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Jonna Heikkilä

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ENTREPRENEURSHIP AND SUPPORT
OF LOCAL HANDICRAFTS
IN THE RURAL AZERBAIJAN
Project Mid-term Evaluation Report



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TUETTU ULKOMINISTERIÖN
KEHITYSYHTEISTYÖVAROIN

REPORTS FROM TURKU UNIVERSITY OF APPLIED SCIENCES 184

Turku University of Applied Sciences
Turku 2013

ISBN 978-952-216-456-8 (printed)

ISSN 1457-7925 (printed)

Printed by Suomen yliopistopaino – Juvenes Print Oy, Tampere 2013

ISBN 978-952-216-457-5 (pdf)

ISSN 1459-7764 (electronic)

Distribution: <http://loki.turkuamk.fi>



441 729
Print product

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FOREWORD

Development of Sustainable Entrepreneurship and Support of Local Handicrafts in Rural Azerbaijan is the first project in the Caucasus region by Turku University of Applied Sciences (TUAS). The project promotes rural development through inclusion of three different project areas with the benefits of increasing tourism industry in the country. Thus far, most of the tourists in Azerbaijan have been business travellers staying in the capital, Baku, but through the promotion of the local government the development of infrastructure in other big cities has been implemented. The economy of the former Soviet Union country, with a population of 9.4 million, relies on its vast oil and gas reserves; yet efforts have been made to diversify the main industries and tourism has been one area to receive promotion. However, smaller villages in rural areas are still excluded from this development. The project's goal is to create small-scale businesses in sustainable tourism with consideration for the environmental, cultural and social conditions of the areas, to attract tourists to the rural areas of Azerbaijan and furthermore to enhance women's position in society through the promotion of female entrepreneurship.

The project came to TUAS as a ready-made package in spring 2012 following an approach by Sustainable Future (Kestävä Tulevaisuus ry, KeTu). Their board was reformed soon after TUAS agreed to take over the project, which led to a situation in which none of the persons in the project management team had had any involvement in the project planning. Naturally, this represented a challenge to starting up the already postponed project activities. My first visit to the project country was conducted in June 2012. However, as there are three different project areas located at a distance from each other, it took the first year of the project for me to meet with the local project team and visit all of the project areas.

Despite these initial challenges, cooperation with the local partner has been smooth from the outset and communication, which I find the most important aspect in project work, has been constant and interactive. Additionally, whenever visiting Azerbaijan, I and those who accompanied me have always

been welcomed with great hospitality and warmth. This was the case for the evaluation team as well, whose observations during a one week trip in April 2013 to the project area of Lancaran are compiled here as the evaluation of the first year of the project. On behalf of the evaluation team, I would like to acknowledge our partners in Azerbaijan for their cooperation and assistance not only in the evaluation, but in project cooperation in general.

Turku, November 2013

Jonna Heikkilä

Project Manager

Turku University of Applied Sciences

I INTRODUCTION

I.1 BACKGROUND OF THE PROJECT

The project *Development of sustainable entrepreneurship and support of local handicrafts in rural Azerbaijan* is a joint effort between Turku University of Applied Sciences (TUAS), Sustainable Future (Kestävä Tulevaisuus ry, KeTu) and Ekoloji Tarazliq NGO (EKOT) as the local partner. The project is funded by the Ministry for Foreign Affairs of Finland (MFA), and it is implemented during years 2012–2014. The aim of the project is to address problems of poverty, gender and environment by means of developing sustainable entrepreneurship from an environmental point of view in rural Azerbaijan.

The project sets out to involve itself in rural communities' ecotourism and local entrepreneurship development by teaching skills in tourism guiding and increasing awareness and knowledge of the locals on country's historical and cultural heritage and their potential to increase income. Furthermore, project activities include ecotourism related business training, traditional handicraft training for rural youth and increasing administrative skills regarding the organisation of small scale businesses such as home-stay accommodation, local food and entertainment for national and foreign travellers.

The long-term objectives of the project have been stated as:

1. to contribute to the development of a national ecotourism policy and development strategy, on the basis of up-to-date international expertise that encompass the policies and interests of all stakeholders
2. to develop ecotourism approaches and business in rural areas of the country
3. to support poverty reduction and sustainable development of rural and remote areas of Azerbaijan
4. to establish Ecological Tourism Centres in project target regions and provide eco-tour services to local and international travellers

5. to strengthen environmental protection and nature conservation matters by means of ecotourism development
6. to develop a teaching programme and training materials tailored to different groups of stakeholders from top management to local communities.

1.2 BACKGROUND AND METHODS OF THE EVALUATION

In order to evaluate the first year of the project, it was decided to implement a semi-internal evaluation in the beginning of 2013. The evaluation team consisted of Ms. Kaisa Merilahti, Accountant for KeTu; Mr. Juha Kääriä, RDI Manager of the Faculty of Technology, Environment and Business at TUAS; and Mrs. Sirpa Halonen, Manager of the Degree Programme of Sustainable Development at TUAS. The team was joined by a freelance reporter Mr. Lassi Lähtenmäki and by Mr. Janne Aitta, who had been working in Azerbaijan in another development cooperation project funded by the Ministry for Foreign Affairs of Finland for two years. Additionally, the Project Manager Mrs. Jonna Heikkilä accompanied the team during the evaluation trip, which was conducted from 15th to 23rd April 2013.

The mid-term evaluation was agreed to act as a developing assessment, which would support the project implementation in conducting the other half of the project period. The approach of the evaluation team was, as an outsider to the project, to assess the project plan, its objectives and anticipated results and to compare those to the activities implemented as well as the content and the results of the project so far. None of the members of the evaluation team had been involved in planning or writing the project plan being evaluated nor had they visited Azerbaijan before. While this represented a challenge for the team in terms of orientation, it also gave them the opportunity to assess the project as external evaluators.

Due to the short amount of time scheduled for the evaluation along with the remote distances between the project areas, the scope was limited to two project areas: Astara-Lancaran in the Southern Azerbaijan and Qala in the Apsheron peninsula (Image 1). The two chosen project areas were used as a basis for understanding the project environment and activities, while focus was more on the technical aspects of the project such as project planning, project management and the coherence between project objectives and activities.

Based on the evaluation team's diverse experience and observations, it was hoped that the project personnel would receive suggestions especially on the efficacy and efficiency of the project.



IMAGE 1. *The project evaluation was conducted in the Lancaran-Astara region and in the Apsheron peninsula, while the third project area is in Sheki-Gabala. (Source: The World Factbook).*

Lancaran is located in the south-east of the country consisting of plains and some hilly parts to the south. The famous Hirkan National Park with its rich flora and fauna are the rich natural museums of Lancaran. The region's population numbers approximately 213 000 people while around 52 000 people live in the city of Lancaran. The main fields of employment in the region are agriculture, cattle breeding, fishing, silkworm breeding and bee-keeping. Additionally, many kinds of traditional folk art – jewellery, carpet making, and matting weaving – have been developed in many villages around Lancaran region.

Qala is a village of approximately 2800 people and located in the Apsheron peninsula 45 kilometres from the capital, Baku. Qala is the oldest residential settlement of the Apsheron peninsula with remains dating back to the 16th century. The project village identified as old Qala is an area with a strong sense of traditional and religious values and a more traditional way of life. Sheep-breeding and handicrafts have been the two major livelihoods for residents of Qala.

The evaluation team stayed in Azerbaijan for seven days in April 2013 to study the field, and to meet and discuss with the partners, stakeholders and beneficiaries of the project. The Terms of Reference with the team's planned programme are attached (Appendix 1). The methods used for the evaluation included reading project material, observations, guided discussions and interviews with project partners and stakeholders. The main findings from the interviews are presented in Chapter 3. SWOT (Strengths, Weaknesses, Opportunities and Threats) analyses were requested after the trip from the Project Manager, local Project Coordinator, regional Coordinators and the two students of TUAS doing their practical training for the project at the time in order to assess the evaluation report. The SWOT analyses can be found in Appendix 2.

The specific evaluation questions identified for the evaluation were:

Project objectives vs. project activities

- Has the project implementation been in line with the project plan?
- Have the planned project activities been implemented?
- Has the project reached its target groups named in the project plan?
- Is the educational content/material in line with the project objectives?
- What are the identified and anticipated project results and impacts after the project ends? Are these in line with the project implementation?
- How does the evaluation team see the sustainability of the project?

Reporting and communication

- Project reporting procedures? Who reports, who translates, when and who have access to the project reports?
- How is the reporting of the local coordinators organised?
- What kind of communication is there between project stakeholders?

In the Appendix 3, the long-term and immediate objectives of the project together with the activities for the first two years are assessed and compared with the targets of the evaluation.

2 PROJECT ORGANISATION

The project *Development of sustainable entrepreneurship and support of local handicrafts in rural Azerbaijan* is funded by the Ministry for Foreign Affairs of Finland (MFA). The funding has been granted to Sustainable Future (KeTu), which acts as the main Finnish partner in the project. The local partner is Ekoloji Tarazliq NGO (EKOT), which is based in Baku. The project is implemented in cooperation with Turku University of Applied Sciences (TUAS), Finland. The key stakeholders of the project are the Ministry of Tourism and Culture of Azerbaijan and the Tourism Institute located in the capital, Baku.

KeTu is responsible for the overall management of the project, management of the funding, and reporting to the MFA. EKOT is the local partner, and the main implementer of the project. EKOT is in charge of local coordination, managing project funds and bookkeeping as well as auditing the project account. The funds for the project are channelled through EKOT, which is in charge of project funds at local level and takes care of bookkeeping and project reporting to Finland.

Mrs. Aytan Poladova coordinates the project in Azerbaijan. Project employees under EKOT include Vefa Maxmudova, the project assistant, who assists in the overall project administration, maintains contact with the regional coordinators and deals with organisational matters (such as translation of material and working with the students in the field) and Adelya Seyidova, the accountant in charge of bookkeeping and the project accounts. Additionally, each of the five project regions has a local coordinator who is in charge of project activities there and reports to the project coordinator in Baku:

Sheki region / village of Kish: Ms. Adelya Aliheydarova (Mr. Nasib Imamaliyev since February 2013)

- Astara region / village of Kokolos: Mr. Afgan Shafiyev (Mr. Shadoqlan Bayramov since April 2013)
- Lancaran region / villages of Rvo and Xanbulan: Mr. Vamiq Babayev

- Gabala / village of Vandam: Mr. Qalib Nabiyeu
- Apsheron peninsula/ village of Qala: Ms. Suleymanova Gulgiz

External experts, such as trainers of organised workshops, are employed by EKOT based on need. The experts used in 2012 and 2013 by the time of the evaluation were a gender expert, Ms. Suleymanova Gulgiz, ecotourism and business expert, Mr. Usupov Gahraman, and tour guide expert Ms. Aida Bayramova.

TUAS is the executing partner of the project. TUAS was approached in March 2012 by the then Chairperson of KeTu and the Programme Manager of Environmental Technology in TAMK Eeva-Liisa Viskari concerning the take-over of the project by TUAS from TAMK. It was agreed that Mrs. Jonna Heikkilä would act as the Project Manager for the project. Prior to the evaluation trip, Mrs. Heikkilä had visited Azerbaijan and met the project contacts twice in 2012.

TUAS organises student trainees for the project working as part of their obligatory practical training. In summer 2012, Ms. Mirjami Kuoppala from the Degree Programme in Environmental Engineering in TAMK stayed in Azerbaijan for a one month period. At the time of the evaluation trip, Ms. Suvi Järvenpää and Ms. Eevi Ollikainen from the Department of Sustainable Development of TUAS were in Azerbaijan doing their three month practical training placement. In addition, two more students travelled for project work later in 2013. The students' participation supports the project organisation in Azerbaijan, and they do valuable monitoring and reporting for the Project Manager in Finland.

3 ACTIVITIES OF THE PROJECT

3.1 ESTABLISHMENT OF PARTNERSHIP RELATIONSHIPS

3.1.1 The Tourism Institute

The Tourism Institute was established in 2006 to meet the needs and services of the increasing number of tourists in the country. In 2000, there were approximately 600 000 tourists while in 2012 the number was already 2.4 million. The yearly increase has been 10% although most of the visitors are business travellers with just 20% being holiday tourists. Even though mass tourism does not yet exist in Azerbaijan, approximately 10 000 employees work in the tourism industry and 50 new hotels are under construction. The need for vocational training is current and there are plans for five new vocational schools in tourism.

The Tourism Institute is an important cooperation partner, with whom establishing and maintaining a relationship is acknowledged in project activities (Appendix 3, Activities 2). The evaluation team met with the Rector Mr. Cafar Cafarov, Vice-Rector Mr. Eldar Aslanov and Head of International Relations, Mrs. Shahla Ahmadova.

During the meeting, the need for professionals in tourism and development of the information centres in the rural areas was raised. The potential of rural tourism, ecotourism, socially responsible tourism and the bed & breakfast-type of accommodation was acknowledged by the interviewees.

Currently, the project is cooperating with the Tourism Institute by using some of its teachers as facilitators for workshops organised under the project. Additionally, students act as trainees e.g. in the Tourist Information Centre in Lancaran, which is another important partner to the project.

3.1.2 The Ministry of Tourism and Culture

At the Ministry of Tourism and Culture, a meeting was organised with Mr. Mahir Gahramanov, the Head of Internal Tourism Development (Picture 1). The Ministry is another important project partner, with whom establishing and maintaining a relationship is also acknowledged in project activities (Appendix 3, Activities 2).



PICTURE 1. *Meeting at the Ministry of Tourism and Culture.*
(Picture Sirpa Halonen)

The Ministry acknowledges the rural tourism in its Tourism Development Strategy, and bases its support for the project according to it. The Ministry partly funds the Tourist Information Centres in the project regions, which are also important partners for the project. Five Centres were established in 2005 through the cooperation of the United Nations Development Programme (UNDP) and the government. For now, the Ministry is supporting the Centres due to their lacking links with companies, insufficient sales of products and scarce fundraising of its own, but in the future they are expected to operate on their own. There are 514 hotels and 218 travel agencies in Azerbaijan – however tourism is mainly focused on the bigger cities in the country.

During the meeting, the importance of local people being able to sell their products was expressed and particularly having “green products” for sale. There is a need for support from NGOs to entrepreneurs in order to build the

capacity of locals and to listen to the youth and the communities themselves. Additionally, the concern for obtaining resources and motivation to develop products and services when income is hard to obtain during the short tourist season was expressed. There is the annual International Tourism Exhibition organised where different regions and countries are represented, and both international and national organisations participate.

While Azerbaijan has opportunities for bird watching, hiking and attractions for tourists such as the mud volcanoes (800 altogether, 50% in Azerbaijan), there are issues challenging the tourism industry as well. The challenges identified by the Head of Internal Tourism Development were insufficient infrastructure, lack of commercialisation and promotion of tourism services and work. Also a need was expressed for greater cooperation between stakeholders within the tourism industry. When asked about the bureaucratic and long visa procedure for tourists, the interviewee advised the team about the electronic visa application system, which has been available since 15 March 2013.

3.1.3 Meeting with the Local Coordinator of Lancaran, Mr.Vamiq Babayev

Mr. Babayev is the Head of Shafak Ecotourism Public Union, which was registered in 2005. The organisation has a wealth of experience and has run more than 12 projects. The themes have included development of rural tourism and training in entrepreneurship skills. For example in 2010, Shafak implemented a project funded by the NGO Alliance, which educated 20 local municipalities of six regions on the development of ecotourism skills in mountain areas and on how to gain income from rural tourism. Another project provided training on ecotourism for households, and the latest one focused on tour guiding. For this project, Mr. Babayev was recommended by the Ministry of Tourism and Culture.

According to the Head of Shafak Ecotourism Public Union, the handicraft makers need more support with exemplary activities of running businesses and market training in their villages, sharing experiences of the businesses in Finland and organising repairs for their galleries. According to him, people do not know how to organise the sale of their products and how to increase their markets. During the next five years, the Head of Shafak Ecotourism Public Union sees the development of the tourism industry through an increase hotel

business while NGOs develop rural tourism. The interviewee works together with Mr. Akhundov of the Tourist Information Centre in Lancaran, one of their projects is to upgrade websites. During 2012, the Head of Shafak Ecotourism Public Union was contacted by 200 tourists who had visited Lancaran before and had returned. Of the 200, approximately half were accommodated in local home-stays.

3.2 ESTABLISHMENT OF TOURIST INFORMATION CENTRES

3.2.1 Visiting the Tourist Information Centre in Lancaran

The evaluation team visited the Tourist Information Centre in Lancaran, which is currently operating under the Ministry of Tourism and Culture. The Centre has three employees, and during the visit two students from the Tourism Institute were doing their practical training (3–5 months) at the Centre. The Tourist Information Centre was represented by Mr. Samir Akhundov, who is the Head of Tourism Department in Lancaran functioning under the Ministry. The Tourist Information Centre is an important cooperation partner for the project in the Lancaran region (Appendix 3, Activities 12, 14).

The Tourist Information Centre is located seven kilometres from the centre of Lancaran by the main road passing the city exit. The Centre was established in 2007 along with other Centres in Guba, Sheki and Gänjä during the UNDP programme. It was opened to the public in 2011. The Centre has its own budget from the Ministry for the employees' salaries, rent of the facility and other administrative requirements. The support does not include materials and development of the its operations. In May 2013, the Centre was expecting to have its business licence granted after which they would be able to sell their services and become more independent financially.

Lancaran has approximately 17 000 tourists during the summer months, mostly made up of tourists from other regions of Azerbaijan. The Tourist Information Centre is open every day during the summer and it is visited by around 1000 tourists during the two-month-long tourist season. The Centre has its own webpage (<http://lankaranturizm.com>), which is being translated into English. Lancaran was said to have wide appeal for tourists due to its mountainous scenery and hot springs, with activities such as hiking, horse riding, camping, fishing and bird watching.

The challenges set out by the Head of Tourism Department in Lancaran for the tourism business of Lancaran include the lack of maps of the area and brochures of services and sights, which could be provided to tourists. Some of the hotels in the area are promoted by the Centre, which has raised the possibility of receiving commission for marketing their accommodation.

The team visited also the Resource Centre of the Tourist Information Centre. It is located in the city of Lancaran, and it is used as a workplace for TIC employees, but there are also plans to use it as a facility for meetings and conferences. At the time of the visit a Peace Corp Volunteer from the United States and the Finnish students from TUAS were using the Resource Centre as a work base. There is also the possibility of using the site as an internet café promoted by the Tourist Information Centre; this idea was put forward by the evaluation team in order to gain income for the Centre. The Head of Tourism Department in Lancaran expressed his wish to open a Souvenir Centre as well, which would enable local people to market and sell their handicraft products to tourists.

In the interviewee's opinion, the development of rural tourism should target the internal tourists before focusing on the international tourism. According to him, the current issues in the tourism industry relate to a lack of marketing material and to the tourism and service culture of Azerbaijan, which is still developing. Additionally, one of the strengths of Lancaran is its proximity to the Caspian Sea, yet beach barriers have been constructed in order to prevent erosion which makes access to the sea difficult for tourists. At the time of the visit, an assessment of the needs of the area was planned to begin during interviews that were to be conducted with hotels, people providing home-based accommodation and handicraft producers.

3.3 ORGANISATION OF COMMUNITY TRAINING

The evaluation team had the opportunity to participate in a training organised by the project in the Lancaran region (Appendix 3, Activities 6). The training's topic was "Workshop on Tour Guiding". The workshop observed by the evaluation team was considered well-facilitated, interesting and beneficial to all. It encouraged and challenged participants to develop their own ideas and ways of thinking while the participatory teaching method of the trainer was appreciated. The number of participants could have been a bit bigger

with more members from the project's target groups. The backgrounds of the attendees and reasons for partaking in the training event were left unclear. Additionally, the low number of participants could have been utilised with more individual planning of an action plan after the training, which could have promoted the results and impact of the training.

3.4 TRAVELLING TO REMOTE VILLAGES AND ASSESSMENT OF ECOTOURISM POSSIBILITIES

The assessment of project regions and selection of six villages as target villages has been listed as an activity in the project plan. Furthermore, the evaluation of ecotourism possibilities in the project villages was included as well.

The evaluation team had the opportunity to visit some of the attractions in the Lancaran-Astara region. Here is a summary of the sights visited and the team's views of them. The sights were observed with regard to their potential as tourist attractions and with the knowledge that the project has very little opportunity to impact their use and development.

3.4.1 Circular Tower of Lancaran

The Circular Tower built in the Middle Ages has been used as a prison and more recently Stalin was kept there. The tower appeals to tourists, not only due to its history but also from an architectural perspective. After some reconstruction work, the premises have a lot of potential and a variety of possibilities such as a restaurant or a location for selling of handicrafts. Maintenance of the tower could be supported by collecting entrance fees of the visiting tourists. For now, the Tower is opened for tourists by a local volunteer and permission to develop the premises has not been granted yet (Picture 2.).



PICTURE 2. *Circular Tower in Lancaran. (Picture Kaisa Merilahti)*

3.4.2 Historical Museum and Lancaran Bazaar

The Historical Museum of Lancaran was thought to be an attraction of cultural historical value to tourists. It is in a good location in the centre of Lancaran and has potential to develop activities related to tourism further in the building. The history of Azerbaijan was found to be interesting, although there were rather many items in the museum. The department of natural history was found to be quite separate from the other sections of the museums and rather narrow on content. Yet, the exhibits were good and the museum will improve through the renovation planned for the near future. The evaluation team observed it mostly as western tourists and with the understanding that the project cannot directly affect the facility or the operations of the museum.

The Lancaran Bazaar is a vast and diverse bazaar, a showcase for local trade with a variety of products. The merchants organised a spontaneous performance for the team (Picture 3.). According to the members of the evaluation team, foreign tourists would most certainly find the bazaar interesting and worth a visit.



PICTURE 3. *Istisu in Masalli. (Picture Kaisa Merilabti)*

3.4.3 Lake Hirkan, the Dam, the Waterfalls and the Hot Springs (Istisu)

Lake Hirkan, the dam in Lancaran and the waterfalls in Astara are all natural sights with potential for further development and use as tourist attractions. Close to Lake Hirkan, an older couple has served tea for many years, which provides an attractive background story for a tea break along with the beautiful nature. Guided tours could be organised around the lake as well.

Ruins of a historical fortress are located close to the dam, which the team visited. Due to rain the ruins were inaccessible, but still the place was seen as a beautiful sight where sheep are grazing and where iron trees, which are only found in the Lancaran-Astara region, can be found. A cafeteria or a place for having local tea was also proposed by the evaluation team.

The waterfalls in Ismaili are an already developed attraction, ready for tourists. There is a restaurant serving food although further marketing with recognisable signs would be required.

Istisu means “hot water” in Azeri, and is used for recreational purposes. The evaluation team visited an istisu located one hour away from Lancaran in the Ismaili region (Picture 4.). The hot water from natural springs is

channelled into a bathhouse where people can take a bath in separated rooms either individually or within groups of same gender. The facilities had several possibilities for accommodation and massages as well as a restaurant. The istisu clearly means a lot to the local people and with an organised service structure and maintenance it has potential as an international tourist attraction as well.



PICTURE 4. *Merchants of Lancaran Bazaar organised a spontaneous performance.*
(Picture Sirpa Halonen)

3.4.4 Visit to the Eternal Fire (flaming land near Baku)

The Eternal Fire was an interesting natural phenomenon from a tourist perspective (Picture 5.). It is situated in an area where onshore pumping for oil is abundant, increasing the interest for tourists further. Its close proximity to Baku facilitates planning of a morning or afternoon visit to the location.



PICTURE 5. *Visiting the Eternal Fire in Mahamadli. (Picture Juha Kääriä)*

3.4.5 Qala Museum Complex

The Qala Museum Complex located in the Apsheron peninsula was found to be a well-organised area that is able to manage large numbers of tourists. The museum provided English-speaking guides and practical activities such as tending animals. Food and refreshments should be considered while the accessibility of the area was also unclear to the evaluation team.

3.5 STRENGTHENING OF WOMEN'S INVOLVEMENT AND EMPOWERMENT IN THE ORGANISATION OF SMALL ECOTOURISM BUSINESSES

3.5.1 Visits to home-based accommodation

The evaluation team visited two different home-based accommodation providers. The first trip was made to a house in one of the project villages, Xanbulan in Lancaran region, with three different apartments available for rent. The house was located next to a shop and had a very appealing location and environment. The owner's family lived next door, so breakfast and lunch were also available at extra cost.

Another house that was visited in Rvo and also in Lancaran region had rooms available for rent. The landlady lives with her family in the same house and also makes handicrafts. Due to the insufficient market, she has been selling her products to relatives and neighbours for now.

Both of the houses were found to be appealing with unique characteristics, friendly owners and low prices. Finding the locations is rather difficult and is usually done through word of mouth. Marketing home-based accommodation is inconsistent and insufficient especially when considering tourists from abroad.

3.5.2 Old Qala – visit to the Local Coordinator's home

The Gender Expert and the Local Coordinator of Qala, Ms. Gulya Suleymanova, invited the team to her home for lunch during which project activities were discussed despite some language barriers (Picture 6.). In Old Qala, where she lives, the woman's role is to stay at home and take care of the household. Schooling may even be forbidden for girls in the most devout religious families. The Gender Expert has organised meetings for young people and women during which handicrafts are made and gender issues are discussed. To begin with, participation on the part of girls and women was very low, but after she organised meetings with the elders of the village, their participation has been permitted and hence increased.



PICTURE 6. *The evaluation team was invited into the home of the Local Coordinator in Qala. (Picture Juha Kääriä)*

3.5.3 Visiting the Kokolos Cultural Centre

In the Kokolos Cultural Centre in Astara region, the team was greeted with an overwhelming welcoming ceremony. The organised event included the presentation of local handicrafts and a traditional dance by youth groups (Pictures 7. & 8.). Additionally, the museum with a vast collection of historical items was presented to the team by the head of the Centre, Mrs. Fabriyya Huseynova. The Centre acts as facility for passing on traditional cultural skills for the youth of the region (Appendix 3, Activities 8). The forms of support provided by the project to the Centre were left unclear.



PICTURE 7. *Local youth group presenting a traditional dance at the Kokolos Cultural Center. (Picture Kaisa Merilahti)*



PICTURE 8. *Youth of Kokolos making local handicrafts. (Picture Sirpa Halonen)*

4 FINDINGS

4.1 PROJECT ACTIVITIES IN RELATION TO PROJECT OBJECTIVES

The project plan includes plenty of immediate objectives. Some of the objectives are expressed on a general level, such as the empowerment of women, while some are more clearly detailed, such as the development of training material, provision of education and the establishment of ecotourism centres. Several activities are listed in order to achieve the objectives. Due to the delayed start of the project in 2012 and a need for certain kinds of activities during the implementation, some project activities were shifted to be implemented later on. In general, the link between the activities and immediate objectives was recognisable. The assessment would be easier if a clear connection between the objectives and activities had been constructed in the beginning.

Named objectives in the project plan are not expressed in a measurable form, thus making the evaluation of their achievement difficult. Defining measurable objectives (quantitative and qualitative) would concretise the operations of the project, improve mutual understanding between project parties and ease monitoring, assessment and reporting to the MFA.

While observing the activities in the field, it became evident that none of the operations of the project exist in a vacuum, and they support other third sector and other stakeholders in the field who are acting towards similar goals. When functioning in such a way, the ability to network, manage connections and maintain cooperation relationships is essential. These actions seemed to function well, and project staff appeared motivated and demonstrated a positive relationship with project work. Enthusiasm and focus on the same goals was also seen among cooperating parties.

4.2 REPORTING AND COMMUNICATION

The reports, which were named as activities in the project plan, have been carried out. However, the reports are in a narrative form and an accurate picture of the materialisation of the objectives regarding the activities implemented (e.g. participant data, information on impact) is difficult to ascertain. The reports should be compiled right after the organised event, which would enable clear recollection of the event. This task could be included in the job description of the facilitator, local coordinator or another party in charge of the activity.

The working culture in Azerbaijan is rather different to that in Finland. A lot of the communication is done over the phone, which challenges monitoring and reporting due to a lack of documents. Worksheets of the staff were lacking. The hours and tasks done for the project should be collected on a monthly basis and submitted to the Project Coordinator in Azerbaijan and the Project Manager in Finland. This is especially emphasised in a project with remote project areas and hence challenges in frequent monitoring. Also minutes of all relevant meetings with the stakeholders should be written up, translated into English and submitted to the project management.

Communication between project regions needs to be strong and regular due to long distances. Especially with Finnish students working in the project regions, who do not speak Azeri or Russian, close contact is required for effective work, coordination of their tasks and for any other general support required.

4.3 THE EVALUATION GROUP'S SWOT ANALYSIS

The evaluation group asked different stakeholders of the project to give their view in the form of a SWOT analysis. This was done after the evaluation trip, and a mutual SWOT analysis was compiled by the local partners in Azerbaijan. Contributions were gathered from the local Project Coordinator, regional Coordinator of Lancaran, Gender expert and the coordinator of Qala and the Director of the Tourist Information Centre in Lancaran. The Finnish students, Project Manager and the representative of KeTu also compiled their own SWOT analyses.

Despite different phrasing, rather similar views can be observed from the SWOT analyses. The strengths of the project were the motivated and skilled project workers in Azerbaijan, in particular. Additionally, the supportive network of stakeholders in the country, the current project theme and the supportive local conditions for it were acknowledged as strengths.

The most common weaknesses in the project were remote locations of the project areas and low attendance of one main target group – women – in project activities. Since the local coordinator is based in Baku far from the project regions where the Finnish students work, efficiency of field work is decreased when all decision-making is done through the coordinator. Also the remote location challenges the coordinator in monitoring the project activities. The language barrier between the Finnish students is raised as one weakness, which is accentuated by another factor cited – the location of project management in Baku. Also the project plan and reporting practices have been identified as weaknesses of the project. The project plan is said to be somewhat unclear and incoherent, and the roles and responsibilities of the project workers and partners in relation to the project are not clarified. Reporting practices from project meetings and organised events, such as project workshops, are not documented, which challenges the project management in keeping up to date on the project progress. Also the lack of funding, undeveloped tourism and ecotourism sector are seen as weaknesses due to which material is lacking, websites are unfinished and contact persons are unnamed.

According to the respondents, the opportunities are diverse and plentiful. The content of the project is appreciated as an opportunity to attract tourists, gain income for locals, establish concrete outcomes such as ecotours and handicraft centres, and promote the environment and the cuisine of the rural Azerbaijan in order to achieve the expected outcome of the project implementation. The relationships and networks between local project target groups, partners and stakeholders as well as with the partners in Finland are seen as an opportunity. Also the students having the opportunity to do their practical training for the project and thus gain valuable hands-on experience for the future is seen as another benefit. On the other hand, the students are seen as an opportunity for the project itself and in promoting its implementation. The project theme is current and supported by the local government.

Several threats were identified as well. Political, social or sudden climate-related change might affect project implementation if these were to occur. Lacking project funding and government contributions or support from regional administrations would also create a threat to the project. The bureaucracy of the country, promotion of mass and business tourism instead of ecotourism and difficult visa procedures for tourists were seen as a threat the project as well. Attitudes and policies towards the handicraft producers and women were mentioned as possible threats. Finally, project sustainability and different working cultures between Azerbaijan and Finland in terms of expected and sufficient outcomes and impacts of the project were also identified as threats.

5 SUMMARY AND SUGGESTIONS FROM THE EVALUATION TEAM

The evaluation was conducted during a short visit to Azerbaijan and based on the two project areas visited. Since the ready-made project came to TUAS in late spring 2012, the material produced was limited and the knowledge of the country, culture and project theme in relation to the local conditions were still in their developing stages for the Finnish organisation. Nevertheless, the lack of awareness enabled evaluation from an external point of view without preconceived expectations of the country or the project itself.

While in Azerbaijan, the team was welcomed with the greatest hospitality everywhere they went. The team met motivated and enthusiastic project workers, who not only provided the project with their skills and knowledge but their personality. Work and leisure seem to be intertwined in the Azeri culture, which also made the evaluation challenging. The team found it difficult to distinguish clearly the activities which are implemented under the project and the activities which would be done anyway. Hence the question arises, what is the impact of the project in those already existing structures and the added value in their operations? One such example is the Kokolos Cultural Centre, where young people are taught traditional dancing and handicrafts. The project supports the Centre, but whether the youth clubs would be operational or some activities non-existent without it was unclear.

The project was appreciated by the Ministry of Tourism and Culture and by the Tourism Institute. The importance of this can also be seen in the SWOT analyses, where the project network and supportive, enabling connections are emphasised in terms of successful project implementation. The project theme is current and supports the local government's development strategy of promoting the tourism industry. Students of the Tourism Institute and TUAS provide valuable input to the project work in the field. During the evaluation, students from both institutions worked with the Tourist Information Centre of Lancaran. The Centre is working under the Ministry of Tourism and

Culture and is an important stakeholder of the project. Yet in the project plan, the establishment of Tourist Information Centres is identified as one of the immediate objectives, while current work is in cooperation with the Tourist Information Centre without clear reference on the division of tasks and responsibilities. This raises the issue of whether the Centre's operations should be included in the evaluation – this was unclear to the evaluation team. The obscure objectives can be seen in the SWOT as well, insofar as the students of TUAS were not sure who they are working for and whether the Tourist Information Centre's objectives are the same as the project's.

On the whole, the implementation of the project objectives gave the impression that all of the persons who were met during the evaluation had a similar vision of the objectives to be progressed. Tourism was seen important for the development of the country and channelling it into ecotourism came up clearly as well. Cultural traditions, handicraft skills, the cuisine and historical values were appreciated and the significance of natural attractions was raised. Small-scale entrepreneurship was seen as an essential part of providing tourism services. The friendly and open attitude towards visitors is a great advantage. Entrepreneurship seemed to be a familiar concept to the people in rural areas – typically they were selling bread, vegetables, meat and fish.

Interests and needs of tourists can be divided significantly in a destination of this type. For tourists coming from a distance, the way of life of the locals can be exotic creating value and attraction in itself. For tourists from nearby locations the experience might be so similar to their own livelihood and thus they might look for different kinds of experiences. Hence, development efforts of destinations should not be put into same plans or initiatives.

Communication between the Finnish and the local project management seems regular and smooth. Even though a language barrier exists between the Project Manager and the regional coordinators, organisational cooperation has been functioning well. Working practices seem to have been developing during the project implementation, while some reporting practices should be improved. Reports of the organised project events, worksheets from the project workers and proper bookkeeping and financial reporting with English translations have been insufficient. Nevertheless, the partner organisation has been very willing to develop its organisational operations and all the aforementioned reporting practices have been discussed and agreed with the local partner.

The project plan was one of the evaluated documents in relation to the activities being implemented. In the SWOT analyses, the plan was considered to be incoherent and unclear in some of the defined objectives and activities. The relationship between the activities and the project aims does not seem very clear; thus the justification of the planned activities in reaching the objectives of the project should be set out more clearly. Use of a logical framework matrix, LFM, and setting quantitative and qualitative indicators for the project is recommended to enhance coherence and clarity. At the time of the evaluation report, the LFM and the updated project plan with specific indicators was submitted to the Ministry for Foreign Affairs of Finland.

Propositions of the evaluation group

- The project regions seem to have strong potential for tourism development. Nevertheless, access to local services is difficult for foreign tourists due to an absence of marketing, insufficient information channels and unorganised structure of the local networks. Producing marketing material on local home-stays, handicraft makers and other entrepreneurs could be developed and disseminated through the Tourist Information Centres in different regions and in Baku, hotels and restaurants, and through websites and the social media, when suitable.
- Reaching the project target groups needs to be emphasised. When the number of participants in workshops is lower, more individual plans for a way forward based on their backgrounds and interests could be included. In each training session, it is recommended that there is clear implementation and result-oriented planning, which takes into consideration the characteristics of the location, the target group and the theme of the training organised.
- Participation of the project's target group, women, was said to be low in project activities. Also the attitudes towards the working women and the low appreciation towards the handicraft business in general came up during the evaluation. A clear strategy regarding how to increase the participation of women in order to promote the objective of improving the livelihoods and inclusion of women in rural business is recommended.

- Although the project deals with promoting tourism in rural Azerbaijan, the evaluation team was unclear whether the project is targeting national tourists, tourists from neighbouring states or western tourists. All three target groups have somewhat different needs and desires. It is recommended that a decision on the target group is clearly made, and the tourism strategy designed accordingly.
- Although the project clearly has a strong network with local NGOs and municipalities of the same field in the project region, where the project adds value in some of its activities is vague. Instead of establishing new structures, the project seems to be supporting stakeholders and actors who are working in the same direction. This is appreciated by the evaluation team as a supportive synergy between different actors – yet the roles, responsibilities and project tasks should be clarified. This would promote more efficient field work, and increase efficiency and facilitate the assessment of the project outcomes at the end of the project implementation.
- The duties and responsibilities of every actor in the project should be clearly defined and described in written form. These definitions should be drawn up in negotiations between the Finnish and Azeri coordinators and the actors (workers) who report to them.
- Project workers' activity reporting should be developed to better serve the sustainability and development needs of the project. Their routine reporting should include, in connection of training or other project activities: date and place, what kind of event, the topic covered, number of participants (or people involved) and gender of participants.
- Project planning and management meetings are important as they ensure the team members to have a common approach to the implementation process. Mutual meetings between regional coordinators and the project management team in Baku should be more frequent. Meeting minutes of all project meetings should be written up and shared with all project stakeholders in relevant languages. When in the country, students should be included in the meetings and advised clearly on their tasks and responsibilities to different project stakeholders.

- It is recommended that the project plan is reviewed and the logical framework matrix with qualitative and quantitative indicators is identified. (By the time of the reporting, the LFM and indicators have been submitted to the Ministry.)
- Bookkeeping and financial reporting with scanned receipts of actual costs with English translations should be made part of regular administration practice.

APPENDICES

APPENDIX I.

Developing Sustainable Entrepreneurship and Promoting Local Handicrafts in Rural Azerbaijan (2012–14)

Terms of Reference for the Mid-term Evaluation

1. Sharing background knowledge and providing the rationale for the evaluation.

During the past decade, the government of Azerbaijan has put strong emphasis on promoting tourism in the country. Similarly with the extensive oil reserves, which the country's economic development is based on, tourism has so far benefitted only Baku and the biggest cities in the country. Rural areas are facing the challenges of poverty, unemployment and out-of-area migration. The purpose of the project is to promote the involvement of the project communities in tourism and thus develop sustainable entrepreneurship considering rural environment, history and culture.

The project is implemented in cooperation between Sustainable Future NGO, Turku University of Applied Sciences and Ekoloji Tarazliq NGO (EKOT) as the local partner. After the launch in 2012, seven project villages were chosen from three different areas: Qala in the Apsheron peninsula, where the capital Baku is located, Kish and Vandam in the mountainous Sheki-Qabala area in the Western Azerbaijan and Rvo, Kokolos, Xanbulan and Pensara in the verdant Lankaran-Astara area in the south. During the first year, the project focused on forming good co-operation networks with the local officials, the educational institutions of tourism and non-governmental organisations. Additionally, educational sessions have been organised on rural entrepreneurship, sustainable tourism and gender issues in each of the project communities together with the University of Azerbaijan.

Project Areas

The Aspheron peninsula consists of the metropolis area around the capital, Baku. The project community **Qala** was built in the Middle Ages and is located in the middle of the peninsula in eastern Azerbaijan. This very traditional and religious community attracts tourists due to the nearby location of Baku and because of its architecture and archaeological monuments.

Sheki-Gabala is one of the oldest market areas of Azerbaijan. It is located in the mountainous area in western Azerbaijan and is also well known for its location along the ancient Silk Road. The project community in Sheki is **Kish** and in Gabala the community is **Vandam**.

The Lankaran-Astara project area is located in the south near the Iranian border and on the coast of Caspian Sea. This area is well-known for its subtropical climate and of its natural beauty. It's a very popular holiday destination especially among tourists coming from Iran. In Lankaran, the project communities are **Rvo** and **Xanbulan** and in **Astara**, the communities are **Pensara** and **Kokolos**.

The evaluation focuses on the Lankaran-Astara region and the Apsheron peninsula (community of Qala).

Project goals

The goal of the project is to develop entrepreneurship in rural areas by taking the environmental and cultural values in these areas into consideration. Communities participate in developing sustainable tourism in the project areas by organising educational sessions in co-operation with the University of Tourism. Traditional handicrafts are being taught to the younger generations and the goal is, in particular, to enhance the role, employment and income of the rural women. Eco-tourism centres will be established in the project areas during this project where information about sustainable tourism is provided and tourists guided to the local small entrepreneurs operating in different fields.

Implemented activities and results of the project so far

- Requirement and formation of project group: project local coordinators (1 in each target region), appointment of project assistant, gender expert, handicraft art trainer, ecotourism trainer

1. Aytan Poladova- Project coordinator
 2. Zhala Gurbanova – Project assistant (replaced by Ms. Vefa Maxmudova in January 2013)
 3. Adelya Seyidova – Project Accountant (replaced by Mr. Imamaliyev Nasib in February 2013)
 4. Afqan Shafiyev – Local Coordinator, Astara región (retired in November 2012)
 5. Vamiq Babayev – Local Coordinator, Lancaran
 6. Adilya Cabbarzade – Local Coordinator, Sheki
 7. Qalib Nabiyev – Local Coordinator, Gabala
 8. Usupov Gahraman – Ecotourism expert
 9. Suleymanova Gulgiz – Gender expert
- Establishment of a partnership relationship with different stakeholders operating in the tourism sector of Azerbaijan: (Institute of Tourism of Azerbaijan, Ministry of Tourism and Culture of Azerbaijan, NGOs working in environment and tourism sector)
 - Distribution of project information, objective and goals disseminated to the population of the country through publication in mass media (*Zerkalo* newspaper) – 3 articles about Ecotourism and entrepreneurship in Azerbaijan and description of project activities detailing how it will affect promotion of Ecotourism and Local handicraft art development in project target regions – Apsheron peninsula (Qala village), Gabala region (Vandam village), Sheki region (Kish village), Astara region (Kokolos and Pensar village), Lancaran (Rvo, Hanbulan villages)
 - Investigation of potential for ecotourism and local entrepreneurship in local handicraft production. SWOT analyses in project target regions and specifically in selected villages
 - Preparing a tourism needs assessment report (4 reports) for target regions of Qala, Gabala, Lankaran, Astara and sharing with different stakeholders – NGOs, mass media, tourism centres on Lankaran, Astara, Sheki, Tourism University (Baku)
 - Organisation of student internship for Ms. Mirjami Kuoppala from Turku University of Applied Sciences in Azerbaijan (she has been involved in project activities on an on-going basis in Qala and Sheki of Azerbaijan)

- Organisation of ecotourism training sessions in Gabala (Vandam village with attendance of workers from hotels of Gabala and Sheki, local entrepreneurs working in tourism sector of Azerbaijan (carpet makers, local home stay accommodation providers, representatives of information and tourist centres, local municipalities, etc
- Handcraft art training sessions organised in Kokolos village, in Astara, supporting the events organised by Cultural Centre of Kokolos village, preparing report
- Construction of an ecosan toilet and distribution of information about ecosan practices
- Organisation of partners meeting and workshop to discuss project progress, outputs and plans for 2013 in Baku city with Jonna Hekkilä and local project coordinators in attendance.

2. Identifying the specific evaluation questions.

Project objectives vs. project activities

- Has the project implementation been in line with the project plan?
- Have the planned project activities been implemented?
- Has the project reached its target groups named in the project plan?
- Is the educational content/material in line with the project objectives?
- What are the identified and anticipated project results and impacts after the project ends? Are these in line with the project implementation?
- The sustainability of the project

Reporting and communication

- Project reporting procedures? Who is responsible for reporting, translations and when does this take place and who will have access to it?
- Reporting by local coordinators?
- Communication between project stakeholders

3. Defining the scope, approach and methodology.

The mid-term evaluation supports the project as a **developing assessment**, which supports project implementation in conducting the other half of the project period. The approach of the evaluation team is as a project outsider to assess the project plan, its objectives and anticipated results and to compare it to the activities implemented, the content and the results of the project so far.

Due to short evaluation time, the scope is limited to two project areas: Astara-Lancaran and Qala, which are used as a basis for understanding the project environment and activities while the focus is also on technical aspects such as project planning, management and coherency. In particular, suggestions on the efficacy and efficiency of the project are desired based on the evaluation team's experience and observations.

- Background information: project plan, midterm report, reports on project areas, reports on workshops, minutes of meetings, educational material used in workshops, and translated articles.
- Interview with the Project Manager and local project staff
- Interview with the staff of the Tourist Information Centre and the Cultural Centre
- Interview with the University of Tourism and the representative of the Ministry of Tourism
- Observation of the workshop and interview with the workshop participants

4. Identifying the professional qualifications of the individual evaluator or team.

Juha Kääriä is the Manager of Research and Development at the Faculty of Technology, Environment and Business at the Turku University of Applied Sciences. Juha is member of the project's Steering Committee.

Sirpa Halonen is the Programme Manager and Principal Lecturer of the Department of Sustainable Development. She is also member of the project's Steering Committee.

Kaisa Merilahti is the International Coordinator at Tampere University of Applied Sciences. She is the accountant of project's applicant NGO, Sustainable Future.

Janne Aitta works for the Norwegian Humanitarian Enterprise (NHE) in Azerbaijan and with the New Life with Dignity- project, which is funded by the Ministry for Foreign Affairs for Finland. The project promotes vocational training and entrepreneurship for rural youth. Janne has pledged to assist the evaluation team with his experience in the country, culture and language skills.

The project will have a translator onboard throughout the trip. Janne Aitta speaks Azeri as well and can act as a co-translator when with the evaluation team. Janne will be part of the trip from Wednesday 17th until Saturday 20th.

5. Defining the deliverables and schedule.

Based on the evaluation, a report is with observations and future suggestion is compiled and presented to the project management and funder. The report is written mainly during the actual evaluation trip and finalized in Finland. Report will be circulated among the project stakeholders for review and comments. The final evaluation report will be submitted by 31st of May, 2013.

6. Defining the budget.

Evaluation of the project was scheduled in the original project plan for the first year, yet due to delayed project initiation and with the Ministry's approval evaluation was postponed until the second year.

Project evaluation is funded from the travelling expenses of Finnish personnel and from the Monitoring and Evaluation expenses. The project does not pay any salaries to the evaluation team, but covers their travelling expenses, accommodation and daily allowances for the evaluation trip.

APPENDIX 2.

SWOT analysis of the project Development of Sustainable Entrepreneurship and Supporting Local Handicrafts in Rural Azerbaijan

As a complement to the evaluation team's work, we hereby ask you to do a SWOT-analysis of the project and its objectives from your own perspective.

Define the Strengths, Weaknesses, Opportunities and Threats to the project. The main objectives of the project, which you can consider regarding the project, are:

- Development of Ecotourism Approaches and Business in Rural Areas of the Country Poverty Reduction and Sustainable Development of Rural Areas of Azerbaijan Empowerment and Creation of Job Opportunities for Rural Women

Strengths	Weaknesses
<ul style="list-style-type: none">• The project itself and project team strongly supported by relevant governmental executive organisations- Ministry of Tourism and Culture of Azerbaijan, Institute of Tourism, Tourism Information Centres functioning in target regions and local residents of target villages.• Project objectives and targets fulfil the governmental strategy of Azerbaijan for tourism and handicraft art development in rural areas of the country.	<ul style="list-style-type: none">• The project geographical density does not allow for project activities to be carried out consistently and based on the Action Plan in some aspects of the project.• The attendance and participation of women in rural project areas is still low and to be increased in the course of the project.• The language barrier, local coordinators appointed for the project do not have English language skills and all project communication goes through the overall project coordinator located in Baku city – capital.

Strengths	Weaknesses
<ul style="list-style-type: none"> • The project has a very well structured team appointed in all project regions, consisting of professionals having long term experience in the development of tourism, good knowledge of historical and cultural roots of the country, distribution of local handicraft and its manufacture in rural areas of Azerbaijan, existing problems and obstacles in the development of rural tourism and handicraft art in the country, future perspective and conditions to sustain tourism and local handicraft manufacturing and entrepreneurship in the country • motivated and reliable project partners and local project workers • local project specialists are experienced in their fields and have good networks • Motivated, dedicated and enthusiastic employees in the project • Even some people who are not actually part of the project are helping (students from Tourism Institute, few Peace Corps volunteers) • Close cooperation with Tourism Centre in Lankaran • Good network of local people in the project areas (essential for the success of the project) • enthusiastic and motivated project partners • good network of stakeholders • hospitable people throughout the entire country • eager to develop project content, but also technical and administrative issues 	<ul style="list-style-type: none"> • development of infrastructure is needed • difficulties reaching the potential target group, involvement of local women • Local coordinator of the project in Lankaran does not speak English- → communication problems • The students are mainly working with Samir because he speaks English but the problem is that he does not exactly work in our project (not the same goals) = working for the “wrong” person • Not all information reaches us (Aytan sometimes too busy, delegation does not work) • Structure of the (eco)tourism business still under development: no finished websites, leaflets or contact persons • Difficulties in getting women to participate in activities: Their lack of time; they are unaccustomed and often not encouraged to set up their own business (it is often depending on the men in the family) • Locals see the lack of money as a big problem • reporting practices: a lot of the administrative issues are agreed without documented papers • due to long distance between the regions (and students) communication is difficult • incoherent project plan • unclear roles and responsibilities of project partners

Opportunities	Threats
<ul style="list-style-type: none"> • Establishment of long term partnership relationships with main stakeholders acting in the tourism sector of Azerbaijan, possibility of Finnish students from Turku University of Applied Sciences to have internships on project activities ongoing in Azerbaijan and gain practical skills in approach and methodology • In the development of rural tourism, the organisation of eco tours and tour guiding, administrative issues related to training organisation and distribution, etc. • The project will create network of house owners, handicraft centres in rural areas of Azerbaijan, working online via the internet which will sustain necessary technical conditions for travellers to come to stay and sightseeing in rural areas of Azerbaijan. Attractive from tourism, from a cultural and historical point of view. • The project created favourable conditions to establish long term partnerships between Turku University of Applied Sciences, KeTuRy NGO Ekoloji Tarazliq NGO (Azerbaijan), different stakeholder groups in Azerbaijan, which will facilitate the planning and implementation of other activities and projects in a future • There is a real demand for the project • great potential for rural tourism • Develop more home stay places and create income for people in rural areas 	<ul style="list-style-type: none"> • In the event of political or social instability in Azerbaijan, floods and other unfavourable weather conditions in project implementation can create difficulties in the implementation of project activities according to the schedule. • The lack of funding to support project activities/or delay in transferring payments allocated to project activities. • Local executive bodies (organisations) in project target regions will stop project support and will create organisational/or administrative difficulties for the Project Team. • bureaucracy, decisions made by government without local people's opinions • small scale tourism is not seen as important as mass tourism or business tourism • The attitudes of the Azerbaijan government, laws and peoples towards handicrafts and especially women trying to earn a living from them • Once the project is over from Finland's part the threat is that sustainability and ecotourism are forgotten and "normal" tourism is developed • There have been similar projects with promoting handicrafts/women but they have not been successful. • Sustainable development and being eco-friendly is not part of people's everyday life • visa procedures challenge the marketing of the country to tourists

Opportunities	Threats
<ul style="list-style-type: none"> • Create links between hotels, souvenir shops and handicraft producers • Beautiful nature which creates opportunities for ecotourism= huge potential in the area • Interesting places in Lankaran can attract more tourists (Lighthouse, Round Tower etc.) when they are utilised in tourism • The traditional cuisine is good and worth exploiting in tourism (for example in home stays) • theme of the project current and with genuine possibilities • students of TUAS • supporting government • reaching the target groups of the project and getting them motivated to participate 	<ul style="list-style-type: none"> • Azeri creates a language barrier to the Finnish students: regional coordinators don't speak English • different project implementation cultures: sustainability, impacts and results of the project seen differently by the Finnish and by the Azeri team members • remote location of project regions challenges the monitoring of project implementation

APPENDIX 3.

Review of project objectives and activities in regard to the implementation and findings of the evaluation.

Long-term objectives	Direct objectives	Activities	Evaluation
<p>Contribute to the development of a national ecotourism policy and development strategy, on the basis of up-to-date international expertise that encompasses the policies and interests of all stakeholders;</p>	<p>– Community needs assessment in the development of ecotourism priority indicators in project target regions of the Apsheron peninsula (villages located in remote areas), as well as in Lancaran-Astara and Sheki-Gabala regions;</p>	<p>1. Formation of project group and distribution of project tasks and responsibilities 5. Selection of 6 villages in three regions (2 in each region) favourable for development of ecotourism 2. Establishment of partnership relationships with Azerbaijan Institute of Tourism, Azerbaijan Ministry of Ecology, Ministry of Youth, Sport and Tourism, local municipalities, communities, local executive power located in project target regions (Apsheron peninsula, Sheki-Gabala, Lancaran-Astara) and distribution of information about project targets and tasks 4. Communities needs’ assessment and development of community priorities in ecotourism business 15. Collecting the material and publishing of the book “Community ecotourism in Azerbaijan: strategy and approaches for a better environment for all”</p>	<p>– Getting familiar with the region of Lancaran, village of Kokolos in Astara and Qala on the Apsheron peninsula. – Discussions with the most relevant stakeholder representatives (Ministry of Tourism and Culture, Azerbaijan Institute of Tourism) on development objectives and the project objectives with reference to the project activities.</p>

Long-term objectives	Direct objectives	Activities	Evaluation
Development of ecotourism approaches and business in rural areas of the country	– Creation of “green jobs” and economic opportunities for local communities living in target villages of Apsheron peninsula, Lancaran-Astara and Sheki-Gabala region;	3. Travelling to remote villages located in target regions and assessing ecotourism possibilities (infrastructure, possibility of accommodation, food, nature (environmental value) attractive for travellers, availability of local handicrafts arts, etc	– These possibilities were mapped and the most essential ones raised in the material produced. The team mapped these from the perspective of an international tourist.
Poverty reduction and sustainable development in rural and remote areas of Azerbaijan	– Development of training materials on ecotourism, environmental and economic aspects – “Train the trainers” – training of villagers – representatives of local communities in ecotourism environmental and business aspects;	6. Organisation of community training sessions in ecotourism, business administration in tourism, development of special tourist information sheets and tours for travellers	
Establishment of Ecological Tourism Centres in project target regions and providing eco tour services to local and international travellers	– Development of local handicrafts, carpentry and bee keeping industries; job creation;	7. Training of young people in target villages in making handicrafts (carpets, wood statues, pottery, etc). Local masters from target villages will act as trainers	– A two-day training course in Lancaran during the evaluation for potential local entrepreneurs. Training sessions implemented earlier as well.

Long-term objectives	Direct objectives	Activities	Evaluation
Strengthening of environmental protection and nature conservation matters by means of ecotourism development	Distribution of information on Azerbaijan environmental, historical and cultural heritage to international audiences and drawing attention to Azerbaijan from potential tourists;	<p>13. Advertising and information campaign through mass media, TV, about project outcomes and achievements</p> <p>8. Transfer of " Ancient Azerbaijan know how in handicrafts, local cuisine, and other skills" to young people and children in target region</p> <p>9. Organisation of an ecotourism camp for young people in the target villages and inviting students from the Institute of Tourism of Azerbaijan to attend the youth camp together with young people from target villages</p> <p>10. Organisation of ecotourism trips, ecotourism games, competitions between camp inhabitants and awarding prizes to winners</p>	<p>– Material produced by the project, e.g. to local newspapers.</p> <p>– Implemented by the Kokolos Cultural Centre</p> <p>– not yet being implemented</p> <p>– not yet being implemented</p>
	– Rental of facilities and apartments to tourists; and, the provision of services to tourists, such as guides for local sites, escorting tourists on horse riding trips, and serving food to tourists and generating income for local communities;		– Houses for rent in Lancaran

Long-term objectives	Direct objectives	Activities	Evaluation
	Establishment of three Ecotourism centres in project target regions of Azerbaijan;	12. Establishment of an Association of Ecotourism preferably with membership of inhabitants from target villages 14. Establishment of community (eco-friendly) tourist centres in 3 regions with renewable energy and alternative source of energy supply, ecosan facilities (dry toilet) etc. and organisation of ecotourism for local and foreign travellers	– This activity was left unclear whether it is being implemented or not. – Not yet, although included in the discussions
	Strengthening of women's role in society and creation of "job" opportunities for women in target villages	11. Strengthening of women's involvement and empowerment in the organisation of small ecotourism business by educating women about how managing small tourism businesses "hotels at home" with affordable prices for travellers	Home-based accommodation exists in Lancaran, although left unclear how many are managed by women. Some small-scale handicraft business as well.
	Development of safe ecotourism tours taking into account the environmental, historical and cultural heritage;		
	Creation of favourable conditions for small business development and income generation for project beneficiaries – local communities in project target regions;		