan, with approximately 12% of Kyrgyz working abroad, of which the majority are youth⁷.

In light of the abovementioned problematic, the tourism sector, among others, has been judged with potential to provide employment for the youth. An assessment carried out by SECO in 2016 concluded that the tourism sector in Kyrgyzstan reached a significant size and has a potential to provide employment opportunities. Furthermore, this concluded the sector has potential to set up demand-driven project interventions, involving the participation of external actors in partnership with local stakeholders on various levels. In particular, the assessment recommended supporting selected value chains of the tourism sector, preferably in winter tourism, as it is regarded to have excellent market growth and job creation opportunities and it provides a seasonality break, which makes it complementary to other income-generating activities.

Based on this assessment and the current state of the tourism industry this feasibility report is set out to identify and assess key market potential for a suitable responsible winter tourism project led by SECO⁸. The present report is based on a desk research and a field visit, where potential project sites where also visited and approximately 30 stakeholders were interviewed.

The feasibility report is structured as follows. Chapter 2 will give a short description of the methods and approaches applied. Chapter 3 reviews the current state of the winter tourism market in Kyrgyzstan. Chapter 4 will present a comprehensive description of relevant stakeholders and their interrelationships in Kyrgyzstan, including a skill-will assessment of the most relevant stakeholders. This is followed by a review on existing winter tourism development projects and initiatives in Kyrgyzstan as described in Chapter 5. The report concludes by outlining the most relevant constraints to the sustainable development of winter tourism, their root causes and potential solutions and project interventions (Chapter 6).

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⁶ ILOStats for Kyrgyzstan, rate reported for the year 2016
⁸ SECO (2017). Terms of Reference: Lead consultant to conduct feasibility study and write project proposal for a winter tourism program in Kyrgyzstan.
2.1 A market systems approach to responsible winter tourism development

The present feasibility study takes on a strong market systems approach to analyse the winter tourism market structure and the different stakeholders that influence this market by exercising various supporting functions and implementing rules and regulations. This approach, applied to the tourism sector, takes into account that tourism value chains look less like a linear chain of production and more like a web of interconnections where tourism supply is formed by a series of public and private businesses that offer products (e.g. souvenirs), services (e.g. accommodation) and activities (e.g. skiing, horse riding) to tourists (demand).

The tourism sector thus distinguishes itself from other markets where the product goes from one process to the next in the value chain, as in goods value chains. In the tourism sector, the demand (tourists) moves to the product (the tourist destination), wherein the tourism supply is defined by the interplay of tourist services and activities (e.g. businesses providing hospitality, food, and arranging activities such as skiing, snowboarding), and tourist attractions and resources (e.g. natural resources such as a mountain, and lakes; and tourist attractions such as ski stations) and tourism infrastructure (e.g. ski-lifts). It should be noted that the combination of a natural resource with the appropriate infrastructure creates a tourist attraction, which tourists eventually want to enjoy. Tourist enterprises are particularly relevant to the provision of services and activities, since this element of the supply is generally, though not exclusively, offered by private enterprises. The coordination and functioning of all actors contributing to enriching the tourism destination are crucial to enhance the competitiveness of the sector.
### Responsible Winter Tourism in Kyrgyzstan: Feasibility and market system analysis

#### TOURISM SUPPLY

<table>
<thead>
<tr>
<th>TOURIST RESOURCES</th>
<th>TOURIST SERVICES AND ACTIVITIES</th>
<th>TOURISM RELATED INFRASTRUCTURE</th>
<th>TOURIST ATTRACTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural, archeological, cultural and historical expressions (both material or immaterial) that are part of a destination</td>
<td>Usually carried out by private enterprises, a tourist destination offers a variety of tourist activities and services for visitors to enjoy</td>
<td>Physical infrastructure that is necessary to develop tourist services and activities. This is different from general infrastructure such as water, electricity, and roads.</td>
<td>Since the tourist resource by itself does not guarantee the possibilities of tourist activities, only when this is combined with available infrastructure and the presence of tourist services and activities, can this be labeled as a “tourist attraction” (e.g. mountain + infrastructure + company providing service/activity to go skiing = ski resort)</td>
</tr>
<tr>
<td>E.g. mountains, lakes, waterfalls (natural resources)</td>
<td>E.g. skiing, trekking, (tourist activities), and accommodation, food, booking companies (tourist services)</td>
<td>E.g. ski-lifts, cabins</td>
<td>E.g. ski resorts</td>
</tr>
</tbody>
</table>

#### Figure 1: Components of tourism supply (tourist destination)

#### Figure 2: Basic definitions of tourism supply

- Natural, archeological, cultural and historical expressions (both material or immaterial) that are part of a destination.
- E.g. mountains, lakes, waterfalls (natural resources)
- Usually carried out by private enterprises, a tourist destination offers a variety of tourist activities and services for visitors to enjoy.
- E.g. skiing, trekking, (tourist activities), and accommodation, food, booking companies (tourist services)
- Physical infrastructure that is necessary to develop tourist services and activities. This is different from general infrastructure such as water, electricity, and roads.
- E.g. ski-lifts, cabins
- Since the tourist resource by itself does not guarantee the possibilities of tourist activities, only when this is combined with available infrastructure and the presence of tourist services and activities, can this be labeled as a “tourist attraction” (e.g. mountain + infrastructure + company providing service/activity to go skiing = ski resort)
- E.g. ski resorts
Through a market systems approach the project will also look into the influence of actors at the market system level that provide financial and business support services, and regulate the tourism industry. Key underlying constraints should be identified via an assessment of the constraints that market system level actors themselves face to support the industry. At the same time, the analysis will assess their incentives (will) and capacities (skill) to improve their role or to try innovative models. The following figure provides a general overview of the winter tourism market system in Kyrgyzstan.

The figure above identifies the main constraints that winter tourism businesses and other core actors face (at the centre of the market value chain) to become more inclusive and competitive. These constraints are shown in the outer ring in the corresponding supporting functions or rules and regulations. The idea of such a market systems analysis is to really drill down into these key constraints to find the root causes of why these supporting functions and rule and regulations are limiting the market functionality in winter tourism.

For instance, research has shown that Kyrgyzstan lacks skilled human resources in the winter tourism sector (e.g. ski tour guides and instructors) to face the increasing tourist demand; from this constraint, the research then goes on to analyse why are there not enough available skilled staff and which actor should be responsible for providing quality training. In the analysis of ‘supporting functions’ the research will then analyse the constraints of this actor, namely training institutes or associations that provide training, to find out why (root cause) the training landscape is not providing this service to the winter tourism industry appropriately. While it might be that there are no available training courses (absent supporting function), it may also result that available training courses are inadequate to meet the demand for specific skills (inadequate supporting function).

Figure 3: Winter tourism market system
2.2 Skill-Will framework for stakeholder analysis

In order to assess the willingness and capacity of stakeholders to drive change towards a more responsible variety of winter tourism in Kyrgyzstan, the research has assessed the relevant winter tourism actors. The skill-will framework (see Figure 4) is a useful tool to help identify potential project partners for the upcoming project and the type of support (intervention) that the project should provide to the partner in order to enable them to adopt an innovative model or change their business practices in the long-term.

In chapter 4 the analysis of supporting functions and rules and regulations provides a first look at the different market actors and their capacities and incentives, as well as their constraints to partner in the adoption of innovative practices.

2.3 Research process

For the purpose of realizing this feasibility study the research team used a mixed-methods approach comprising the following research tools:

1. **Initial desk review**: which mainly consisted in revising secondary data from academic sources, international organizations, donor-funded projects and government sources.

2. **Pre-mission interviews**: Prior to the field research there were 3 in-depth interviews targeting Mr Heins Pleisch (Ski resort private investor), Ms Edda Hergarten (Project Manager of Winter Sports Project) and Ms Dagmar Schreiber (private investor).

3. **Field research**: a 12-day mission (May 30 to June 10, 2017) to undertake in-depth interviews with key stakeholders. The research used a semi-structured questionnaire with key standardized research questions to be applied to all informants, while it also provided the flexibility to adapt research as new findings emerged about each of the stakeholders. The team conducted a total of 28 interviews, in addition to two meetings with SECO at the beginning and end of the mission. The purpose of these meetings was to brief the office on the purpose of the study and gain their insight in regard to the objectives, as well as debrief them on the preliminary findings of the mission. The trip also included several field visits to witness and analyse the conditions of ski resorts.

The research team was formed by Mr Urs Wagenseil (Luzern Business School), Ms Daniela Martinez (ILO), Mr Kuban Ashyrkulov and Mr Marat Danilov (Trekking Union). It may be concluded that the field visit provided a strong basis for understanding the sector’s key constraints as well as its potential for inclusive and sustainable development.

![Skill-Will Framework](Springfield Centre, 2015)
3.1 An overview of the winter tourism market

According to the National Sustainable Development Strategy 2013 – 2017 of the Kyrgyz Republic the tourism industry is considered a priority sector of the economy in Kyrgyzstan. However, the Government does not provide much support when taking into consideration the low profile of the Tourism Department and its resources dedicated to tourism development. Since the Kyrgyz Republic reached its independence the tourism industry is developing steadily. The total contribution of tourism to the overall GDP was about 0.3 billion USD (18.9 billion KGS) which accounts for 3.9% of participation, and it is forecasted to grow by 7.9% in 2027 to represent 5.0% of the overall GDP. According to the National Statistical Committee, the number of legal entities related to the tourism industry also increased from 100,500 in 2015 to 104,100 in 2016. This number includes legal and physical entities (private entrepreneurs) involved in the production and sales of tourist products and services as well as transportation businesses. 88% of these legal entities are private entrepreneurs and are mainly located in Bishkek (4,500) and in the Issyk-Kul region (1,500).

According to the official statistics for 2015, 8,444 permanent employees were engaged in the tourism industry with an average monthly salary of 9,497 KGS, while the total number of people involved in tourism activities amounted to 73,500 (national statistics) or to 89,500 (1.3% of total employment), if considering the data provided by the WTTC. According to the latter, the tourism sector’s contribution to employment will gain further significance by 2017 when it is expected to contribute to 4% of total employment. The income from ser-

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10. Including restaurants, all types of accommodation (hotels, guesthouses, etc.) and leisure services and activities (national reserves and parks, alpine camps, etc.).
services for foreign tourists in 2016 was about 415.6 million USD, growing by 1.3% from 2015 when this income amounted to 410.1 million USD\textsuperscript{11}.

Based on the information provided, it is safe to say that the tourism sector will represent a relevant part of Kyrgyzstan’s economy in terms of economic growth and job creation. Although the availability of reliable tourism statistics is limited, it is also safe to affirm that tourism has grown steadily during the last couple of years and will likely continue to increase. Furthermore, according to the estimations of numerous experts and stakeholders the winter tourism industry is developing not only to meet foreign demand but also the local demand. The following diagram provides an overview of the winter tourism market from a supply and demand perspective.

### 3.2 The current market segmentation: mass tourism vs. niche tourism

Tourist destinations require a suitable number and mix of products, so that they can meet strategic objectives and the expectations of visitors. In this sense, destinations have fundamental strategic options for their tourism product intensification. That is whether they develop niche or mass tourism products. Mass tourism is often labelled as a large-scale activity involving substantial numbers of tourists\textsuperscript{12}. Niche tourism, by contrast, is generally described as appealing to smaller and more specialised markets. Lower numbers of tourists can also mean less required infrastructure\textsuperscript{13}. Currently, Kyrgyzstan’s tourism industry does not follow a single product intensification strategy. As shown in figure 6, Kyrgyzstan possesses a certain variety of tourist resources and activities that would allow the tourism industry to develop products that serve either the needs of mass tourism or niche tourism. The winter tourism market has, for a longer timeframe, met the demands of international tourists arriving mainly from the


Russian Federation and Kazakhstan in search of classical skiing experiences and all-inclusive products, with a slight increasing demand coming from national tourists. More recently, however, international tourists arriving from Western countries have taken an interest in Kyrgyzstan’s offer of freeriding activities, while also trying to experience the cultural experiences and services provided by CBT groups.

Both mass and niche tourism might be largely considered as simplifications to aid understanding destination features. In practice these extremes rarely fully characterize tourism across a large destination. Mass tourism, for example, can supply the tourists that are required for niche tourism products, which means they may complement each other and develop side by side. Yet, more importantly one can argue that either mass or niche tourism can be relatively sustainable depending on the specific local circumstances, such as whether there are local quality control measures and whether local actors are committed to implementing such controls. In many destinations the product features are often determined by uncoordinated individual market-based decisions rather than by coordinated destination-level policies and market interventions. Given the state of development of Kyrgyzstan’s tourism industry, which is driven by individual business efforts, it is yet to become apparent which market the winter tourism industry in Kyrgyzstan is primarily going to cater to. Also, given the country’s diversity in terms of its resources it ought

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### Winter Tourism Activities in Kyrgyzstan

<table>
<thead>
<tr>
<th>STRATEGY</th>
<th>MASS TOURISM</th>
<th>NICHE TOURISM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resources</strong></td>
<td>Ski-Bases Infrastructure</td>
<td>Snowy mountains</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unspoiled country-side</td>
</tr>
<tr>
<td><strong>Activity products</strong></td>
<td>Skiing</td>
<td>Snowy Shoe-Touring</td>
</tr>
<tr>
<td></td>
<td>Snow-Boarding</td>
<td>Cross-Country</td>
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<tr>
<td></td>
<td></td>
<td>Free-Riding</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ski-Touring</td>
</tr>
<tr>
<td><strong>Destinations (selection)</strong></td>
<td>Chunkurchak</td>
<td>Suusamyr</td>
</tr>
<tr>
<td></td>
<td>Orlovka</td>
<td>Chong-Kemin</td>
</tr>
<tr>
<td></td>
<td>Karakol</td>
<td>Alai-Region</td>
</tr>
<tr>
<td></td>
<td>Norus</td>
<td>others</td>
</tr>
<tr>
<td></td>
<td>others</td>
<td></td>
</tr>
<tr>
<td><strong>Target markets</strong></td>
<td>National tourism (Russia and Kazakhstan)</td>
<td>International tourism (Europe, USA, others)</td>
</tr>
</tbody>
</table>

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not to be prematurely determined what product development strategy the tourism industry is advised to follow. As both types of tourism come with certain advantages and disadvantages it is merely a matter of what supporting functions are and can be established to facilitate one type of tourism based on the available resources.

### 3.3 Winter tourism supply

One of the key challenges of the tourism industry in Kyrgyzstan is to prolong the tourist season and to develop winter tourism products to attract additional visitors during the winter. In this regard, the development of ski bases and ski touring or freeride destinations is essential. 90% of the Kyrgyz territory is covered by mountains with an altitude of more than 1,000 meters above sea level. Across the country, 3-4 winter months have a significant potential for winter tourism development (January – March), while in higher areas or geographically favoured areas with longer periods of snowfall (e.g. Chon-Kemin or Jyrgalan) the winter season even is longer (4-6 months from October – April).

Currently, there are 23 ski bases in Kyrgyzstan of which 17-19 are fully operational during the winter season. Almost all ski bases are located in the Chui province nearby Bishkek. One of the best ski bases according to the ratings of the Ski Cluster Association is the Karakol ski base, which is located in the Issyk-Kul province. The average number of ski lifts in ski bases amounts to 2, which indicates the small size nature of this type of business.

In addition, new winter tourism products were more recently developed such as freeride, country ski touring and heli-skiing. All of these products are designed to mainly meet the needs and interests of foreign tourists. Country skiing services are mainly provided by large tour operators as well as small CBT groups in a few destinations, such as Arslanbob, Karakol, and more recently in Jyrgalan. During the last few years, with support of the USAID BGI project, the Jyrgalan village was promoted as a new freeriding and country skiing destination. The following map contains the most relevant ski bases and freeride destinations.

Large part of the cultural experiences, eco-tourism, as well as freeriding activities are offered by CBT groups through its network of 15 groups spread around the country. At present, there are 5 permanently active CBT groups, although the rest offer services and activities on demand. Starting in 2003, CBT groups have taken the role of ‘travel agencies’ to connect local and community services providers to an increasing number of international tourists, interested in utilizing local natural and recreational resources, and in experiencing Kyrgyzstan in a more
sustainable way. Nevertheless, CBT groups are still in need of additional infrastructure and capacity building in order to provide quality services.

Heli-skiing services are offered by experienced tour operators, who have the necessary infrastructure, qualified guides and instructors. However, heli-skiing largely depends on the availability and technical condition of these helicopters, which has deteriorated during the last few years. Currently, only the Ministry of Defence owns a few helicopters available for rent. Nevertheless, running this business is highly risky.

Considering the geographic position of the winter tourism supply, it is possible to cluster these destinations into three main geographic areas:

<table>
<thead>
<tr>
<th>Bishkek area:</th>
<th>Chunkurchak, Zil, Kashka-Suu, Chon Kemin, Orlovka, Too Asha, Suusamyr</th>
</tr>
</thead>
<tbody>
<tr>
<td>In the East:</td>
<td>Karakol, Jyrgalan</td>
</tr>
<tr>
<td>In the South:</td>
<td>Arslanbob, Osh, Alai, Bokonbaevo</td>
</tr>
</tbody>
</table>

The most advanced area in terms of winter tourism development lies in the East (Karakol and Jyrgalan), with Karakol being the most developed and popular ski base and freeride destination, and Jyrgalan offering a new experience for international tourists interested in freeriding and ski touring. The second area, focused around Bishkek, offers mainly ski bases of different sizes and stages of development including the ski bases Chunkurchak, Orlovka and Zil (medium-sized enterprises) and smaller ski bases such as Kashka-Suu. The offer in this area pleases beginners and more advanced skiers, and is mainly concentrated on classical skiing and snowboarding. Lastly, the Southern region’s activities are primarily led by CBT groups which offer freeriding and ski touring activities, among others, to international tourists, the most developed CBT group being Arslanbob. In overall, most of the tourism enterprises are located in Bishkek and in the Issyk-Kul region.

The winter tourism offer is largely formed by ski bases (both medium-sized and small), followed by ski touring and freeride destinations. The following section provides a description and analysis of the current offer, regardless of their geographic location.

a) Ski-Bases (larger)

The larger ski bases in terms of customer capacity and number of ski lifts are Zil, Chunkurchak, Orlovka, and Karakol. The first three located in the Bishkek area, while Karakol is located in the Eastern region. All of the ski-bases have an interest in developing winter tourism and winter activities for tourists and day-guests. These businesses are all quite young (5-10 years) and started with 1-2 ski-lifts/chair-lifts. The success of the initial operating phase plus the power of the investors allowed them to expand their business and offer over the years.
The services offered are mountain transportation (schlepplifte, ski-lifts, chair-lifts), parking, gastronomy, accommodation of up to 300 beds in different types (hotels, apartments, guest-houses) and tubing (summer and winter). They also offer ski-courses with instructors, and have some basic equipment like Pisten-Bullies and medical assistance. Compared to international standards the overall evaluation of the offer needs to be classified as small, old and of low quality.

The following pictures provide some examples of the current state in infrastructure of ski-bases: Zil, Kashka-Suu and Orlovka.

On the following page one gets additional impression from winter destinations such as Chunkurchak, Zil, and Karakol about their equipment and ongoing work in infrastructure.

Nevertheless, the domestic population likes to visit these ski-bases and so the demand has grown permanently over the years. Additionally, these resorts have a certain international relevance in the markets of Russia and Kazakhstan. The prices for day-passes are around 1,000-1,200 KGS and among domestic skiers these are evaluated as expensive. Additional revenue is made with selling food and drinks in cafes and restaurants, as well as accommodation services, ski-courses and parking slots. The potential to earn good revenues is high, although operational costs are high as well.

The main concerns of ski-base businesses are:
- the very high investment costs for the infrastructure;
- the very poor road quality to reach the ski-bases;
- the short winter season;
- the need to produce artificial snow with expensive technical equipment;
- the need for high volumes of electric power;
- the difficult or lack of dialogue with the local municipalities and the local populations;
- additionally, the ski-bases face legal issues when trying to expand their business with new lifts in additional areas of the ski-resort.
The importance of the ski-bases in remote mountainous areas is high as this kind of business generates significant additional jobs with different profiles for men and women\textsuperscript{15}. The larger ski-bases offer around 50 – 150 jobs (in winter periods the number increases is twice or four times higher than in summer). This job volume cannot be reached by other businesses in the respective areas, which means ski bases still represent the largest job providers in their destinations, including isolated villages. The ski bases’ offer also attracts additional businesses, investors and service providers, including accommodation, ski-instructors, rental-shops, gastronomy partners, horse-riding tour operators, yurt-camps and mountain-guides.

The incentives to develop winter tourism is very high among the larger business. Winter is their clear priority season when they earn approximately 90\% of their total annual revenue. However, the power of the existing ski-bases to expand rapidly is limited (see above “concerns”). The lack of capital often does not allow them to invest in a way and within the time they hope.

During the last few years many additional projects to build new and modern ski-resorts were communicated\textsuperscript{16}. So far, the majority did not implement their plans due to various reasons (legal aspects, investment volume, and missing investors). Nevertheless, it is necessary to follow the further development of these projects, as they would be crucial for the winter tourism in Kyrgyzstan. If such projects are implemented, it will impact the local economy, ecology, society and the general local tourism industry enormously (both in positive and negative ways that need to be managed).

\section*{\textbf{b) Ski-Bases (small)}}

The most notorious smaller ski bases are Kashka-Suu, Norus, Kok, Jangak, with 15 more to be included in the list. The characteristics of the small ski-bases are:

\begin{itemize}
  \item a small investment volume / power;
  \item a small offer (mostly 1-2 small lifts only), no additional services beside the transportations function;
  \item shorter seasons (no artificial snow making infrastructure);
  \item low management skills;
  \item no long-term strategies and;
  \item less economic and tourism relevance (low number of jobs).
\end{itemize}

Despite their limitations, they all face a growing demand and act as good as possible to earn money and to compete against bigger areas (e.g. in the South of Bishkek where many small ski-bases compete with Zil, Chunkurchak or Orlovka).

The development of these bases is very limited as they do not have plans, and mostly belong to a private person. Nevertheless, their offer in winter sports has a domestic relevance as they mainly attract domestic customers at the beginner’s level. Their skiing offer is a great alternative for the local people in winter times and often acts as multiplier and feeder for the bigger (more difficult) ski-bases.

\section*{\textbf{c) Ski rental shops}}

Every year an increasing number of small and large ski rental shops are opening up in Kyrgyzstan. Within the last three to five years the number of ski rental shops has increased in Bishkek and in Karakol by two or three times. Furthermore, in every ski resort there are 1-3 shops renting ski equipment on the spot during the ski season (mostly out of old shipping containers). The prices range from 400 -1,200 GKS per day and per set.

The situation about the sport rental shops in the most relevant cities of Bishkek and Karakol looks like this:

\subsection*{Bishkek}

In Bishkek, there are 10 professional ski/ snowboard shops that are working well. The best ski shops are Gergert Sport and
Montera Ski Rental shop. The rest of the ski shops are small and have a limited number of skis for rent only. Gergert Sport had about 1,000 skis for rent during the last winter season 2016/17 (this is a growth by 100% over the last 4 years). The costs are 700-1,000 KGS for a day rent. Additionally, Gergert Sport is one of the few that waxes skis professionally. Montera offers approximately 300-400 pair of skis plus 200 snowboards for rent (day rent is about 800-1,200 KGS). The rest of the ski shops in Bishkek are quite small and have about 40-60 pairs of skis/snowboards only. The average rental price is between 500-1,000 KGS.

**Karakol**

In Karakol there are approximately 20 ski rental shops in the city. These shops are made from shipping containers or the back door of someone’s house. Each shop has 15-30 sets of skis and some snowboards. The average price is 400-600 KGS per day. At the Karakol ski base there are 2 places where people can rent skis and snowboards; here the prices are between 500–1,200 KGS per day. In Karakol there are 3 places with the facility to wax skis.

One of the main obstacles for ski rental shops is maintaining their equipment properly. Currently many ski rental shops only wax their skis once a year or once every two years. It is very common for the smaller ski rental shops to rent the equipment until it is no longer usable. Most of the rental equipment is 2nd hand donated equipment. An additional obstacle for ski rental shops is the conditions of the ski bases where they are exposed to rocks and gravel. In addition, people that rent skis abuse damaged skis. It is common to see people skiing on gravel and skiing off the ski base where there are exposed rocks. The staff at the ski-rental shops do not always control or have set standards to check the skis’ condition. There needs to be a greater level of accountability and ownership to make these ski rental shops sustainable.

An additional income generation activity for the rental shops could be creating a system to share transportation from the cities to the ski bases. Most people do not own a car and the roads going to any ski base in Kyrgyzstan are of low quality. If it is possible to increase the amount of shared taxis/minibuses going to the ski bases the number of people skiing would also increase. In addition, there are no central (“bus- or taxi-terminals”) in Bishkek or Karakol where transport companies can easily pick up clients.

In the long term, it would be helpful to develop winter tourism if the local ski rental businesses would also be able to support ski schools and offer ski races across Kyrgyzstan. Such activities would improve access for interested (young) skiers to this type of winter sports.

In conclusion, one may note that the rental business is growing and becomes more professional year by year. They are very interested in promoting winter tourism sports. The most relevant businesses (e.g. Gergert Sport) also signal support for developing projects where they could contribute with their specific skills and network of international sports brands.
d) Other winter-tourism related services (accommodation, tours and guides)

All the additional services, apart from the above-mentioned winter relevant businesses from the complete tourism service chain, have their roots in the traditional summer tourism. As this tourism season is enormously short (often it is limited to the 8-9 weeks in July and August) they are absolutely open to expand their business into the winter seasons. The goal is to get more revenue and income to be able to support the existing business and to cover fixed-costs, as well as to offer longer-term jobs to their employees. Key problems they face are their partially non-existing winter readiness, the insufficient financial power to invest in improving their infrastructure and offer, and the lack of knowledge on what they could additionally offer to make their traditional services more attractive in the winter season. Some types of services also lack skills and equipment to expand into winter tourism (guides, tour operators). Solving all above-mentioned problems is difficult, because these businesses are all small and medium sized enterprises (SMEs), which are isolated and without a competent network (e.g. memberships in strong associations). They lack connections to supporting organizations to develop their business as market opportunities emerge.

3.4 Winter tourism demand

According to the State Border Service there were 3.1 million people who entered Kyrgyzstan in 2016, although the number depends on the source, and accounts for all arrivals in Kyrgyzstan making it difficult to differentiate tourists from non-tourist arrivals. The main flow of visitors is from Kazakhstan, Russian Federation, Ukraine, Tajikistan, Uzbekistan, China, Turkey, United States of America, Germany and India. In overall, most international tourists come from CIS countries, accounting for more than 95%. However, more detailed information and figures on the share of tourists by country are not available. The average duration of stay can range from 6 to 12 days, with an increasing trend to stay longer. 50% out of these are repeat-tourists. International tourists coming from CIS countries prefer leisure and passive type of vacation,
whereas non-CIS tourists prefer more active mountain-type of vacation combined with cultural experiences and history17.

The number of classic skiers among the local population is growing rapidly. Skiing is not a cheap leisure activity. However, more and more locals are involved in skiing at ski bases. The majority of local skiers are beginners. This is why ski bases with slopes that suit beginners such as Chunkurchak and Zil are popular. The growing demand for classic skiing is indirectly supported by the fact that the number of ski equipment rent and sales shops in Bishkek and Karakol is increasing.

The demand can be broadly classified into two different types of tourists according to their preference. The first group is formed by tourists visiting ski bases to practice classical skiing and snowboarding, while the second group is more interested in freeriding and ski touring activities. The Karakol ski base, the main base in the country, experiences high demand from skiers from Kazakhstan and Russia. This is highly promoted in both countries and ranked in Top-10 ski bases of the CIS countries. Karakol attracts Kazakh skiers with professionally maintained slopes, inexpensive costs (about 46 USD per day per person), as well as easy access (just 400 km from Almaty).

Freeriding and country skiing services is mainly demanded by international skiers arriving from the USA and European countries. However, local skiers also started to book freeriding tours. The majority of tourists that visit Kyrgyzstan for freeriding and country skiing are attracted by CBT groups or larger tour operators. Thus, CBT Arslanbob hosted more than 70 tourists visiting for country ski touring. There is significant interest from other CBT groups and remote destinations to develop winter tourism. In this sense, there are some sites that show potential for development of winter tourism such as Chon-Kemin, At-Bashy, Jyrgalan, Suusamyr, Jumgal, Naryn, and Alai.

In Kyrgyzstan, the overall demand for classical ski tourism is formed mainly by national tourists and less by international tourists. Annual sales of ski passes is about 19,000.

3.5 Potential employment contribution of winter tourism

It is estimated that the tourism sector in overall has contributed to the creation of more than 32,000 direct jobs (1.3% of total employment), which is expected to remain unchanged through 2017 but rise by 1.4% to 37,000 jobs in 2027. The tourism sector has a significant multiplier effect on employment contributing in total to the creation of 89,500 jobs, including indirect and induced jobs created in related sectors19. This, however, is expected to fall by 2.2% in 2017 to 88,000 jobs and rise again by 2% to 107,000 jobs in 2027 (contributing thus to 4% of total employment). In the previous years to 2016 figures representing the contributions of tourism to employment have fluctuated, which suggests the country’s hard task to manage a tourism economy.

Furthermore, if compared to the global and Central Asian rates the Kyrgyz figures fare lower and suggest the country has not been successful in reaping the financial benefits of the tourism sector potential. In mountainous regions, tourism represents one of the only employment opportunities for isolated populations.

It is important to add that while only 13% of the population lives in mountainous ar-

17. See Akbasheva, A. et al. (2016). Assessment on the Potential of Sustainable Tourism in Kyrgyzstan Opportunities and Challenges, commissioned paper by SECO.
areas, more than half of these live in poverty. The World Bank has noted that there is a close correlation in which poverty increases with geographical remoteness\(^{20}\). As such, the development of winter tourism in remote mountainous areas represents a unique opportunity to create sources of employment in regions that have been impacted by exclusion and poverty.

Labour migration is a key issue in Kyrgyzstan. An estimated number of 30,000 to 50,000\(^{21}\) workers emigrate annually which has resulted in almost 12% of all Kyrgyz population living abroad, totalling an outward migration of around 761,000 people, with 75% of them leaving to live and work in Russia\(^{22}\). This population is predominantly formed by youth\(^{23}\). A slowdown in outward migration is nevertheless occurring, as migratory outflows in 2012 were recorded as five times less than in 2008\(^{24}\).

Recently, CBT initiatives have contributed to addressing this issue by bringing in jobs in areas that were typically isolated from the labour market. For instance, as of 2015 the CBT sector employed over 1,400 people and involved 350 households across Kyrgyzstan\(^{25}\). Innovative models like this have proved that involving local communities in the creation of business models is key to bring employment opportunities in areas that were typically left out of the labour market. In a recent research conducted about CBT providers and circular labour migration\(^{26}\), CBT members reported that in general less people would migrate if full time employment with the CBT groups would be offered during the winter season as well, representing a good case for the development of innovative models in this season.

Some types of jobs have emerged with the advent of tourism in the country. Women and youth have started working as guides (trekking or horse riding) or exhibitors in workshops that show the cultural and historical richness of nomads\(^{27}\). Other jobs include demonstrators in cooking workshops and folklore shows. As new types of tourist products emerge, there is opportunity to create jobs for women and youth in skiing, including cross-country skiing and management of thermal spring areas. It is known that women and youth have taken up jobs as interior designers who provide this service to new hotels and guesthouses.

In Kyrgyzstan, there is an overall negative socioeconomic trend that includes a skills mismatch in the labour market. This has resulted

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**Figure 10:** Contribution of the tourism sector to employment in Kyrgyzstan

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24. Ibid
26. Defined as the temporary and usually repetitive movement of a migrant worker between home and host areas.
in the presence of unemployment, temporary incomes, part-time employment, and low skilled jobs\textsuperscript{28}. The tourism industry in overall needs managers at various levels as well as guides. Despite this demand, young graduates struggle to find a job given the low levels of practical education they receive. There is also a tendency to hire young graduates for a short term with some levels of practical experience as opposed to young graduates without experience. With the training and education system failing to provide graduates, private businesses often prefer to train their workforce themselves.

At present, there are 15 universities offering several degrees on tourism\textsuperscript{29}; however, there is a need to reform the tourism education system to address the demands of businesses. This is also indicative of the lack of coordination between education and training services and the State (through the Ministry of Education). An example of an existing training institution is the Tourism Academy, dedicated to provide higher education in various tourism disciplines; this, however, has been deemed to be too theoretical and still lacks practical modules that enable graduates to face the increasing demand for practical skills in the industry. Important to mention is that the KCBTA has also contributed to skills training, in special regard to the formation of CBT businesses for new services providers. However, KCBTA’s programming falls short of winter-focused activities to continue drawing tourists year-round\textsuperscript{30}.

Throughout the research it has been emphasized that there is a need for more and better trained guides (ski instructors and guides), and for more available training opportunities in this area of winter tourism. Currently people who are interested in becoming guides are acquiring 2\textsuperscript{nd} or 3\textsuperscript{rd} hand equipment and teaching themselves, or through informal networks using the assistance of friends or acquaintances. There is also an evidenced need for package/tour sellers and more appropriately trained service personal in terms of tourist safety. Since winter tourism falls under adventure and extreme tourism, accidents have happened. From 1995 to 2003, over 50 tourists reportedly died or have been injured in the mountains\textsuperscript{31}. Although there is a contrast between these and other figures reported, as the Mountain Guides Association assures that an average of 50 serious accidents take place every year only on ski resorts.

Lastly, the establishment of ski resorts has brought not only the creation of new jobs but also few difficulties with local populations. There have been cases of discontent between business owners and local residents in which, according to private businesses, local populations violate their private property or demand several benefits from the business owners in order to be allowed to continue operating\textsuperscript{32}. In one particular case, the tension escalated to a point where the ski resort was forced to close operations leaving 26 employees from nearby villages unemployed. Similar conflicts have emerged in other touristic regions of the country which reflects the industry’s need to bring an inclusive approach to winter tourism development. While foreign investment and business growth are necessary to create jobs, understanding and integrating the needs and interests of local populations is crucial to create sustainable winter tourism businesses in the region. This issue is further explored in this feasibility study.


\textsuperscript{29} These vary and may include: international tourism, management and business in tourism, management of hotels, restaurant management, leisure activities, and the study of landscape, excursion activities, and business books.


\textsuperscript{31} Amrakulova, J. (2015). Tourism analysis in the Kyrgyz context, academic paper available on: https://www.academia.edu/26000453/Tourism_analysis_in_the_Kyrgyz_context_EN_revised?auto=download

\textsuperscript{32} Reports of local populations demanding benefits from ski businesses such as free passes, use of food and installations. Violations to private property by local residents were also common. It should be noted that similar conflicts took place on the shores of Issyk-Kul Lake too, during summer touristic season. Please see the following source for more information: http://iset-pi.ge/index.php/en/iset-economist-blog/2/entry/is-winter-tourism-in-kyrgyz-republic-able-to-reach-international-level
The present section provides an overview of the most relevant stakeholders at the level of the winter tourism market system, namely, actors providing supporting functions and shaping the rules and regulations that influence the functionality of the winter tourism market. This section also aims at assessing the willingness and capacity of these actors to contribute to or develop an inclusive and sustainable winter tourism industry. Towards the end of this section, a summary of the analysis is presented using a Skill-Will diagram, in which each player is placed to help visualize their current performance and provide an idea of their possible participation in a SECO-led winter tourism development project. This analysis is further complemented by an assessment of the interrelationships between stakeholders.

4.1 Most relevant winter tourism market stakeholders

4.1.1 Department of Tourism

The Department of Tourism is only a part of the Ministry of Culture, Information and Tourism and not a stand-alone ministry. This is a crucial aspect regarding the department's strength, power and influence. The department has 11 employees, a budget of 7.8 million KGS per annum, of which 4 million are spent on salaries, and 3.8 million for tourism projects, mainly to participate in 3 international fairs in Berlin, Novosibirsk and Moscow.

According to Mr Azamat Zhamankulov, Deputy Minister, the Department of Tourism is not able to provide competent country marketing services and definitively needs more capaci-
ties and professional support. One idea is that this function could be done by the IPA (International Promotional Agency).

The skills of the Department of Tourism are the proven competence of its Deputy Minister Azamat Zhamankulov and their broad acceptance within the tourism industry, that the Department tries its best. Nevertheless, one definitely has to state clearly, that the influence of the Department, especially in comparison with the increasing importance of the tourism industry for the country (as it contributes at least 4.7% of the GDP, and its part is growing) is enormously weak. The Department lacks relevant financial volume but also capacities and skills for positioning the tourism industry as a high ranked and important topic within the national parliament. Additionally, the Department is not linked to other political authorities in the country, as it lacks office representation in local municipalities of important tourism destinations such as Osh and Karakol.

4.1.2 Kyrgyz Association of Tour Operators (KATO)

The Kyrgyz Association of Tour Operators (KATO) is the largest organization representing Tour Operators in Kyrgyzstan, bringing together 40 organizations: 34 tour operators, 3 associations and 3 universities. KATO is a non-profit organization, which stands for protecting the interest of its members and the rights of their clients it serves. The most important task of the association is the creation of a civilized tourist market and promotion of the tourism industry at national and global level.

Kyrgyz tour operators so far are experts for the summer business and have good partners across the country and abroad; winter tourism so far is touched very poorly. Nevertheless, KATO and its members are willing to enlarge their business case. So far, they were not greatly aware of the potential of winter tourism, and are not experienced in this type of tourism. KATO, in collaboration with the Trekking Union, has conducted several trainings for summer tourism guides. Although currently they seem to be interested in providing similar courses to instruct winter guides (not the classical ski instructors, but for trekking and ski-touring).

One may evaluate KATO as a well-organized association that belongs to the strongest players in the tourism market. The number of members represents a good part of this part of the industry and its network works well. KATO has also a strong network to other important stakeholder groups and to political institutions. On the other side, KATO and its members are focused on the classical tour operator business in summer and the experience with the winter business is still quite poor. KATO, as many other organizations, has to learn about this new business aspect and build up new business models to become a strong partner for winter tourism development.

4.1.3 KCBTA & CBT Groups

The Kyrgyz Community Based Tourism Association “Hospitality Kyrgyzstan” (KCBTA) is the country’s driving force behind CBT best practices and innovation. The association’s objective is to improve living conditions in remote mountain regions by developing a sustainable and wholesome ecotourism model that utilizes local natural and recreational resources. KCBTA is an umbrella association actually uniting 15 diverse destination communities (“CBT groups”). The CBT association was registered on January 3, 2003 with support from Helvetas Kyrgyzstan Program’s “Community Based Tourism” Support Project (CBT SP) with operations throughout all the country. Their members are very satisfied with the central office located in Bishkek. This is not only the central marketing unit for the CBT groups but also the technical heart of the organization, initiating new ideas and forcing the network.

KCBTA with its members, the CBT groups, may be called a “best case”. Within a good decade they not only reached their own goals but also established a sustainable business model, financing included. In addition, there are prospects of new CBT groups being funded in other regions to enlarge the CBT net and its recognition and relevance in the Kyrgyz tourism industry. The organization is known all over and re-
spected. The CBT groups are in the most places where they are deemed the “driving force” for tourism and often the only real tourism organization in different destinations (e.g. Arslanbob). The CBT offices act in most cases as travel agencies, but also as agents of product development and marketing innovation.

The success story of CBT in Kyrgyzstan can be proved by several facts: financial revenue handled in the Group offices, the marketing relevance in and outside the country, the number of guests hosted or informed as well as the number of jobs created (respectively the number of involved local people). Additionally, they have some marketing skills, but so far not enough means to penetrate the target markets, especially if winter should be promoted additionally.

The will to enforce a winter business is very high, as KCBTA as well as the CBT Groups realize the high potential of the tourism season for their activities and business goals. They are very motivated to strengthen this season of the year to bring more benefits to their members (additional and new kind of winter jobs (e.g. ski-guides), income, activities in the villages). Nevertheless, they still lack knowledge on how to develop new and innovative winter products and have deficits in infrastructure readiness for the winter period (e.g. Arslanbob: out of 18 home-stays only 4 may host guests in winter; the majority does not have houses with isolation and heating). These groups also lack the necessary skills to work as guides or instructors of skiing and back-country skiing.

4.1.4 Destination Management Organizations of most relevant winter tourism destinations

When talking about developing winter tourism in a certain area one first has to define the destination. The literature offers the following, broadly accepted definitions:

- “A destination is a relatively closed entity and offers a wide variety of facilities and services particularly for recovery and relaxation, learning and health.”
- “A destination is a geographic area (continent, country, region, place, resort) that a guest (or a segment of guests) chooses. It consists of all infrastructure for accommodation, food, entertainment. A destination is therefore a strategic entity that has to be marketed and managed.”
- “Destinations are amalgams of tourism products, offering an integrated experience to consumers.”

Most relevant is the aspect, that a destination needs to have “… a wide variety of facilities and services…”, “… consists of all infrastructure …” and offers “… amalgams of tourism products”. When referring to the Kyrgyz destinations not all winter ski resorts fulfil this requirement. Ski-bases like Norus and places with a single and isolated ski-lift do not count as a “destination” (according to the above listed definitions). Nevertheless, we have to take such places into our further considerations, as developing ski-bases is a crucial part of winter tourism as well. Naturally the relevance for the tourism activity of such small ski bases is very low in the beginning, but leisure activities of local people often are the first step of day trips and in a later stage the initial reason for further development (products or infrastructure, for instance). After these first stages such tourist places may have a wider impact on job creation.

The following paragraphs are summarized descriptions of relevant DMOs with a comparable broad variety of services and offers. Additionally, one may assert that these destinations have a stronger organizational tourism structure already, mainly with a central DMO (primarily called “Destination X”).

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33. UNWTO (1993)
**DMO Karakol**

Destination Karakol was created with the support of USAID Business Growth Initiative to promote tour services in Karakol and to increase the number of festivals in this locality. Karakol is the meeting place for winter sports in the Issyk-Kul region. An additional goal of the DMO is to increase the number of guests in Karakol.

In Karakol city so far there is no important summer or winter festival with the potential to attract foreign tourists. The DMO is currently working on changing this by initiating new events and has plans to become more sustainable as an organization. The DMO is also working to hold trainings for owners of guesthouses and tour companies to improve their services and offers to tourists.

Another goal of the DMO is to create a river park where they will be able to host festivals during the summer and winter. During the winter months, they wish to have a new ice skating festival in the centre of Karakol. They would also like to provide activities for families to enjoy after skiing at the Karakol ski base (“après-ski activities”). Finally, the Destination Karakol intends to host a ski festival at the Karakol Ski base and to promote winter tourism. The DMO Karakol is one of the strongest DMOs in the country. With the possible upcoming finalization of the USAID BGI project, hence its support, the DMO is currently planning to develop income-generating activities to support the organization, and has considered becoming a travel agency to be able to sustain.

**DMO Jyrgalan**

Destination Jyrgalan was created to promote ecotourism during summer and winter in the village of Jyrgalan, 90km from Karakol. The DMO has received countless trainings and support to promote the surrounding area. During the summer months, the DMO is offering trekking tours and horseback riding tours. During the winter months, the DMO offers ski touring and cat skiing. The mountains near Jyrgalan are well designed for ski touring and summer trekking. The main goals of the DMO are to promote the Jyrgalan area and to increase the level of tourism service in the area. In addition, they are creating new and interesting tour packages to promote the area. DMO Jyrgalan has been strongly supported financially and technically by the USAID BGI.

**DMO Naryn**

Destination Naryn is new and still developing their organization. Their main goals are to promote the tour services in the Naryn region and to provide trainings to the guesthouses and tour providers. Currently the DMO is promoting the upcoming Shyrdak Festival in the village of At-Bashy. The DMO is working to promote the Naryn region and to attract additional tourists to come to the Naryn Region. The Naryn DMO does not have any plans to promote winter tourism services. There is no real ski base in the area and ski touring destinations are still to be discovered.

**DMO Osh**

Destination Osh is also a new destination and their goals are to promote the city of Osh and to give trainings to the local tour providers. The DMO was created to promote the city and the surrounding area. They are planning to create a summer festival to promote Osh City. As of now the DMO Osh does not have plans to promote winter sport projects in Osh but they are open for new ideas.

**DMO Bokonbaevo**

Destination Bokonbaevo is also very new and was created to promote the south shore of Lake Issyk-Kul and to increase the amount of tourists coming to this area. They are receiving several trainings and developing their tour services in the area. The DMO does not have plans to develop winter sports in their area because they have no snow. They are very interested in offering tourism services during the winter months but they are not sure what new tours or activities they can offer.

Summarizing the activities of these few organizations it is safe to state that the label of “DMO” (Destination Management Organization) as known in leading tourism countries
cannot be granted. Here the tasks and duties (according to the local (legal) situations) cover a much broader activity field.

Nevertheless, destinations like the above mentioned not only have a broader offer of tourism products (also see Annex 2- Ski destination maps), but enjoy tourism as a relevant industry in the local economy. Facing the normal “Tourism Area / Destination Life Cycle” one may state that the development of winter tourism in Kyrgyzstan is at the very beginning stage. Depending on the local situation we have destinations where tourism is in the “Exploration” phase (e.g. Jalalabad area, Chon-Kemin), in the second phase “Involvement” (e.g. Zil, Arslanbob, Jyrgalan, Orlovka) or in exceptional cases (e.g. Chunkurchak and Karakol) in the “Development” stage.

These facts mean that destinations in the “involvement” and especially in the “development” phase could have a fast and relevant economic impact, inclusive of job creation, if winter tourism development becomes an additional focus of their development strategy. Additionally, the organizations that are self-labelled as DMOs in these destinations could be potential partners for further initiatives. The visited DMO representatives confirmed unanimously that they are very willing to contribute to possible projects. It is important to mention that these DMOs also have a good network of tourism businesses and some access to local authorities.

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and bodies. This is crucial for winter tourism development initiatives to target sustainable goals and broad community impacts.

Lastly, the very young and still small tourism destinations like Kok-Jangak in the Jalal-abad area (in the “exploration” phase) have an opportunity to benefit from several types of tourism initiatives to help them advance to the next phase.

4.1.5 Kyrgyz Mountain Guides Association (KMGA)

The KMGA was established in 2007 with support of the Mammut Company, International Federation of Mountain Guides Associations (IFMGA), the Swiss Mountain Guides Association and the Association of British Mountain Guides. KMGA started with the implementation of the Mountain Guide education project. The trainings are provided on the base of the IFMGA standards. Currently there are 35 accredited professional guides. The KMGA is running a guides school, which is accredited by the State Agency for Vocational Education of the Kyrgyz Republic.

The KMGA is also providing special trainings for winter tourism guides and ski touring instructors as part of the mountain guide certification. The trainings are organized and conducted by professional trainers educated in European schools. Trainings are provided at the bases of mountain training camps and alpine sites. The full cycle of a mountain guide training takes 100 full days of theoretical education and practical skills. The training course is covering all aspects of guide service, including safety issues, guiding, camping, communication, and mountaineering, among others. The KMGA charges for certified mountain guide training about 3000-4000 USD per person, which is not affordable for the majority of population involved in winter tourism especially in remote areas where CBT groups or DMOs are located. However, simplified basic courses for mountain guides and ski instructors for ski touring are possible to arrange with involvement of the KMGA trainers. The basic guide trainings were conducted by KMGA staff for beginner guides from remote villages, with support of the USAID BGI project.

As a follow up, the KMGA could be involved in the development and implementation of short-term, basic ski guides training courses as part of the future winter tourism development project.

4.1.6 Universities/Education Institutions

Since independence the number of high education institutions has raised from 12 in 1991 to 50 in 2017. There are 31 state universities, 23 private universities and 5 branches of international universities in Kyrgyzstan. In 2015 there were 223,400 students studying in high education institutions. Only few institutions provide education for the tourism industry:

Kyrgyz Turkish Manas University

The University was founded in 1995 according to the agreement between governments of the Turkish Republic and Kyrgyz Republic. The education process at the university started in 1997. By the end of the first semester of the 2011-2012 academic year there were 3,809 undergraduate students studying at 9 faculties, 4 high schools and 1 vocational school.

Tourism and Hospitality Management High School was launched in 2007 as 4 years high school. There are three departments within the school: Tourism and Hotel Management, Food and Beverage Management, Travel Management and Tourism Guidance.

The Tourism and Hotel Management Department has started to accept students and gave 87 qualified graduates as a 2 years Tourism and Hotel Vocational School in 2002. Along with the structural changes in 2007, a 4-year college started to accept students for the Department of Tourism and Hotel Management, and gave its first graduates as middle and high-level manager candidates in 2011. Graduates from this department work in accommodation centres, visitor houses and holiday villages. Graduates educated on hotel management have job opportunities in the front office, housekeeping, kitchen, service, bar, purchasing, mar-
marketing and sales, as well as in human resources departments.

- The Food and Beverage Management Department (of Gastronomy and Culinary Arts) started to accept students and gave 139 qualified graduates as a 2 years Tourism and Hotel Vocational School in 2002. Along with the structural changes in 2007, 4-year college has started to accept students for the Department of Food and Beverage Management and gave its first graduates as middle and high-level manager candidates in the academic year 2011.

- The Travel Management and Tourism Guidance Department in 2002 started to accept students for a two-year associate degree program in the structure of Tourism and Hotel Management Vocational School. Due to structural changes in the university and by establishment of 4-year School of Tourism and Hotel Management, the Department of Travel Management and Tourism Guidance started to accept students in 2007, and they have graduated in 2010-2011 the first generation.

In addition, the Tourism and Hotel Management School provides short term education courses through the Continuing Education Centre for tourism sector. The following courses certificated by the Ministry of Education are provided:

- Food and Beverage Service
- Front office
- Barmen and Barista
- Kitchen
- Housekeeping
- Hotel Management

**Academy of Tourism**

The Academy of tourism was established in 1995 with three faculties:

- Faculty of service: this unit provides education for bachelors and masters on the “Hotel business”, as well as for college students on the “Hotel services” specially.

- Faculty of international relations: it provides education for bachelors on “International relations”.

- Faculty of tourism: this faculty provides education for bachelor on: “Tourism”, “Management” and “International economic relations”, as well as for college students on “Tourism” and “Management”. Additionally, it provides education for masters on “Tourism” and “Management”.

**Bishkek Financial Economic Academy (BFEA)**

The BFEA was established in 1994 as a private education institution providing education on economics and business. Nowadays, there are 1,500 students studying in BFEA for bachelor and master programs on the following directions: Economics, Management and Tourism (Ecotourism).

One may summarize that especially the State Universities are not very flexible in changing their education system and their course offer; for such process they need to follow very long and administrative procedures. These do not allow flexible partnerships for new projects. The private Universities and the branches of the International Universities seem to be ready and interested to add new modules and specific trainings courses / seminars for winter tourism topics. The training skills are given, as well as the academic skills for specific new research topics and projects. But the financial resources for new projects are limited.

**4.1.7 Ski-Cluster**

The Ski-Cluster is one out of seven clusters within the so called “Mountain Cluster”. The latter was conceived by a group of enthusiasts. Mountain Cluster is an out-of-area project. The goal is to develop the mountain areas (for summer and winter tourism) everywhere across the country by attracting international investors and support them.

The Ski-Cluster itself primarily intends to change the laws for a more attractive investor’s climate. The goal is to get back parts of the business taxes of tourism projects/businesses directly in the destinations to build more and better infrastructure and accessibilities to the ski-bases (e.g. roads and electricity). The focus of the Ski-Cluster lies
Responsible Winter Tourism in Kyrgyzstan: Feasibility and market system analysis

on the Karakol – Issyk-Kul Lake area where five pilot ski-bases are planned to be built.

The Ski-Cluster Association per now consists of 14 institutional members of all types related to mountain tourism (ski-bases, cable-car builders like Leitner, and ski-area planners), but only 4 of these pay the monthly fee of 5,000 KGS to support the activities of the institution. Only these 4 members have voting rights. It is a cluster so all types of businesses may be involved.

The strength of the cluster is the good network in the industry on a governmental level (the Mountain Cluster is on State Papers competitive legislation); additionally, there are contacts to important winter destination countries like Austria, Switzerland and France. The tight scope of the work of the Ski-Cluster is strength and weakness at the same time: the resources are focused to change the law, but this objective fails to attract new members. The geographic focus to the Eastern ski areas is also unattractive for the ski-bases located in the South-West or in the Bishkek-area (e.g. Zil).

4.1.8 Trekking Union of Kyrgyzstan

The Trekking Union of Kyrgyzstan was started by the Norwegian Trekking Association (DNT) in 2002 with the goal to develop ecotourism in Kyrgyzstan. The original goal was to create centres in Bishkek and in Karakol to offer ecotours to local and international tourists. DNT supported the Trekking Union of Kyrgyzstan with countless training, creation of multiple maps, equipment for rent, and two guest-houses that the members could use.

Currently, TUK is focused on domestic tourism all year round. Most of TUK’s members are from Bishkek, but TUK is developing a second branch in Osh called the Trekking Union of OSH. The main objectives of TUK is to serve the needs of their members by offering them interesting and one of a kind day trips or multi day trips. The target market for TUK is mostly local people in Kyrgyzstan and some expats that live in Bishkek.

Within the domestic tourism market, winter tourism is growing fast and the members of TUK are demanding new services. The members of TUK are interested in taking ski lessons and improving their skills for downhill skiing, cross country skiing, and snowshoeing. Every year TUK is offering more and more day tours to the nearby ski bases and renting out more of their equipment. The members of TUK are very new to winter sports and they are very curious and interested in learning new sports and spending time in the mountains.

The strengths of TUK are the members and volunteers that guide tours and keep the organization going. The number of members is growing every year and the demand for winter sports is also growing. During the last winter, TUK had twice as many people cross country skiing compared to the last few years, hence TUK wants to focus on expanding winter tours to their members.

4.1.9 Medical Centres

In Kyrgyzstan, quality-standard medical centres are based in Bishkek. In Osh, Karakol and Naryn there are also medical centres, but it is often advised to foreigners to get treated in Bishkek or in the country of origin. In Bishkek, there are approximately 5-10 medical centres that can provide quality treatments and that are able to assist someone that needs medical care in more severe cases.

An additional challenge for medical centres is the new type of injuries that are happening because of the increase of winter sports in Kyrgyzstan. Every year there are more skiers and new injuries happening due to tighter space proportions on the ski slopes, and the poor safety standards in several ski destinations.
It is in everyone’s interest (skiers, ski-base businesses, destinations, hospitals) that the medical aid in ski-bases and in backcountry-skiing areas improves. People with accidents need to have efficient and qualified aid to prevent more severe injuries and speedy help. The actual situation in the ski-areas is not yet developed to guarantee professional aid. In some places, the ski-bases have a doctor to assist, but further transportation opportunities to hospitals are very poor. Normally the guests need to help themselves to transport a patient to the next medical clinic with their own private car. Additionally, there are no emergency plans and no information in the ski-bases to inform on which medical centre would be the most qualified in terms of different injuries.

The field visit did not allow to meet relevant experts from hospitals to talk about these issues due to absences or because they could not be reached. Nevertheless, based on several discussions with people from ski-areas, one may suppose that hospitals and specific clinics (e.g. Trauma Clinic in Bishkek) would be very interested in supporting the medical help system of ski resorts.

4.1.10 Ski Federation of Kyrgyzstan

The national Ski Federation of Kyrgyzstan is a member of the FIS (International Ski Federation; “Fédération Internationale de Ski”) since 1996. FIS itself is the world’s highest governing body for international winter sports. It was founded back in 1924, and is responsible for the Olympic disciplines of Alpine skiing, cross-country skiing, ski jumping, Nordic combined, freestyle skiing and snowboarding. The FIS (based in Switzerland) is also responsible for setting the international competition rules. The organization, as of 2017, has 118 national ski associations as their members. The Kyrgyz Ski Federation is organized by four local clubs with a total of 577 individual members (facts as of June 2017). With such figures, the organization belongs to the very small organizations within FIS. To compare with Switzerland: 758 Clubs and 103,122 members.

So far the Kyrgyz Ski Federation did not yet organize events on FIS-level and participated only a few times in international events like World Championships in 2 disciplines (Nordic and Alpine Skiing). As a benchmark the Swiss Federation is participating in disciplines like: Alpine Skiing, Cross-Country, Ski-Jumping, Nordic Combined, Freestyle Skiing, Snowboard, Speed Skiing, Grass-Skiing, Telemark and Masters. The Kyrgyz Federation is not a powerful organization so far at the international level, although it could be a partner for further interventions on the national level to promote and develop winter sports and winter tourism.
4.2 Skill-will assessment

Based on the analysis of the primary core value chain actors and the actors performing the necessary supporting functions and regulations that impact the winter tourism industry, the present section aims at categorizing each of these relevant actors according to their skill (human resources, financial and organizational capacities) and will (monetary or non-monetary incentives) to lead, support or change their own practices to the benefit of the market.

Such assessment could not be completed without looking at the interrelationships between these actors, which might influence the project’s decisions to partner with one or, preferably, a group of actors whose interests are aligned. In this sense, the following diagram provides a first look into the types of relationships among market actors. This has also included external actors, such as development or donor organizations, whose role is temporary and more of a facilitator, rather than a core market actor.
The Government of the Kyrgyz Republic has declared the tourism industry as a priority sector for economic development. However, there are currently just a few international organizations that support tourism development in Kyrgyzstan, namely, Helvetas Swiss Intercooperation, which is supporting tourism development in the Southern regions of Kyrgyzstan as part of the value-added chain promotion initiative; the USAID Business Growth Initiative, which provides support to the development of tourism destinations; and since 2017 the United Kingdom’s Department for International Development (DFID) supports tourism development through the Governance in Action Program. DFID’s main objective is to support the parliament’s initiative for a more inclusive and sustainable economic growth. The United Nations Industrial Development Organization (UNIDO) focuses its support on the Issyk-Kul region and provides support in developing agriculture and agro processing industries, as well as tourism development. Furthermore, there is a regional EU project in the framework of the Central Asia Invest IV initiative. Its main objective is to support the growth of Community Based Tourism (CBT) and sustainable tourism development with priority countries as Kazakhstan and Uzbekistan. The successful Kyrgyz CBT development model will be replicated and introduced in Kazakhstan and Uzbekistan. There are no other projects and initiatives in Kyrgyzstan directed towards support of Tourism Board, Destination Marketing Organizations or niche tourism such as winter tourism development. Some minor private initiatives in winter tourism development were implemented in the last few years. The following are the most relevant:

**Helvetas’ Community Based Tourism (CBT) initiative**

Helvetas’ Community based tourism (CBT) was initiated in May 2000, with support of Helvetas Swiss Intercooperation, which has committed to a long-term alliance. Community Based Tourism is a form of tourism where the local community has a substantial control over and involvement in its development and management; and a major proportion of the benefits remain within the community. Currently, sustainable networks of CBT groups were established covering all regions of Kyrgyzstan. The main objective is to provide institutional support and
implement a common marketing strategy, as well as to coordinate interaction and cooperation within the CBT network.

At the moment, there are some CBT groups actively involved in winter tourism, such as CBT Karakol, CBT Kochkor and CBT Arslanbob. Some of the CBT locations benefit from pre-existing winter tourism infrastructure (mountain ski bases and paved roads with available transport connections), while other CBT groups make use of natural resources (snow covered mountains and slopes available for longer periods). A lack of winter tourism specific infrastructure (e.g. ski lifts) stimulated the development of alternative ski tourism in those regions. Freeride skiing (backcountry-skiing), cross-country skiing, horse-back ride skiing or other types of winter activities (snow-how trekking, tubing) are becoming more popular both among foreign and local tourists.

**USAID Business Growth Initiative**

USAID’s Business Growth Initiative (BGI) project is aiming at strengthening the competitiveness of Kyrgyz businesses by providing firm sector-level sales and technical assistance. The project works with stakeholders in the apparel, tourism and construction materials sectors to improve access to markets and increase sales, expand product offerings, and improve productivity, quality controls and financial management, as well as to build other critical capacities to make them competitive.

As for the tourism industry BGI has provided a number of local service providers’ trainings and capacity building, and supported marketing activities in order to promote Kyrgyzstan on the world tourism market. It also provided additional efforts to promote World Nomad Games II, as well as small tourist infrastructure and improvement activities.

As for winter tourism development activities BGI is supporting local business intermediary organizations in five destinations: Karakol, Jyrgalan, Bokonbaev, Naryn, and Osh. At least two destinations are actively involved in the development and promotion of winter tourism, these are Jyrgalan and Karakol. The Karakol area is well known for downhill skiing. The building of the Karakol ski base was supported in terms of the promotion and marketing. Because Jyrgalan was developed for freeride and back country skiing it could potentially attract international tourists. In order to develop and promote Jyrgalan, BGI supported the development of local infrastructure by purchasing a snow-cat, development of new guesthouses and obtaining ski equipment. In addition, the local community in Jyrgalan participated in the experience exchange study tours led by Arslanbob CBT and in visits to the Naryn Oblast. Furthermore, BGI supported capacity building of local guides by arranging professional trainings for mountain guides and ski instructors.

The USAID BGI project will be seized in June 2018. Currently, there is no clear information about the follow up of the project. In this regard, newly established Destination Management Organizations in Jyrgalan, Karakol and Bokonbaev could be considered as potential partners for a future project on winter tourism development.

**Winter Sport Project**

The Winter Sport Project is a private initiative of Ms Edda Hergarten from Switzerland. Since 2014 Edda regularly visits Kyrgyzstan and has since provided trainings to local guides and ski instructors from all over Kyrgyzstan. The beneficiaries of Edda’s project are guides from CBT groups, ski instructors from remote villages. The last training took place in November 2016. Professional ski instructors from Graubünden Ski School also participated. In 2017 Edda brought to Kyrgyzstan three tons of ski equipment and distributed it among CBT groups as well as small ski bases.
Many stakeholders who were interviewed during the field mission stressed out the importance and positive impact of Edda’s project. However, it is important to note that in the future Kyrgyz organizations should take the ownership of this ski instructors training project. One of the follow ups of the project could be the development and implementation of ski instructor standards.

The main contribution of the Winter Sport Project is the creation of additional jobs in remote regions, especially during the winter season. Therefore, cooperation and joint efforts with the private initiative of Edda would increase efficiency of a future winter tourism development project and could help secure its sustainability.

**Trekkling Union of Kyrgyzstan**

The Trekking Union of Kyrgyzstan (TUK) was established in 2008 with support of the Norwegian Association of Mountain Tourism (DNT). The main objective of the TUK is to promote outdoor activities and mountain tourism among the local population of Kyrgyzstan as well as foreigners. On a regular basis TUK is organizing one day or weekend tours for the citizens and visitors of Bishkek.

During the winter TUK organizes classical mountain skiing activities to the nearest ski bases around Bishkek, as well as two-day programs of skiing in Karakol. Since 2010 TUK, in cooperation with JICA alumni, Bishkek Business Club, Business Development and Investments Council and the Department of Tourism, is regularly organizing and conducting a charity festival called “Kyrgyzstan is mountain ski country”. In the last years TUK has trained over 150 local people on snowshoeing and 200 local people on cross country skiing. According to the information of TUK, the interest of local people in winter sport activities including snowshoeing, ski-touring and cross-country skiing is increasing from every year. It is also important to note that popularization of winter tourism activities among the younger generation may contribute to an increase in number of jobs during the winter season. TUK is an important stakeholder (with a wide spread network of members) who could become a central partner for a winter tourism development project.
This section is dedicated to analyse the most relevant constraints that are currently inhibiting the potential of developing an inclusive and responsible winter tourism industry. Using a market systems approach, each of the constraints or market failures is explored to understand why this is happening in the first place (systemic constraint), and who is or should be responsible for addressing this constraint. The analysis proceeds then to suggest potential solutions seizing the opportunities that are present in the market, and the role of the project to incentivize the change to happen.

6.1 **Constraint 1:** Shortage of qualified ski-instructors and guides with appropriate technical and methodological knowledge

Ski-base businesses and freeride destinations face the common problem of shortage of qualified ski instructors and guides to be able to improve or offer their winter tourism services and activities. Ski bases in particular face a shortage of ski instructors who can teach new clients or beginners, while freeride and ski touring destinations lack instructors and guides who have not only the right level of skiing techniques and expertise but also sufficient knowledge on how to assess and manage mountain hazards (accidents, bad weather, avalanches and terrain). This limits the opportunities of small enterprises and entrepreneurs to offer their tours and services to potential tourists. In the case of ski bases, where most of the clients are beginners, businesses have realized the importance of having in-base ski schools or available instructors to teach this new clientele so that they do not become demotivated and can eventually become repeat clients.
6.1.1 Systemic constraint: Absence of formal ski instructor certification and training opportunities

The shortage of qualified ski instructors is due to the absence of formal training opportunities in Kyrgyzstan. In recent years several isolated initiatives though have taken place to develop the first network of ski instructors in Kyrgyzstan. Edda Hergarten’s Winter Sports Project has successfully trained a first number of participants around the country with the purpose of building the first generation of ski instructors and guides, some of which have already started to work as such. While the first results of this initiative have been positive, the main issue remains in its sustainability. The project depends on the private efforts of Ms Hergarten and a number of ski trainers, who can lead this project and obtain financial support from foreign ski school partners and commercial sponsors, as well as their own personal financial resources. There is, however, uncertainty in its continuance, which emphasizes the urgent need to embed this training system in a national training institute so that ski instruction may continue using a Training of Trainers approach that is able to generate new instructors in the long term.

In general, there are no formal Training Institutes providing certifications for candidates who wish to become qualified ski instructors and guides. Tourism and Sports Universities do not offer these types of practical studies. The Kyrgyz Association of Mountain Guides offers a certification for candidate Mountain Guides with complementary knowledge on technical aspects of skiing, but this is mainly aiming at training mountain guides for activities like trekking and climbing. Edda Hergarten’s initiative is planning to bring in the certification for ski instructors to Kyrgyzstan, for which first conversations with the International Ski Instructor Association (ISIA) are in place. Nevertheless, this initiative is on hold given the enormous workload faced by the project to undertake the upcoming planned training of ski instructors in Kyrgyzstan of 2017.

In that regard, a group of trained ski instructors by Edda Hergarten made a first effort to obtain the ISIA certification; however, in order to obtain this it is necessary to make the petition on behalf of a union or association of ski instructors at the national level, since individual instructors cannot get directly certified by the international association. From this it can be concluded that in order to formalize a Training of Trainers system in Kyrgyzstan it is foremost necessary to formalize an Association of Ski Instructors. Constraints to its formation lie mainly in the lack of financial resources and capacity to organize this association among those instructors that are already operating in the country.

6.1.2 Solution/innovation

A two-tiered approach is proposed to implement a solution to the problem of absence of qualified instructors in Kyrgyzstan. In the first place, the project is recommended to support the formation of the first formal Kyrgyz Association of Ski Instructors. The Association should count with specified operational and financial plans to make it sustainable in the long term. At present, trained students are organized into a group of mutual help via informal ways (Whatsapp groups, telephone calls, other social media), although it is evident that this informal
network could highly benefit from a more professional form of organization. Forming an association is, however, not an easy task, as it requires to be accredited before the Ski Federation of Kyrgyzstan, and have concrete and well developed internal structures, operational and financial guidelines, that can help the association accomplish its objectives in a sustainable way.

In the near future, the Association should have Master Ski Trainers, who will be responsible for training and certifying future candidates for ski instructors and guides according to ISIA regulations. The Association should be financially sustainable (based on membership fees, income from sales, services and activities), have clear governance structure and a set of concrete activities and services for the community of interested stakeholders.

6.1.3 Project intervention and partners

In order to launch this innovation, the project is recommended to provide the following support:

- Technical support (via consultancy or project staff) to form the Association in close cooperation and conversation with the informal network of Edda Hergarten’s trained instructors.
- Technical support to engage financial and technical support from international brands and commercial sponsors to fund the first activities of the Association, including a potential study and training tour to Europe.
- Support to broker a partnership with the Ski Federation of Kyrgyzstan and to obtain their support.
- Financial and technical support to obtain the ISIA stamp and cards (issued for new associations that become ISIA members).

6.1.4 Other features of this intervention

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<tr>
<th>JOB RELEVANCE:</th>
<th>GENDER RELEVANCE:</th>
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<tr>
<td>Ski instructor/guide are some of the most demanded professions in winter, with potential to provide employment for the youth. With increasing number of tourists, each ski base would require between 5-10 ski instructors, plus opportunities to work as ski guides including in freeride destinations. There is a plan to develop an overall number of 54 ski bases around Kyrgyzstan in a small or larger scale, which will provide jobs for this type of profession.</td>
<td>In Edda Hergarten’s training there were 5 women out of 48 participants (ca 10%), although small, this figure has increased from 6% female rate participation during the first training.</td>
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<th>PILOT DESTINATIONS:</th>
<th>CO-DONORS:</th>
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| Association to be based in Bishkek or in Karakol with membership of ski instructors from all over the country | Edda Hergarten
International brands and commercial sponsorships
Vitaly Gergert’s Ski School Project |

37. According to ISIA rules, candidates who take the training for ski instructors have to be already very good skiers and have to master the respective equipment in conditions of native and prepared skiing slopes. It is hence relevant to continue providing further initial training for those who have already been trained by Edda Hergarten.

6.2 Constraint 2: Lack of affordable access to winter sport and security equipment for instructors

One of the hindering factors for potential ski instructors and guides to start providing their services is the poor access to affordable ski and safety equipment, including ski sets and boots. Some CBT groups and destinations such as Jyrgalan and Arlansbob face less of this problem because they have acquired new or second-hand ski equipment through donations or subsidized sales from private initiatives such as Edda Hergarten’s or other humanitarian groups in the past. Either bought at a much lower price or donated the issue relies on the dependency on these donations to acquire new equipment. The CBT group in Arslanbob, for instance, is at the expectation that new equipment will be provided by the Winter Sports Project, which shows a certain attitude of expectation for this type of donations.

Even if a certain group launches the initiative of buying or collecting second-hand equipment on donation from Europe, the transport costs can be prohibitive for CBT groups that have very low operational budget.

6.2.1 Systemic constraint: Poor linkages between community-based ski instructors and ski equipment providers

Efforts to acquire new or used equipment via Ski Rental Shops or other providers with presence in Kyrgyzstan are inexistent. This has resulted in neglecting opportunities to partner with Ski Rentals and obtain access to affordable equipment. Gergert Sports is the largest sports equipment rental and shop in the country and represents several internationally-recognized sports brands in Kyrgyzstan, including Atomic (Austria), Burton (USA) and Salomon (France). In partnership with the Trekking Union, Gergert Sports has various types of commercial agreements that allow access to ski equipment either for rent or for sales, including:

- 15-50% discount for customers renting equipment through the Trekking Union.
- 30% discount on sale of ski equipment for Trekking Union’s ski instructors (taking into account that final retail price is 10-15% lower than in Europe).
- Possibility for instructor to rent ski equipment for free if his/her company or organization brings a group of at least 5 customers.
- Furthermore, 15% out of total rent will be given as commission to the company, organization or person who brings customers, which enables the ski instructor to purchase equipment.
- Possibility to acquire subsidized ski and snowboard equipment from international brands if a formal request is done by the KCBTA through Gergert Sports.

Despite the existence of the abovementioned commercial and socially-motivated agreements CBT groups and informal networks of ski instructors have not yet capitalized on their benefits so that a transaction between ski businesses and equipment providers can sustain in the long term, thus diminishing the market’s dependence on donations.

6.2.2 Solution/innovation

The present analysis suggests to broker a long-term business relationship between CBT groups and Gergert Sports (or other ski equipment shops potentially), one in which ski instructors without financial means are able to have access to affordable ski equipment. In the first place ski instructors may benefit from a free rental for the entire winter season if long-term group rentals are agreed with Gergert Sports. Furthermore, the analysis suggests to benefit from the potential of acquiring subsidized ski and snowboard equipment for ski instructors on support from international brands. While this partnership would certainly not be able to last in the long term, it would however represent an opportunity for ski instructors to acquire equipment for the first time and kick-start their business activities across
Kyrgyzstan. The logic of this collaboration relies on the premise that all parties win. On one side, international brands are interested to promote winter sports in countries like Kyrgyzstan with the interest of expanding their client base who will in the future demand their products and services. On the other side, CBT groups and informal networks of ski instructors wish to buy affordable ski equipment to allow them to initiate an income-generating activity out of ski instructing or guiding. In that sense, this partnership represents a quick win-win situation in the short and long term.

For CBT groups and ski instructors to be able to place a request to international brands the KBCTA head office would need to be in charge of coordinating the general request. At the same time, the analysis foresees that the KBCTA would coordinate the free rental of ski equipment (as a benefit out of group rentals) and the transportation of this equipment to various regions of Kyrgyzstan where CBT groups are established. The KBCTA would be also in charge of managing financial resources, which originate out of the 15% commission paid by Gergert Sports for group rental agreements for a wholesale purchase of ski and snowboard equipment on discount.

The aforementioned functions could be alternatively carried out by the newly formed Association of Ski Instructors, although this would entail that the partnership for ski equipment acquisition takes place in a second phase, once the Association is first appropriately developed.

6.2.3 Project intervention and partners

In order to launch this innovation, the project is recommended to provide the following support:

- Technical support (via consultancy or project staff) to broker the several types of agreements between the KCBTA and Gergert Sports, and other potential sports rentals and shops.

6.2.4 Other features of this intervention

<table>
<thead>
<tr>
<th>JOB RELEVANCE:</th>
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<tr>
<td>Ski instructor/guide are some of the most demanded professions in winter, with potential to provide employment for the youth. Youth are, however, one of the most marginalized groups in Kyrgyzstan who face financial constraints. With increasing access to sports equipment the project would ensure that this type of income-generating activity gets promoted among the youth.</td>
<td>Limited start-up resources held by women remain a key restriction for women entrepreneurship in Kyrgyzstan. Although access of micro and small enterprises (such as that of a Ski Instructor) to credit and financial resources is vital for the development and sustainability of women entrepreneurs it has been noted that women-entrepreneurs have access only to “short-term” loans (sizes 500 USD to 10,000 USD) in comparison to male-entrepreneurs. This is due to the fact that women generally do not have their own or borrowed capital or property, hence they cannot choose the financial strategies used by men or enjoy the same conditions of long-term and large-scale funding.</td>
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<tr>
<th>PILOT DESTINATIONS:</th>
<th>CO-DONORS:</th>
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<tbody>
<tr>
<td>The innovation will be placed in Bishkek with outreach to several CBT groups and ski instructors around the country.</td>
<td>International brands and commercial sponsorships</td>
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6.3 **Constraint 3:** Poor winter tourism product development and marketing skills

Development and marketing of innovative winter tourism products are poor in Kyrgyzstan. Tour operators and tourism businesses (both small and large businesses) in general rely on a few standard activities to operate their businesses. Some destinations, such as Karakol, face the issue of not being able to offer a variety of winter tourism activities to tourists who would typically stay in the destination for one or two weeks. For instance, if tourists leave the ski base at 5 pm they would not know what to do at night in the destination since the city does not offer other types of activities or services.

The latter represents a lost opportunity for businesses in the regions to profit from diversified business activities and the increasing number of tourists in winter.

6.3.1 **Systemic constraint:** Inadequate training and knowledge exchange opportunities on marketing, product development and entrepreneurship

When referring to community-based businesses there is in general an absence of effective training and educational opportunities on the matter. The KCBTA offers two courses of 2-3 days focused on ‘product development’ and ‘marketing’ for community-based businesses. Their effectiveness is, however, very poor as these courses are mostly focused on developing innovative tourism products for the summer. Their readiness to provide innovations for winter tourism is still lacking. There is a need to reinforce several aspects of these trainings, in particular regard to the ability of small business to collect market information and tourist preferences, as an input to develop new and innovative winter tourism products.

On the other hand, there is a range of entrepreneurship and tourism courses offered by Universities, in particular the Kyrgyz Turkish Manas University’s Tourism and Hospitality Management High School which offers courses on Tourism and Hotel Management. Higher level of education focuses, nevertheless, on graduating professionals for middle and higher-management levels of hotels and other larger businesses. These graduates would not typically work in tour operator businesses or travel agencies, and if they do, this is usually done on a temporary/part time basis while completing their university studies.

It is important to mention that CBT groups do already conduct exchanges of experiences although this is usually done on a one-to-one basis; a similar case occurs with DMOs which have also taken the initiative to develop knowledge-sharing events, although these are sporadic initiatives that receive financial support by USAID BGI project.

Although there is need for a more practical-oriented system of superior education in the country, currently the challenge relies on the need to obtain approval by the Ministry of Education in order to reform educational curricula. In that regard, there is higher opportunity to reform and improve the training curricula of the KCBTA and other associations so that these meet the needs of winter tourism businesses and entrepreneurs.

6.3.2 **Solution/innovation**

It is recommended to work in partnership with the KCBTA and KATO to develop demand-driven training courses on effective marketing and product development. In the case of KCBTA the partnership will focus on improving existing training courses. Both training courses have the opportunity to improve its methodology on how to implement data collection tools to enrich their knowledge of market information, so that this helps improve the development of new demand-driven products. The product development training course, in particular, should be improved to include practical tools that enable the businesses community gain new ideas of product development, including knowledge-sharing events, study tours and B2B forums.
At present, KATO does not offer any training in these topics but is willing to invest in the development of such training courses as they believe there is demand for this type of services in the association.

6.3.3 Project Intervention and partners

To realize this innovation the project should provide the following support:

- Consultancy to improve and develop demand-driven training courses on product development and marketing for CBT groups and tour operators.
- Opportunity to model these courses against the Start and Improve Your Business for Tourism methodology, in specific regard to the Improve Your Business module and sub-module on marketing and product development. This innovation would profit from the availability of Master Trainers in Kyrgyzstan who are actively operating in the country.

6.3.4 Other features of this intervention

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<tr>
<th>JOB RELEVANCE:</th>
<th>GENDER RELEVANCE:</th>
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<tbody>
<tr>
<td>Marketing and diversification of winter tourism products will guarantee the creation of more jobs, not only direct, but also indirect and induced jobs, as these new services and activities will require themselves the collaboration with other inter-related sectors.</td>
<td>The diversification of winter tourism products will have a good impact on women’s employment as some types of jobs, which have emerged with the advent of tourism, are particularly attributed to this group. These include horse riding guides, exhibitors in cultural workshops and cultural events, marketing and management of thermal spring areas. Interior design and other services to hotels and guesthouses are also usually taken up by women.</td>
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<tr>
<th>PILOT DESTINATIONS:</th>
<th>CO-DONORS:</th>
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<tbody>
<tr>
<td>Bishkek</td>
<td>None</td>
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6.4 Constraint 4: Conflicts between the ski business community and local populations

The establishment of ski resorts has unintentionally led to tensions between the business community and the local populations that reside in the nearby areas. Ski businesses argue that despite having all necessary legal requirements to run their business (land lease permit/purchase and registration) one of the main problems is the constant violation of private property by local populations who wish to use these lands for cattle grazing or other activities. From the businesses perspective, local residents have benefitted from jobs in the ski base but still demand more benefits. In one particular case, the tension escalated to a point where the ski resort was forced to close operations temporarily leaving 26 employees from nearby villages unemployed. After this event, a stakeholder meeting was undertaken with the mediation of government authorities and Local Council representatives, but the conversations failed. As the situation worsened, the ski business owner resorted to request government’s assistance to ‘deal’ with the problem.

Similar conflicts have emerged in other ski regions of the country; however, in most of the cases the tension was solved by calling the central government authorities to provide security to the ski base or to 'appease' local populations, without showing any real long-term solution to the tension between businesses and local populations. In the opinion of ski businesses, this represents a success in the resolution of the conflict. Nevertheless, this is only a quick-solution to an ever-escalating conflict which will bring more constraints to the future development of winter tourism in the country if not properly managed. Furthermore, the availability of contacts in government is a feature that seems to be only part of medium and large-scale ski businesses, which effectively leaves smaller businesses and entrepreneurs without resolution resources when they face similar situations.

6.4.1 Systemic problem: absence of effective resolution bodies and dialogue mechanisms

Conflicts between ski businesses and local populations emerge and are poorly managed due to some factors:

- The absence of consultation mechanisms with local populations as a prevention measure of potential disputes.
- The absence or ineffectiveness of resolution bodies and dialogue mechanisms to bring a solution to this type of conflicts. In other sectors of the economy, such as in mining, similar conflicts have emerged in the past, and the same pattern can be said to be occurring with the increasing number of ski bases around the country.
- Lack of awareness campaigns for local populations of the potential benefits of winter tourism businesses in the area. With Kyrgyzstan’s wave of privatization of land initiated in 1998, 75-80% of the country’s arable land was privatized while only 25% remained in government’s control. Local populations who have used these lands for agriculture and pasture have not been properly informed of the changes, and are often neglected when private investors buy land. In the same regard, another contributing factor are the vague laws that do not stipulate the obligations of private companies to the local communities, or the resolution resources they have to their disposal when they face this type of problem.

6.4.2 Solution/innovation

The analysis suggests working in partnership with the Government of Kyrgyzstan’s local self-governing bodies to create an appropriate consultation and resolution mechanism to be embedded as part of the Local Councils in areas where investments are present to develop new or existing ski bases.

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The body will, in the long term, also undertake the role of awareness raiser to present possible future disputes.

6.4.3 Project intervention and partners

The main partnership would be the respective Local Councils and the intervention would represent:

- Technical support to form the consultation and dispute resolution body within Local Councils. This may take place in the form of training or close-consultancy advice with the members of the newly formed body.

- Technical or financial support to draft uniform procedures and administrative standards for the body to operate.

- Support to elaborate a pilot awareness campaign.

6.4.4 Other features of this intervention

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<th>JOB RELEVANCE:</th>
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<tr>
<td>Ski bases so far have a potential of creating up to 80 direct jobs on average per year. Ski bases like Chunkurchak and Orlovka represent those that provide most employment opportunities, but could potentially provide more if, not only are ski bases established on a mutual understanding with local populations, but also provide jobs to the local workers of nearby villages.</td>
<td>As women own about 14% of the farms in the country they are likely to be greatly impacted by land disputes or conflicts with businesses. Women are also key to conflict resolution as they represent almost a third of the local network of volunteers that have supported other donor-funded projects in local dispute resolution.</td>
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<th>PILOT DESTINATIONS:</th>
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<td>Chunkurchak; Zil</td>
<td>USAID has been involved in providing technical assistance to land reform via legislative development, legal aid and public education. From 1999 to 2005, USAID funded the Kyrgyzstan Land Reform Project, which had three major components (rural land reform, urban land reform, and water law reform), with a focus on educating Kyrgyz citizens about their rights to obtain land and empowering to participate in agricultural and urban market opportunities. Interventions included training; the creation of a website and sponsored a radio program that broadcasts land reform information. This represents opportunities to use these existing resources to advance SECO project’s objectives. There is also opportunity to use the resources and advice of the International Labour Organization to facilitate the implementation of ILO’s Indigenous and Tribal Peoples Convention (196), its guidelines and recommendations on how to operationalize consultation and resolution bodies.</td>
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6.5 **Constraint 5:**
Lack of effective coordination among tourism businesses and relevant stakeholders in destinations

The lack of coordination in destinations between the several stakeholders that are relevant to the development of winter tourism is notorious across the country. This lack of coordination in the tourism industry has caused to miss out on opportunities to create new sorts of business together, and benefit from sharing information to maximize the benefits of increasing tourism. In some destinations, businesses see each other as competition and are reluctant to share information on their activities and to look for forms of cooperation to maximize their profit. Furthermore, business owners are not aware of the activities of government related to tourism or of the public events organized by the municipality, which inhibits the businesses’ potential to profit from these types of events.

Coordination and information-sharing are two functions that are typically undertaken by DMOs; nevertheless, as it was evidenced during the field research, DMOs are still ineffective and lack the capacity to continue their activities without the substantial support from donor-funded projects. While a few DMOs have somehow worked with government authorities, the majority still lack an actual integration of government into the DMOs. The relationship with government is usually just for consultation purposes. At the same time, government does not financially contribute to the development of destinations, leaving DMOs to practically operate as travel agencies or business associations for a particular destination.

6.5.1 **Systemic constraint:**
DMOs lack sustainable business and financial plans to be able to operate in the long term

The lack of effective destination coordination can be attributed to the fact that DMOs are operating without sustainable business and financial plans. Some of the constraints to operate sustainably are:

- Dependency on the financial contributions of USAID. All DMOs that were interviewed have budgets that are at least 90% dependent on USAID contributions. In one particular case, the DMO operated almost entirely out of USAID’s budget.

- Poor diversification of financial resources. Membership fees do not contribute substantially to the DMO’s budget as they do to CBT’s budgets. This is largely due to the DMOs’ inability to attract new members.

- Membership is mostly concentrated on the accommodation business. Most members of DMOs are hotels or guesthouse businesses, which emphasizes the need to attract other types of clients, such as tour operators, ski bases, restaurants, and travel agencies, among others. The benefit of attracting different types of businesses is that opportunities for partnership may emerge not only between competing businesses but also between non-competing businesses. Furthermore, they also would reinforce the DMO in their structure and their work impacts.

- Poor linkage to the government’s relevant authorities, including the Department of Tourism, to be able to engage this stakeholder as a contributing member.
Poorly defined activities and services: DMOs in Kyrgyzstan are effectively acting as a hybrid type of organization between a DMO and travel agency/tour operator. As assessed during the field visit, several DMOs lack demand-driven services including: client satisfaction feedback system (to collect market information, demand and trends); capacity building and training for members (on several issues incl. innovative product development); destination marketing; information sharing; sector coordination (including with government); information on how to start and improve your tourism business, event-organization or dealing with incoming operators and foreign tour operators.

6.5.2 Solution/innovation

The analysis suggests strengthening capacity of selected DMOs through the piloting of innovative and sustainable financial and organizational plans based on best practices.

With the upcoming close of USAID BGI project, it is likely that several DMOs will be left under-funded and at the risk of failing or turning into another type of business (travel agency). This represents an opportunity to work with those DMOs that are already working on developing their business plan to continue after USAID’s funding ends. Some of the potential partners include DMO Osh, DMO Karakol and DMO Alai.

6.5.3 Project intervention and partners

The project is suggested to work in collaboration with DMO Osh and Karakol to improve their business plans. To do this, the project should provide the following support:

- Consultancy or project staff (technical expert) to help DMOs assess their weaknesses, and existing business plans and help formulate innovative financial and organizational plans. This could be done using ILO’s Destination Management Good Practice guide[46], which provides practical guidelines to create and manage DMOs without much project support. Support, though, should be accompanied by some international consultancy or project advice to help kick-start and test the improved business plans.

6.5.4 Other features of this intervention

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<th>JOB RELEVANCE:</th>
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<td>Tourism is known to contribute to the creation of approximately 107,000 jobs in Kyrgyzstan. DMOs are one of the organizations with the highest potential to multiply the benefits of tourism in a destination, in terms of business growth and job creation. Since DMOs touch on several issues of development (marketing, coordination, sustainability), their contribution to employment is likely to be high.</td>
<td>Effective DMOs should have laws and established practices to prevent commercial, sexual or any other form of exploitation and discrimination, inclusive of women. As leading agencies in a destination, it is the task of DMOs to oversee that good business practices in terms of gender equality are implemented in the destination.</td>
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<th>PILOT DESTINATIONS:</th>
<th>CO-DONORS:</th>
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<tr>
<td>Karakol; Osh and Alai</td>
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6.6 **Constraint 6:**
Lack of (winter) tourism relevant data and facts

In Kyrgyzstan the availability and quality of tourism relevant data, figures and facts is strongly limited. Official statistics on tourism are collected by the National Statistics Committee of Kyrgyzstan. Yet, the agencies do not provide the source of methods used to generate data. This raises the issue of the data’s reliability and validity. Furthermore, the lack of data quality leads to an insufficient monitoring of tourism activity in Kyrgyzstan. As a result there is no clear understanding of spending by international and domestic visitors, visitor arrival and accommodation statistics, and forecasts of tourist numbers and expenditure. Moreover, the limited data made available are not released consistently and thus offer no insights in developments over time and trends in general. Yet, tourism practitioners and tourism-related stakeholders rely on the availability of tourism relevant data, figures and facts to improve their product development, marketing activities and destination branding. This had led the Department of Tourism to allocate their scarce resources into funding for participation in international fairs where the benefits might be few (e.g. Novosibirsk).

To provide a picture of the role tourism plays in Kyrgyzstan and its impact on the economy is also critical to attract foreign investors.

6.6.1 **Systemic constraint:**
Lack of an efficient registration process and lack of skill within the Department of Tourism

On a systemic level, there are two main constraints that lead to a lack of tourism relevant data, which is insufficient in both qualitative and quantitative terms. The Department of Tourism, which is part of the Ministry of Culture, Information and Tourism of Kyrgyzstan, lacks the relevant financial resources, but also capacities and academic skills to implement a system that supports the collection and publication of tourism relevant data, as well as the development of impactful marketing and branding campaigns at the national level.

In Kyrgyzstan, there are several institutions of high education. Yet, these are not adequately linked to public institutions and as a result there is a general lack of awareness for tourism research, which includes the collection and publication of tourism relevant data. Additionally, due to the absence of an efficient registration process there is no reliable system for registering foreign tourists for statistical purposes to estimate the overall economic impact of tourism. The low level of management in operations and a lack of transparency have created conditions for distorted reporting and the development of a shadow economy. This leads to a situation where the majority of the transactions is not recorded and, thus, not visible in the data made available.

6.6.2 **Solution/Innovation**

To implement a system that allows collection and publication of tourism relevant data, (sufficient in both qualitative and quantitative terms), it is recommended to support the funding of a tourism research cluster. This cluster ideally consists of members from universities, the Department of Tourism and the Ministry of Economy. To ensure that qualified personnel is in control of operational work it is recommended to integrate former students who hold a master's degree from the universities involved. This coordination mechanism can also serve as a bridge between the Department of Tourism and guest associations of tour operators (e.g. KATO) who are strong participants and sponsors of international fairs. The knowledge generated by the private sector in this case, from their transactions and relationships with foreign tour operators and the international market can be key to shaping strategic tourism policies and to inform on current market trends.
6.6.3 Project intervention and partners

This project needs to be initiated by the Department of Tourism with the Government of the Kyrgyzstan, but at present times the Department is not able to launch such an initiative due to lack of knowledge and capacities. In this sense, the Ministry of Culture, Information and Tourism needs to allocate additional resources to this Department.

Furthermore, the Universities should offer not only tourism education, but also should strengthen their scientific research. They would profit in two senses: a) they would contribute with new data and knowledge to a more professional tourism system and its development (active role, recognition within the private tourism business industry), and b) would get actual data for their core activities like publications and education.

The SECO project could support this intervention by providing:

- Political support to initiate tourism research (e.g. to work on a new data system such as a national Tourism Satellite Account).
- Technical support for system- and knowledge transfer from the relevant bodies within the Swiss Federation like from the Bundesamt für Statistik BfS.
- Being a member of the UNWTO the Swiss Federation (SECO) could bridge UNWTO with the Department of Tourism to motivate them in direction of a data collection and research.
- Financial support to build a “Tourism Research Centre/Office” with members from the Department of Tourism, Ministry of Economics and Universities.

6.6.4 Other features of this intervention

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<th>JOB RELEVANCE:</th>
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<tr>
<td>No direct job relevance of the intervention – the key benefit is new and additional knowhow about the tourism industry. In a later stage the positive influence of the new knowledge will have a positive impact on the tourism development all over the country, mainly in mountainous / remote areas. This definitively will have an important relevance for job creation in different types of jobs (service industry (accommodation, marketing, gastronomy, and guides), technicians and others.</td>
<td>The intervention itself has no direct gender relevance. Similarly as the job relevance, the further tourism development will have an impact on the gender aspect. If tourism can grow, new jobs in remote areas will be created. Especially the new jobs in the service industry will be excellent opportunities for women (working in all types of accommodations and in the gastronomy market as receptionists, cooks, waitresses, cleaning staff, and back-office) and as guides as well.</td>
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<th>PILOT DESTINATIONS:</th>
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<tr>
<td>Nation-wide relevance.</td>
<td>Universities (publication opportunities and data for education modules).</td>
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6.7 **Constraint 7:**
High number of tourist accidents and risk at ski destinations (ski bases and freeride destinations)

Kyrgyzstan’s ski bases in general do not follow internationally-recognized safety standards to run their business. For instance, of the 27 ski lifts operating in ski resorts, only a quarter meet international safety standards. This, in combination with other failures to follow appropriate safety standards, has resulted in a high number of serious accidents on ski slopes and off-piste areas. According to the Mountain Guides Association, there is an average of 50 serious accidents taking place every year on ski bases. This number does not account for minor injuries, or accidents taking place at freeride destinations, where avalanches have been reported to occur and caused deaths. Currently, there is no accurate account of avalanche accidents, although the freeride destinations that were consulted reported to be aware of 1-3 fatalities due to avalanches every year.

Some of the safety areas where ski resorts and freeride destinations have failed to comply are:

- Appropriately trained general staff on safety rules and procedures.
- Lack of medical teams.
- Unavailability of rescue teams in case of emergencies.
- Poor controlling systems for infrastructure and poor infrastructure in overall.
- Unavailability of rescue equipment and facilities (e.g. helicopters, ambulances).
- Lack of codes of conduct to create tourist awareness and diminish risk-seeking behaviour.
- Absence of avalanche risk warning systems and nation-wide meteorological stations to warn about snow condition.

The aforementioned factors are a threat to the development of the winter tourism industry in Kyrgyzstan, as these may become a disincentive for potential tourists to visit ski resorts. Tour operators would usually ask potential clients to specify whether they have insurance to cover potential accident costs before purchasing a package. This does not represent a problem for international tourists who are usually covered under an international insurance scheme; it does, however, disincentive potential national tourists, who represent the main type of client for ski resorts.

6.7.1 **Systemic constraint:**
Absence of safety standards and country-wide safety information providers

The existing challenges in Kyrgyzstan to be able to comply with all safety rules and standards for ski destinations are many, and may find their root cause in a variety of areas. While the lack of helicopter and ambulances may be due to the lack of government’s investment, the lack of medical teams may also be due to the poor attractiveness of providing services to the ski industry, or the unavailability of medical staff in the country.

Considering the opportunity to create a change in safety standards of ski destinations, this analysis suggests that the absence of safety standards and their poor application on ski destinations is caused by the absence of effective responsible institutions (e.g. the Kyrgyz Ski Federation) to supply this type of information and oversee its application. At present, ski resorts and destinations do not have access to safety and security guidelines. Professional con-
Consultancy services are available in Kyrgyzstan but are inaccessible to smaller ski resorts or destinations due to their high cost. There is also poor coordination between ski resorts to invest in an avalanche risk warning system through the installation of meteorological stations, which is also fuelled by the low capacity of the Ministry of Emergency Situations and the Meteorological Agency to provide this data.

### 6.7.2 Solution/innovation

Given the project's capacity to implement a solution, the analysis suggests creating a network of adequately trained data and information providers from the Ministry of Emergency Situations and the Meteorological Agency so that these agencies are enabled to generate live-data on snow conditions and promote safety standards for all ski resorts and destinations.

### 6.7.3 Project intervention and partners

In order to realize these objectives, the project has the opportunity to partner with:

- Mr Samuel Maret, Professional Adviser on Ski resort infrastructure and Safety to develop and adapt international safety standards to the Kyrgyz Republic on skiing safety guidelines and infrastructure (guidelines); undertake a training targeting the Ministry of Emergency Situations and ensure appropriate piloting of standards in at least 3 ski destinations across the country.

- Mr Johannes Chudoba and group of experts on avalanche risk warning system to create a network of ski destinations willing to install meteorological stations for data collection, develop a website for live-streaming, and undertake a training for national data providers on how to manage and use the system.

### 6.7.4 Other features of this intervention

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<th>JOB RELEVANCE:</th>
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<tr>
<td>Improving safety and preparedness for avalanches of ski destinations is key to make these resorts more accessible to tourists, hence, to promote winter outdoor tourism in Kyrgyzstan. The latter will increase opportunities to create services and activities in these areas that are unreachable given the low safety conditions, not only by tourists, but also by small-scale entrepreneurs. Lastly, with the emergence of this type of safety data and information providers, there is opportunity to create new types of jobs that are highly demanded by ski resorts at the moment.</td>
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<tr>
<td>International statistics on the gender distribution of winter sport injuries show that both men and women are almost at the same risk of participating in ski accidents or suffering ski injuries, with men having a slightly higher rate than women (55% vs 45%). There is no data at present to know more about the potential of job creation in safety areas for women, although it was evidenced from the interviews that women are increasingly interested in working on ski resorts and destinations as instructors, guides or general staff.</td>
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<th>PILOT DESTINATIONS:</th>
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<td>Three pilot destinations to be further explored depending on feasibility of each ski base.</td>
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<th>CO-DONORS:</th>
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6.8 Constraint 8: Lack of coordination among private initiatives

Product innovations go through four basic stages: (1) innovation, (2) growth, (3) maturity and (4) decline. Tourist destinations tend to follow similar patterns along the Tourism Life Cycle (see section 4.1.4) beginning with a stage of exploration and involvement, where local people start to notice that there are increasing numbers of visitors coming to their area. They start businesses to provide accommodation, food, guides and transport.

Kyrgyzstan is in the beginning stages of the Tourism Life Cycle. Consequently, the tourism industry in Kyrgyzstan consists of several isolated businesses started by private people. The project of Edda Hergarten to train ski instructors or the investment by Mr Pleisch in Orlovka may be mentioned as examples in this regard. The industry currently lacks formal networks of sector-related business and stakeholders that allow a more organized and coordinated approach to tourism development. This lack of coordination hinders the efficiency of the businesses and the development in Kyrgyzstan overall. It also negatively impacts the quality of tourism-related business activities.

6.8.1 Systemic constraint: Lack of a tourism network, lack of an organized / coordinated tourism industry, lack of a “tourism voice”

The tourism industry in Kyrgyzstan is yet to coordinate tourism-related business activities among its private players. As a result, many of the business activities across Kyrgyzstan are isolated in their approach and therefore lack efficiency. Although some players have formed associations (e.g. the Association of Hotel and Restaurant Businesses of Kyrgyzstan, the so called “Mountain Cluster” within the roof organization “Mountain Cluster or the Hotel Association in Karakol) one needs to recognize that these are not yet fully functional units. Members of these organizations claim that membership fees are often too high and that even though they pay a membership fee the association often fails to provide a feasible benefit to its members. For instance, the Ski-Cluster consists of 14 members in total, but only four members pay the membership fee that grants them voting rights. Given the inability of existing organizations to create a feasible benefit for its members and the overall lack of formal networks and associations (e.g. a union/association of DMOs, similar to VSTM in Switzerland, is yet to be formed), tourism stakeholders who lack know-how do not have the opportunity to learn from stories of success and failures of others (e.g. how to interact with the local population during an investment process or how to develop new products that take an interrelated sector-approach). Consequently, the lack of tourism networks leads to a situation of missed chances, where know-how is not shared and an insufficient allocation of resources hinders the development of the tourism industry mainly in terms of its quality and effectiveness.

6.8.2 Solution/innovation

On the one hand, an environment needs to be created that allows existing associations to increase their impact and create feasible benefits for its members. On the other hand, tourism-related stakeholders who are yet to organize their business activities need support in establishing networks. This concerns sectors such as the accommodation providers in Chunkurchak, trained ski instructors by Edda Hergarten, cable car companies or even DMOs in all of Kyrgyzstan. Existing associations are recommended to reconsider their added value to the tourism value chain and reorganize their activities in a way that its members perceive a membership as useful.

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Fully functional associations and networks allow a collective approach to solve common issues among sector-related stakeholders. They furthermore support the exchange of common know-how and the counselling of others, who lack experience on certain aspects of business; for example, in terms of legal aspects or medical aid systems.

Moreover, associations serve as a central contact point and allow others to approach a specific sector within the tourism industry more easily. This is of particular importance when it comes to (political) lobbying, networking within the industry sector or media information.

### 6.8.3 Project Intervention and partners

In order to support the foundation of associations the project is recommended to provide the following support:

- Consultancy to propose potential associations to different sector leaders (e.g. the ski-base businesses / mountain cable-car businesses).
- Bridging Swiss Associations with the Kyrgyz tourism sector (e.g. Hotelleriesuisse, Seilbahnen Schweiz, VSTM).
- Technical support to review existing organizations and/or initiate the foundation of new associations and supervise negotiations among the stakeholders to maximize the benefits for (potential) members.
- Supporting the new founded (re-organized) associations building ideal organizational structure, sustainable financing schemes and formulating strategies and action plans.
- Supporting the new founded KTF in building an ideal organizational structure, a sustainable financing scheme and formulating a master plan and implementation concepts (similar to Schweizer Tourismus Verband STV).

### 6.8.4 Other features of this intervention

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<th>JOB RELEVANCE:</th>
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<td>Associations give the tourism industry a common voice (per industry cluster) and allow effective lobbying, which strengthens the specific position within the tourism industry and the economic system in Kyrgyzstan. In addition, it leads to a more efficient product development approach and accelerates the development of the tourism industry as a whole. This in return creates jobs in Kyrgyzstan.</td>
<td>Tourism development will have an impact on the gender aspect. If tourism can grow, new jobs in remote areas will be created. Especially the new jobs in the service industry will be excellent opportunities for women (working in all types of accommodations and in the gastronomy as receptionists, cooks, waitresses, cleaning staff, and back-office) and as guides as well.</td>
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<td>E.g. the accommodation sector in Chunkurchak may be considered as a pilot destination to form an association (private accommodations like Supara II or the private hotel complex near the ski-base valley station). The ski-base investors in about 20 destinations or the already founded DMOs could be faced as pilot associations as well.</td>
<td>The Department of Tourism.</td>
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6.9 **Constraint 9:**
Lack of information on how to start and run a ski business

Starting a ski resort business for small and medium sized enterprises is particularly difficult in Kyrgyzstan, although some of these constraints do also impact the ability of larger enterprises to inquire into this type of business. There is record of entrepreneurs who have started operating small ski lift businesses for a short-while, just to see their investments be taken away by government authorities or private owners due to the lack of duly-obtained land permits to operate. Small entrepreneurs lack the necessary technical and legal information to start and run a ski business (or any other type of winter tourism business), in special regard to the following points:

- Information on how to acquire a permit for the lease or purchase of government controlled land
- Information on the technical requirements of both land and ski resort infrastructure to operate adequately and in compliance with internationally-recognized standards
- Other general information on how to start and register your business to the pertinent government authorities

Currently, some ski areas in Kyrgyzstan have started operating without conducting a full assessment of land and snow conditions to install a ski base, which makes these places prone to malfunctions and accidents.

### 6.9.1 Systemic constraint: absence of a one-stop shop or consolidated portal for ski resort entrepreneurs

In spite of the significant increase in interest to start ski resort businesses there is still an absence of one-stop shops for entrepreneurs to access information on how to start this type of income-generating activity. Generic permits and procedures to start, register and formalize a business are led by various government departments, which makes the process for small entrepreneurs far more complicated. Although the concept of a one-stop shop for entrepreneurs does exist in Kyrgyzstan, this only incorporates the legal procedures of four operating agencies: the Ministry of Justice, for business registration; the National Statistics Committee; the State Tax Inspectorate and the Social Fund. For ski businesses, there are further requirements that need to be obtained such as land lease permits, which are arranged and negotiated through the executive bodies of local councils and the registration of property (leased or purchased) under the State Registration Service.

The Kyrgyz Chamber of Commerce and Industry is up to date the only entity providing an information portal and service for foreign investors, Kyrgyz businesses and entrepreneurs on how to start a business. Nevertheless, their service covers only those steps that are common to mostly all businesses and lacks the extra information that is demanded by ski businesses (land permits for lease or purchase, and technical requirements to install cableways and other types of machinery). The latter are usually provided by private business consultants who are not engaged in the business of advising entrepreneurs on the legal requirements to start a ski resort business.

### 6.9.2 Solution/innovation

The project is advised to implement a small-scale, comprehensive solution to provide the necessary business information (both technical and legal) for small and medium sized entrepreneurs, through the development of a one-shop portal to be embedded as part
of the improved Ski Cluster Association. The portal will serve as an entry point and information centre for potential entrepreneurs, which should also provide linkages to other types of financial and business development services necessary to start and improve your business including financial providers, ski resort business development consultants, accommodation and food services providers, among others. In this sense, the portal should provide:

- A brochure containing all necessary information on how to start a ski resort business.
- A business directory of all interrelated businesses and services to put at the disposition of new entrepreneurs and investors.

6.9.3 Project intervention and partners

The project will seek to partner with the Ski Cluster or a similar (new) association to develop this new service as part of their activities. It is expected an initial co-investment will be necessary to compile and confirm all the necessary information, and to develop the new business directory.

6.9.4 Other features of this intervention

<table>
<thead>
<tr>
<th>JOB RELEVANCE:</th>
<th>GENDER RELEVANCE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small businesses and entrepreneurs who were mostly impacted by the absence of information on how to start and run a business have the potential of creating up to 20 jobs in the ski resort area. A number of failed business initiatives were spotted during the conversations in the field, which have greatly demotivated entrepreneurs from either re-initiating or expanding their ski resort business, mainly due to the lack of information or due to the uncertainty created by this.</td>
<td>Although ski resort entrepreneurship is usually an area dominated by male entrepreneurs, it is a known fact that winter tourism products, including ski resorts, present an opportunity for female workers and entrepreneurs to integrate themselves into the winter tourism value chain through the creation of interrelated types of business and through the take up of different employment opportunities in ski resorts.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PILOT DESTINATIONS:</th>
<th>CO-DONORS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country-wide</td>
<td>None</td>
</tr>
</tbody>
</table>
## Responsible Winter Tourism in Kyrgyzstan: Feasibility and market system analysis

### RESORT SKI BASES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Distance from Bishkek:</strong></td>
<td>35</td>
<td>30</td>
<td>40</td>
<td>35</td>
<td>35</td>
<td>27</td>
<td>35</td>
<td>27</td>
<td>25</td>
</tr>
<tr>
<td><strong>Slope length:</strong></td>
<td>1300</td>
<td>1000</td>
<td>2800</td>
<td>2000</td>
<td>1000</td>
<td>2800</td>
<td>1800</td>
<td>538</td>
<td>1400</td>
</tr>
<tr>
<td><strong>Max altitude:</strong></td>
<td>2.450</td>
<td>2.820</td>
<td>2.250</td>
<td>2.270</td>
<td>2.700</td>
<td>2.200</td>
<td>2.250</td>
<td>1.980</td>
<td></td>
</tr>
<tr>
<td><strong>Vertical drop:</strong></td>
<td>600</td>
<td>370</td>
<td>500</td>
<td>400</td>
<td>350</td>
<td>620</td>
<td>300</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ski lifts:</strong></td>
<td>3</td>
<td>6</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>Lift ticket (adults):</strong></td>
<td>1100</td>
<td>1.200</td>
<td>1.000</td>
<td>1.000</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td><strong>Lift ticket (kids up to 12):</strong></td>
<td>700</td>
<td>800</td>
<td>500</td>
<td>500</td>
<td>300</td>
<td>300</td>
<td>250</td>
<td>300</td>
<td>is it still open?</td>
</tr>
<tr>
<td><strong>Gear rental:</strong></td>
<td>600</td>
<td>1.200</td>
<td>800</td>
<td>800</td>
<td>600</td>
<td>500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Additional services:</strong></td>
<td>Sauna, snowmobile tours, a small hotel</td>
<td>Kids corner and free wi-fi</td>
<td>Small guest-house</td>
<td>Skating rink, sports ground, a hotel for 65 people</td>
<td>Small guest-house nearby and a small cafe</td>
<td>A small hotel with 10 rooms, sauna</td>
<td>Small guest-house near by and they have an ice skating rink</td>
<td>Sauna, hotel, kebab grill</td>
<td>Nice Guesthouse + an ice skating rink</td>
</tr>
<tr>
<td><strong>Travel Organisations / Bookings:</strong></td>
<td>TUK and other locally based tour companies send groups to this ski base but it’s not very popular.</td>
<td>It’s possible to bring western tourists to this ski base for 1 day. There is a nice hotel nearby.</td>
<td>It’s a great ski base for ski touring / they have great deep snow. It’s possible to bring western tourists here for free ride.</td>
<td>TUK and other locally based tour companies send groups to this ski base but it’s not very popular.</td>
<td>TUK and other locally based tour companies send groups to ZIL Ski Resort</td>
<td>Some tour companies are creating tours to this ski resort. But it’s not big enough for western tourists.</td>
<td>TUK and other locally based tour companies send groups to this ski base but it’s not very popular.</td>
<td>TUK and other locally based tour companies send groups to this ski base but it’s not very popular.</td>
<td></td>
</tr>
<tr>
<td><strong>Transportation:</strong></td>
<td>In Kyrgyzstan, a person can use taxi sharing services from TUK or other tour companies like TUK in Bishkek. All the roads going to the ski bases are not drivable without a good 4x4 jeep. The roads are quite dangerous and covered in ice all winter long.</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
## ANNEX

### Review of ski bases and freeriding destinations

#### RESORT SKI BASES

<table>
<thead>
<tr>
<th>Ski Resort</th>
<th>20</th>
<th>403</th>
<th>100</th>
<th>135</th>
<th>Average</th>
<th>Distance from Bishkek</th>
<th>Slope length</th>
<th>Max altitude</th>
<th>Vertical drop</th>
<th>Lift ticket (adults)</th>
<th>Lift ticket (kids up to 12)</th>
<th>Gear rental</th>
</tr>
</thead>
<tbody>
<tr>
<td>'Chon-Tash'</td>
<td>1200</td>
<td>3500</td>
<td>2900</td>
<td>3000</td>
<td>2058.333333</td>
<td>73</td>
<td>2.058</td>
<td>2.438</td>
<td>597</td>
<td>845.4545555</td>
<td>504.5454545</td>
<td>756</td>
</tr>
<tr>
<td>'Karakol'</td>
<td>3.040</td>
<td>1.860</td>
<td>3000</td>
<td>597</td>
<td>2.058</td>
<td>2.438</td>
<td>2.058</td>
<td>2.438</td>
<td>597</td>
<td>845.4545555</td>
<td>504.5454545</td>
<td>756</td>
</tr>
<tr>
<td>'Orlovka'</td>
<td>740</td>
<td>590</td>
<td>1500</td>
<td>597</td>
<td>2.058</td>
<td>2.438</td>
<td>2.058</td>
<td>2.438</td>
<td>597</td>
<td>845.4545555</td>
<td>504.5454545</td>
<td>756</td>
</tr>
<tr>
<td>'Too-Ashuu'</td>
<td>1</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td>2.076923077</td>
<td>597</td>
<td>597</td>
<td>2.438</td>
<td>845</td>
<td>505</td>
<td>756</td>
<td>756</td>
</tr>
<tr>
<td>Average</td>
<td>1200</td>
<td>1000</td>
<td>800</td>
<td>845</td>
<td>504.5454545</td>
<td>845</td>
<td>504.5454545</td>
<td>845</td>
<td>756</td>
<td>756</td>
<td>756</td>
<td>756</td>
</tr>
</tbody>
</table>

- **Sauna, snowmobile tours, hotel, and skating rink**
- **Sauna, hotel, kebab grill**
- **Nice Guesthouses + ice skating rink**
- **TUK and other locally based tour companies send groups to Zil Ski Resort**
- **TUK and other locally based tour companies send groups to Zil Ski Resort**
- **TUK and other locally based tour companies send groups to Zil Ski Resort**
- **TUK and other locally based tour companies send groups to Zil Ski Resort**

**In Kyrgyzstan, a person can use taxi sharing services from TUK or other tour companies like TUK in Bishkek. All the roads going to the ski bases are not drivable without a good 4x4 jeep. The roads are quite dangerous and covered in ice all winter long.**
## Responsible Winter Tourism in Kyrgyzstan: Feasibility and market system analysis

### RESORT SKI BASES

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Small hotel</td>
<td>Small hotel</td>
<td>Small guest-house</td>
<td>Hotel</td>
<td>Small guest-house</td>
<td>Small hotel</td>
<td>Small guest-house</td>
<td>Small guest-house</td>
<td>Small guest-house</td>
<td>Small guest-house</td>
</tr>
</tbody>
</table>

### Food & Beverage / Café

<table>
<thead>
<tr>
<th>Small café / women selling food in the parking lot on the weekends.</th>
<th>Nice café that is heated</th>
<th>Small café / women selling food in the parking lot on the weekends.</th>
<th>Small café / women selling food in the parking lot on the weekends.</th>
<th>Small café / women selling food in the parking lot on the weekends.</th>
<th>Small café / women selling food in the parking lot on the weekends.</th>
</tr>
</thead>
<tbody>
<tr>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
</tr>
</tbody>
</table>

### Tourism Assets in Destination

<table>
<thead>
<tr>
<th>This needs to be developed further.</th>
<th>Lots of things to do at the ski base. It's the best ski base near Bishkek.</th>
<th>This needs to be developed further.</th>
<th>This needs to be developed further.</th>
<th>This needs to be developed further.</th>
<th>This needs to be developed further.</th>
<th>This needs to be developed further.</th>
</tr>
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<tbody>
<tr>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
</tr>
</tbody>
</table>

### Tourism Products

<table>
<thead>
<tr>
<th>This needs to be developed further.</th>
<th>They are offering good tour products during the summer and winter.</th>
<th>This needs to be developed further.</th>
<th>This needs to be developed further.</th>
<th>This needs to be developed further.</th>
<th>This needs to be developed further.</th>
<th>This needs to be developed further.</th>
</tr>
</thead>
<tbody>
<tr>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
</tr>
</tbody>
</table>
**RESORT SKI BASES**

<table>
<thead>
<tr>
<th>RESORT SKI BASES</th>
<th>Accommodation</th>
<th>Food &amp; Beverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chon-Tash’ Ski Resort</td>
<td>Hotel, hostel, b&amp;b and guesthouse</td>
<td>Small café / women selling food in the parking lot on the weekends.</td>
</tr>
<tr>
<td>‘Karakol’ Ski Resort</td>
<td>3 or 4 cafes that are really nice. The price is very high for Kyrgyzstan but it’s nice.</td>
<td>Nice café where you can get just about anything for a high price.</td>
</tr>
<tr>
<td>‘Orlovka’ Ski Resort</td>
<td>Small guest-house near by</td>
<td>Nice guesthouse / hotel</td>
</tr>
<tr>
<td>‘Too-Ashuu’ Ski Resort</td>
<td>This needs to be developed further.</td>
<td>This needs to be developed further.</td>
</tr>
<tr>
<td>‘Suusamyr’ Freeride Logde</td>
<td>There is a lot to do at the karakol ski base. They have events and it’s well done.</td>
<td>They are doing a good service in the area.</td>
</tr>
<tr>
<td>‘Zhyrgalan’ Freeride Center</td>
<td>This needs to be developed further.</td>
<td></td>
</tr>
<tr>
<td>Karakol Area</td>
<td>This needs to be developed further.</td>
<td></td>
</tr>
<tr>
<td>CBT Arslanbob</td>
<td>This needs to be developed further.</td>
<td></td>
</tr>
<tr>
<td>Chong-Kemin</td>
<td>This needs to be developed further.</td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td>This needs to be developed further.</td>
<td></td>
</tr>
</tbody>
</table>

**FREE RIDE POSSIBILITIES**

| Distance from Bishkek: | 158 | 462 | 404 | 580 | 112 | 343,2 |
| Max altitude:         | 3.850 | 3.264 | 3.500 | 2.876 | 2600 | 3.218 |
| Vertical drop:        | 800 | 900 | 1200 | 1000 | 975 |
| Lift ticket (adults): | 4080 | 5245 | 4565 | 4630 |
| Gear rental:          | 1360 |
| Additional services:  | Paragliding, quad-riding, tours | Sauna, horseback riding, national crafts workshops, fishing, and snowshoeing. |
The desk-research illustrated incomplete and weak service chains in the sense that several elements of the service chain for tourists are missing in the most relevant winter tourism destinations. The same can be said in regard to the variety of offers within the different types of services (e.g. gastronomy), which is enormously limited (reflected on the number of offers). The field visit confirmed this impression: only Karakol offers a broad range of different services: The following stakeholder-maps demonstrate clearly the incomplete service chains in a selection of destinations. This originates mainly from:

- The very young development of these tourism spots, but;
- Also by the not (yet) existing competition.

Within the classical skiing destinations this is based on two reasons:

- The ski-base owners in most cases do not allow other businesses to build up other offers and;
- The demand so far was not that intensive, so that there would have been enough pressure from the market side.

The latter most probably will change in the next couple of years when the number of skiers will raise and their service expectations and needs also grow. One must expect some difficult developments in several ski-base areas (e.g. Zil, Kashka-Suu and others), where it will be necessary to find solutions to intensify the service chains (e.g. land needs, legal aspects, and new relations between service providers).
Responsible Winter Tourism in Kyrgyzstan: Feasibility and market system analysis

**Zil**

- Skiers (Domestic/International)
- Sports Rental
- Local Population
- Local Municipality
- ZIL S-B Accommodation Services
- Ski Instructors

**Chunkurchak**

- Skiers (Domestic/International)
- Sports Rental
- Local Population
- Local Municipality
- CHUNKURCHAK S-B Accommodation Services
- Ski Instructors
- Supara II
- Hotels & Camps

**Orlovka**

- Skiers (Domestic/International)
- Sports Rental
- Local Population
- Local Municipality
- ORLOVKA S-B Accommodation Services
- Ski Instructors
- Local Hospital
Responsible Winter Tourism in Kyrgyzstan: Feasibility and market system analysis

**Chong-Kemin (ski touring)**

- Ski-Touring (Domestic)
- CHONG-KEMIN
- Ashu Guest House
- CBT
- Accomodation/ Guides

**Jyrgalan (ski touring)**

- USAID BGI
- Free Riders / Ski-Touring Tourist
- Domestic + International
- JYRGALAN