





### EBN XVII Annual Congress - Budapest 25 – 27 June 2008 Application form EBN-UNDP AWARD "Innovation for Human Development & Cooperation"

Name of		Contact	Contact	Mr. Giordano Dichter
your	Business Innovation Centre	Details :	Person:	
Organization	Lazio			
			Phone:	+39-0680368907
			Email:	consulente.dichter
				@biclazio.it
			Address:	Via Casilina 3t, Rome
			Country:	Italy
			Website:	http://www.biclazio.it

Application Form			
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1 Identification of the innovation and authors			
	Title of the innovation: "Albergo Diffuso" – a new form of hospitality and an innovative model for territorial tourist development		
	Name of the Author: Mr. Giancarlo Dall'Ara		
	Address of the author: Palazzo Maffei Via Battelli 10, 61019 Sant'Agata Feltria (PU)		
	Name of person representing the innovation: Mr. Giordano Dichter, BIC Lazio		
2 Description of the innovation			
	An "Albergo diffuso" is substantially two things:		
	<ul> <li>An original model of hospitality</li> </ul>		
	<ul> <li>A model for tourist development of the territories</li> </ul>		
	An Albergo Diffuso (AD) is a particular type of hotel conceived to provide to the guests a unique experience of living a historical centre of a town or of a village. It provides all the services of traditional hotels (welcoming, assistance, common spaces, meals), although the rooms are scattered around the historical center, within a radius of approx. 200 meters from the centre and the heart of the hotel (the reception, the common spaces, the restaurant), and are set within palaces and apartments which, being part of the historical centre, and being appropriately restored according to the local culture, immediately provide the sensation of "being local".		
	An AD represents also a unique development model which doesn't have negative environmental impacts. To create an AD nothing has to be newly constructed, since it is just necessary to restore and recuperate existing houses and apartments according to the		

Contact **Eleonora Sambasile** Phone: + 32 2 761 10 89 E-mail: <u>esa@ebn.be</u> – Internet : <u>www.ebnbudapest2008.net</u>







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local cultural and historical backgrounds, and to network what already exists.

Often an AD acts as the most relevant stakeholder on the territory stimulating the local existing and potential entrepreneur in creating new businesses associated to the increased tourist demand that it brings (mainly in the most traditional sectors such as local gastronomy and handicrafts). New businesses are hence generated which associated to this new form of hospitality provide visitors more an experience of "temporary residents" of the area rather than that of "traditional tourists". An AD in fact, thanks to its authenticity, to the vicinity of the structures that compose it, and to the presence of a lively local community more than a period of pure holiday, proposes the acquaintance of a new life style. This point of strength is capable alone to generate enough economic turnover because it "de-seasonalizes" tourist demand and it contributes to stopping the abandoning of the historical centers.

Furthermore it often happens that the AD becomes the most relevant stakeholder within the area in the tourist sector, and it actively promotes and manages, also together with the local municipalities and the other existing actors new activities capable of repositioning the territory on the tourist market, such as events, specific training courses in traditional sectors (local cuisine, local sport events, artisanship, etc.)

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Which problems does the innovation solve, and how?

The AD is an Italian innovation which originated initially in Carnia in the Italian Region Friuli Venezia Giulia, in 1982 within a technical working group whose aim was to recuperate small centers which were destroyed after the earthquake which devastated the territory in 1976. successively the model has been engineered by Mr. Giancarlo Dall'Ara and has been recognized for the first time by the Region Sardegna with a specific regional law. At present approximately 30 ADs exist in Italy, and many more are about to be launched. BIC Lazio within its publication "L'albergo diffuso come strumento innovativo per la valorizzazione del potenziale turistico", written with the collaboration of Mr. Giancarlo Dall'Ara, clearly defined the model and defined the paths to be undertaken to arrive to the creation of an AD and defined a specific set of services to support the entrepreneurs and local administration willing to grasp the potentialities of this innovation.

The main advantages of the AD, compared to traditional hotels are:

- It generates a high quality tourist product, expression of local areas and territories without generating negative environmental impacts.
- It helps to develop and network the local tourist supply.
- It increases sustainable tourist development in internal areas, in villages and hamlets and in historical centers, in the off-beaten tracks areas increasing the supply in the tourist market.
- In contributes to stop the abandoning of the historical centers.
- It promotes participation within the local communities since:
  - Everyone becomes aware of the advantages in terms of image, social life, economic returns and of preservation of the resources which an AD can bring
  - The public administration can contribute providing the common spaces (typically a non-productive space) and new services which can increase the

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	demand (such as improving the accessibility of the area or restoring new services such as libraries, congress halls, sport facilities etc.)		
	<ul> <li>The local associations can increase their activities organizing new events a new personal assistance services.</li> </ul>		
	The proprietors of the houses start to look at their patrimony in a different manner, with the "tourist" eyes they identify problems and common solutions to solve them.		
	<ul> <li>The local enterprises in the service sectors, in the agro-food and wine sector, in the handicraft sector will participate because they see the AD as a means to increase their own turnover, because of the induced increase in the demand.</li> </ul>		
4 Entrants innovations in practice			
	An AD is usually created if the following conditions are met:		
	<ul> <li>The idea has been launched within the local community and the residents have learned the advantages that can come from the innovation</li> </ul>		
	<ul> <li>Therefore local actors are interested in working together</li> </ul>		
	<ul> <li>A unique management unit can be created and is willing to take most of the entrepreneurial risk. The unit can be either a single entrepreneur, a cooperative, or any other most suitable form of productive association</li> </ul>		
	<ul> <li>There exist a reasonable number of rooms (minimum 7) located at a reasonable distance from each-other (Approx. 200 meters), that can be put at disposition of the AD for a long term (Minimum 9 years)</li> </ul>		
	<ul> <li>The town or village is able to provide minimum services to the guests (existence of a pharmacy, of a food store, a coffee shop, etc.)</li> </ul>		
	<ul> <li>The surroundings of the area should have some appeal (countryside, sea, mountains, archeological sites etc.).</li> </ul>		
	Therefore the first thing to adopt the innovation is to verify, through a territorial analysis, the existence of the aforementioned conditions. The territorial analysis can bring about three different conclusions:		
	<ol> <li>the conditions are met, therefore an AD is suitable and can be successful. In this case entrepreneurial services (both financial and non-financial) must be supplied to the entrepreneurs, and technical assistance services should be provided to the local administrations.</li> </ol>		
	<ol><li>the conditions are not met, therefore and AD will hardly be successful. The territory therefore can be accompanied towards other development solutions.</li></ol>		
	<ol> <li>the conditions are partially met. In this case the proper solution is to provide services both for the opening of the AD and for supporting the territory in other territorial development strategies which can support it in increasing its positioning. Often the opening of the AD contributes to solving the problems.</li> </ol>		

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5

What are the outcomes? How sustainable is the innovation?

The impact of the innovation can mainly be illustrated at the local level since an AD ignites local development where tourism can be a leading sector if properly stimulated, although, in order to achieve the highest level of positive impacts, regional and national administrations must adopt such a model, rendering it possible in legal and economic terms. Laws on tourism must be renovated in order to formally recognize this new type of hospitality giving it the same dignity of traditional hotels and of other models of hospitality. This would make it possible for the entrepreneurs and the local administrations that wish to adopt this innovation to access financial and non-financial services which are usually dedicated to SMEs and to entrepreneurs. Specific credit schemes and/or public financing mechanisms could be set up to support the creation of ADs, since their underlying philosophy is to promote local entrepreneurship, restoring historical centers and combating their abandon through their revitalization, having ADs not only an economic but also a strong social return.

Since there is no environmental impact, and there is nothing "new" to be created, this innovation can easily be reproduced in other countries and can represent a possibility for their territorial development. The approach described is easily reproducible since it doesn't involve complicated technical aspects, but it involves high capacities in tourist marketing and in facilitating participatory approaches to development. Being based on the valorization of endogenous potentials it is a highly sustainable innovation in economic, institutional and social terms. Specifically, in institutional terms, a viable AD will be effective if there is the agreement of the local actors of the area and in social terms it is sustainable because it mainly applies to areas which are considered marginal, usually out of the ordinary development schemes and models. A successful AD is also economically sustainable because it is a market-driven innovation that properly works when there is a demand for this new type of tourism.

To demonstrate the high interest shown by the Italian regions in this innovation it is useful to state that at present 10 have amended their laws to include this new model and have open public financing to it. Other regions are at present introducing it.

Recently interest towards this innovation has been expressed to BIC Lazio and to the Italian Association of ADs by various developing and/or transitional countries such as Ecuador, Albania, Croatia and other European countries such as France, Portugal, Austria and Switzerland.

6

International interest

The innovation sets its roots in the European tradition of hosting tourists in homes, although this typical form of hospitality has been specifically engineered in Italy. At present it hasn't been transferred out of the Italian boundaries, although, as previously stated international interest has been expressed. It is not subject to national and or international patent. A trademark has been registered by the Italian National Association of ADs and it is valid at European level. the trademark is managed by the association and identifies the parameters which need to be met in order to be properly defined an AD.

The following are the actors to be involved In order to transfer the innovation properly:







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#### In Italy:

- The Italian Association of Alberghi Diffusi (ADI)
- The Business Innovation Center Lazio
- In the receiving country:
  - National Ministries involved with tourism to analyze the legal aspects
  - The local administrations in order to verify how this new model can fit in their existing development plans
  - Local stakeholders (of the public and the private sectors) involved in the tourist sector to analyze the feasibility
  - Where possible, the support of a Local Economic Development Agency which can support local administrations and entrepreneurs providing financial and non financial services.

# 7 Contribution to Human Development and profitability

The proposed innovation is in line with the achievement of the millennium goals. Specifically it contributes to the Mg 7 and MG 8, because on one side it supports the integration of sustainable development in country strategies, and on the other side it enhances decent work and employment opportunities in the tourist-related sector, based on the exploitation of local resources.

Furthermore this innovation complies with the Global Code of Ethics for Tourism adopted by the General Assembly of the United Nations World Tourism Organization, specifically with:

- Article 1 "Tourism's contribution to mutual understanding and respect between peoples and societies"
- Article 3 "Tourism, a factor of sustainable development"
- Article 4 "Tourism, a user of the cultural heritage of mankind and contributor to its enhancement"
- Article 5 "Tourism, a beneficial activity for host countries and communities"

#### Publications related to the innovation are:

- 1. December 2007, BIC Lazio, "L'albergo diffuso come strumento innovativo per la valorizzazione del potenziale turistico"
- 2. Giancarlo Dall'Ara and Michele Esposito "Il fenomeno degli alberghi diffusi in Italia" Relevant websites:
  - 1. http://www.albergodiffuso.com
  - 2. <a href="http://www.alberghidiffusi.it">http://www.alberghidiffusi.it</a>
  - 3. http://www.biclazio.it