

International Center for Caucasus Tourism



Georgia – Marvelous Land of Tourism Researches and Reports



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ICCT is a non-governmental, non-for-profit organization, was founded by the group of experts working in the spheres as rural tourism, environmental protection, nature conservation, vocational and adults education are. Comprehensive activities are devoted to study of sustainable tourism situation in Georgia and Caucasus as well as related destinations researches, youth involvement in environment protection campaigns, vocational and adults education directed to youth engagement, editing and publication of manuals and catalogues, etc.

ICCT has 7 years of experience in promoting harmonic interact of biodiversity and sustainable management of forests through implementing projects concerned with Sustainable Rural Tourism, Environmental Protection and Educational Programs, thus promoting priority sectors of GEF.

<https://www.facebook.com/pages/International-Center-for-Caucasus-Tourism/1414661915444917?ref=hl>

From the very beginning, the priority of ICCT activities and researches has become poverty alleviation through poor population involvement in Sustainable Rural Tourism (SRT). Experts of ICCT - the members of Rural Tourism International Association (Amsterdam, the Netherlands) are conducting training "International Standards of Hospitality in Rural Areas" in various regions of Georgia and partners' countries in the frame of the projects implemented.

ICCT is permanently providing selected by local municipalities in various regions of Georgia the representatives of rural population with SRT and Train-in the trainers Courses. We are coaching future trainers and entrepreneurs (the successful ones are awarded ICCT Certificates) and at the same time help them to open Sustainable Rural Tourism Resource Center where they could be busied with the same activities.

The same training were included into EU BSB CBC Project activities (7 countries, 9 organizations)

We are the single NGO in Georgia and maybe in Youth Caucasus focused upon SRT advocacy in rural areas for to involve local stakeholders and future entrepreneurs in SME on the basis of capacity building though ICCT training, seminars, workshops, best practices share, exhibitions, festivals, photo and art competitions, etc.

ICCT is also the follower of UNWTO Program ST-EP (Sustainable Tourism Eliminating Poverty) on the basis of it we have establish Youth Debate Club

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ICCT follows UNESCO Forums with Slogan "Green Skills for work and Life after 2015"

In the partnership with 7 countries we're implementing Projects in the frame of BSB CBS and EaPTC supported by EU and GIZ

EU Project. Tourism paths in the Black Sea Region" BSB TOUR. (2014-2016)

ICCT actively participates in EaPTC programs:

From 25, September, 2015 we are in EaPTC two projects with Armenian colleagues:

"Addressing common challenges in youth employment through cross-border tourism development" (2015-2016)

"Biking and rural combined cross-border tourism, as innovative approach for promoting cross-border cooperation" (2015 – 2017)

Recently ICCT has applied for EaPTC Azerbaijan-Georgia Cross Border Corporation Program.

ICCT Welcomes Partners Worldwide! Thank you for cooperation in the future.



Joint Operational Programme “Black Sea Basin 2007-2013”

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Preface

Tourism has become a growing phenomenon with the increasing ease and decreasing expense of traveling abroad. For both developed and less developed countries alike, tourism is fast becoming a billion dollar business and one of the leading forms of foreign exchange earnings. Tourism leads to improved infrastructure and services, as well as the creation of numerous employment opportunities in the host countries.

There are, however, many drawbacks and negative side effects generated by the tourism industry. This input provides a snap shoot of the development potential of the sector as well as the development issues and constraints that impede its growth in most places in the region.

Tourism is a big industry based on many small businesses. If we want tourism to contribute to biodiversity conservation and sustainable development, tourism must then be a profitable enterprise, providing substantial economic benefits to the people involved in the different facets of this complex activity. Even in the case of ecotourism or rural community tourism, the process must be characterized by being a good business. While significant major players offer large numbers of popular packages, even in mass destinations the small businesses are the bedrock of visitors' experiences. The importance of small businesses to nature tourism in rural areas of developing countries cannot be overstated.

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legislation should ensure that aquaculture itself does not present a threat to the environment and should address issues, such as, the location and density of cages, releases of commercial strains, imports and release of exotic species, quarantining and matters of hygiene.

Eco-tourism is being stimulated in the region through the implementation of pilot projects in Black Sea coastal states. In close cooperation with the tourist industry and the national tourism authorities, environmental codes of conduct and training courses in sustainable tourism are being developed. The tourism industry, both for the benefit of the industry and for the benefit of the environment, needs to be more adequately planned with a view to incorporating concerns such as those related to water supply, sewage treatment bathing water quality, the use of natural resources and resort development into newly developed projects from the beginning. Moreover, it shall be required that tourist development projects be subjected to EIAs (Strategic Action Plan for the Rehabilitation and Protection of the Black Sea, 1996).

While tourism can be a powerful positive force for economic development, it can sometimes be bringing several drawbacks. Nowadays, tourism encounters different types of problems. On the one hand are those that derive from the international financial crisis and on the other hand are those that generate from the intensive exploitation of tourism resources that have influenced the living standards, environment and revenues of the locals. Therefore, the problem that the project will address regards the accumulated problems tourism encounters for so many years in combination with the effects of the international economic crisis on the entrepreneurship in general and on the purchasing power of consumers. Some of these problems are: environmental disturb, intensive building, seasonality of tourism, small flow of tourism, bad advertising, cheapened ambience of locality by the influx of people and businesses, etc.

As mentioned above tourism is on the one hand a great strength to development However, tourism also has a lot of negative aspects which have to be solved. The role of SMEs here is vital as they participate into the tourism industry at a great percentage. The countries from where participants come have developed a great touristic product based on the immense existence of SMEs. Nevertheless, nowadays tourism has changed as an idea, with emerging different/new types of tourism, with a differentiation at the needs of the tourists. Thus, SMEs have to change their operational mode, their entrepreneurship practices and to adapt on the new facts. In accordance with the need to recover also from the economic crisis, SMEs have to follow the tourism market trends and develop a ne attitude towards tourism as an entity.

That are the reasons that the partners decide to cooperate and to create the project at the field of tourism and traditions. The last year show that the tourism sector is one of the most powerful and still developing one. Also it is important for people and countries to promote their cultural heritage and tradition in order to remind alive in the memory and to help to people to live better lives.

Relevance of the identified problem to the formed partnership is of high intensity. The consortium of partners comes from Black Sea Basin region where tourism plays a vital role on the economic development and consequently to the standards of living and its problems has therefore held up the further development of these areas. All participants are organizations that are involved in both direct and indirect way with tourism and culture promotion and can influence policy-making in tourism at a national level. Thus, they have as an objective to overcome the problems mentioned through collaboration, building of strong relationships and through the sharing of knowledge, good practices and experiences. The tourism is a sector



where the exchange, sharing and transfer of policy experience, knowledge and good practices will contribute to the improvement of the effectiveness of regional development policies.

Tourism sector in all participant countries includes small – medium sized businesses and provides labor to many people. Entrepreneurship and tourism are two fiscal element highly interconnected. Proper entrepreneurship can be the steering wheel to a sustainable tourism development. On the one hand there is their ability to create new jobs at a time of downsizing, to adapt to diversified and flexible structures, to stimulate competition and to introduce new service products. They can also be part of the output experience for the tourist through their ability to advising visitors about itineraries, providing narratives on local history, culture, folklore and landscape, as well as playing an active role in the advancement of the community. On the other hand there are a number of weaknesses that can constitute barriers to sustainable tourism development, such as the family oriented businesses, the lack of entrepreneurial drive, the limited business skills and the shortage of finance.

ICCT

Chapter 1. Current Situation in the Tourism Sector of Georgia

Introduction

Recently the Georgian government started promoting mountain and rural villages for tourism development to improve local communities' livelihoods through tourism. Despite ambitious plans, tourism development seems rather chaotic in Georgia; lack of the strategic planning slows down tourism development in country. Tourism development seems new not only to local companies and local communities but to the governmental agencies as well and this may result in the negative impacts on natural and social environment.

Nowadays, travel and tourism industry is one of the world's largest industries with a global economic contribution (direct, indirect and induced). The direct economic impact of the industry, including accommodation, transportation, entertainment and attractions, was approximately 2.2 trillion U.S. dollars per year. A number of countries, such as France and the United States, are consistently popular tourism destinations, but other, less well-known countries are quickly emerging in order to reap the economic benefits of the industry. Role of tourism in the development of national economies, international trade, and the social and cultural life makes necessary to give high importance to tourism. So, studies and investments in this area were accelerated. Tourism has a significant role to play in the Georgia economy in terms of production of goods and services. The sector plays a major role in the creation of employment opportunities. Tourism expenditure is generated from travel spend, including international, resident households, and business and government travelers.

According to the data of WTO every year the quantity of tourists and travelers is increasing and 1.6 billion international tourists are forecasted to exist by 2020.

Ecotourism, defined as *“responsible travel to nature areas that conserves the environment and sustains the well-being of local people”* by the International Ecotourism Society (www.ecotourism.org), is a small but growing segment of the overall tourism market. It is distinguished from nature-based tourism, which merely exploits natural attractions, by its intended sustainability and environmental friendliness. The growing importance of ecotourism among the spectrum of tourism activities is based on the socio-economic developments and changing perceptions in the industrialized nations of North America, Western Europe and East Asia, from which most international tourists originate. Among them are the following:

- **Rising educational levels and expectations:** People have become better educated on the global average, and therefore they have become more interested in authentic experiences, meaningful leisure activities and original tourism products that involve learning and physical activity rather than just relaxation.
- **Increasing social and environmental concerns:** The general increase of environmental awareness and “green consumerism” influences the way in which people choose their holidays, and leads to an increasing proportion of clients choosing environmentally attractive and sustainable tourism products. Some tourists even seek volunteering opportunities to actively support environmental causes, such as nature conservation, during their vacations.
- **Proliferation of long-haul flying:** The increase in affordable long-haul flying has led to an increase of international visitation of natural attractions, such as National Parks. It has

globalised the market for any given ecotourism site (e.g. National Park), but has also globalised competition among sites.

- **Improved information access through the internet:** The internet makes it easier for tourists to find tourism products that match their individual preferences, including special interests. As a consequence, special interest tourism, including the more specialized kinds of ecotourism, has become easier and more widespread. At the same time, the internet has helped spread information about attractive ecotourism destinations, thereby increasing their market share.
- **Proliferation of special interests relevant to ecotourism:** Increasing wealth and education have popularized sophisticated nature-based hobbies. For instance, the number of scuba divers certified by the Professional Association of Diving Instructors (PADI) has grown almost 10-fold between 1980 and 2000, and now approaches a million worldwide. Similar trends can be observed for other outdoor activities such as wildlife watching, kayaking, or alpine ski touring. Many of these outdoor enthusiasts are also potential ecotourists.

Although some of the above developments are ecologically problematic (e.g. long-haul flying with its high environmental cost), and others may slow down or become partly reversed in the wake of the global economic crisis (e.g. popularity of outdoor sports which require expensive equipment), all of them are projected to continue and to underpin continued growth of ecotourism in the foreseeable future.

On a smaller scale, similar developments as those listed above for the international tourism market are going on within each of the South Caucasus countries. This will lead to growing domestic demand for nature based tourism, including ecotourism, in the future. An example of this trend is the growing domestic visitor numbers to Georgia's National Parks over the last few years. Domestic visitors demand different tourism products than international ecotourists, but they are an interesting target group from both the business and the conservation point of view. Consequently, they should be considered in future ecotourism planning.

What consequences does the growing global and domestic demand for ecotourism have for tourism businesses, state agencies and nature conservationists in the South Caucasus?

This question can be broken down to a series of more specific ones: What potential has the region as an ecotourism destination? Where does its unique attractiveness lie? What can be done to develop and utilize this potential? Which segment(s) of the ecotourism market should developers aim for? What are the expectations of tourists belonging to these segments, and what needs to be done to fulfill these expectations? What are the dangers and costs of developing ecotourism, in economic, environmental and social terms? Where is it desirable at all to develop ecotourism, and where not? These are some of the questions that this report aims to answer.

The South Caucasus boasts an immense diversity of landscapes, due to its altitude range and climatic gradients (MAP 2). Mountainous and forest landscapes are particularly prominent. These landscapes, in turn, provide habitats for a diverse flora and fauna. The location of the Caucasus at a bio-geographic crossroads between the northern Eurasian, Anatolian and Middle Eastern regions, and its history as a glacial refuge further contribute to its status as one of 34 global biodiversity hotspots, as defined by Conservation International.

While the flora of the Caucasus is relatively unique and boasts 1,200 endemic species, its fauna is overall less exotic from a European point of view although some (about 50) endemics occur. In global comparison, the attractiveness and accessibility of Caucasus fauna cannot compete with



that of destinations like, for example, Eastern Africa, Costa Rica or the Red Sea. However, it comprises relatively large populations of highly attractive European bird and mammal species that have become very rare in most of Europe. Examples of such species are the Wolf and Brown Bear among the mammals, or the Lammergeyer and European Bee-eater among the birds.

Having been named a *mountain of tongues* by Arab travelers in the tenth century, the region also offers a cultural diversity to match its biodiversity. It includes one of the oldest wine-making cultures of the world and has been the origin of many domestic crops. The rich cultural heritage of the region adds to its attractiveness, including to ecotourists.

While the particular highlights of the country are listed below, it is already obvious that the South Caucasus as a whole has considerable potential for the development of ecotourism, based on its landscapes (particularly its unique mountains and forests) with the associated opportunities for exploration and outdoor activities, its flora and fauna, its unique agricultural products, and the added benefit of its cultural attractions.

At the same time, the South Caucasus as a region is, and will remain in the foreseeable future, not the most easily accessible destination for ecotourists. Although it is only four hours flying time from Western Europe, there are few direct flights to the South Caucasus countries, and most of them are at night. A language barrier continues to exist for most Europeans, the standards of tourism services outside the capitals are mixed, and prices can be quite high. Although much has been done to improve the interpretative facilities of many National Parks in the region, visitors still cannot expect the perfectly staged nature and wildlife encounters that are offered in Central American or Australian parks.

While it is certainly necessary to increase service quality and value, improve foreign language skills in the tourism industry, ease access and extend interpretative facilities in ecotourism destinations, there is a complementary way of addressing the infrastructural and service related peculiarities of the region: By emphasizing the authenticity of the ecotourism experience in the South Caucasus, the fact that it is relatively uncharted, unexplored territory in international comparison, and the ample opportunities for outdoor activities, the tourism industries in the Southern Caucasus could target the most active, explorative and independent segment of the ecotourism market. This could include tourists that already have been to many of the more accessible ecotourism destinations, and may actually be attracted by the unfiltered experience in this region. This would of course require high quality activity-related tourism products. However, there are other challenges that will deter even the most adventurous traveler. Events like the Karabakh conflict or the 2008 August conflict between Georgia and Russia have severely damaged the safety image of the region. While it is beyond the means of the tourism industry to prevent conflicts like these, the safety situation should be communicated proactively and in a differentiated way, to counter the often over-generalized safety perceptions of remote observers. Equally importantly, the often highly visible poor environmental management in the region – be it uncontrolled waste disposal, obvious poaching or forest degradation through unsustainable logging and overgrazing – are powerful deterrents for people who travel to experience unspoiled nature.

Georgia



a. Geographical location:

Territory: 69700 km

Georgia is one of the South Caucasian countries located below the Great Caucasian Mountains, between the Black and the Caspian Seas. It shares the borders with Turkey in the southwest, with Russian Federation in the south, with Azerbaijan in the east and Armenia in the southeast. The western part of the country is washed by the Black Sea. Neighbor Countries: From South-West: Turkey, South-East Armenia, Azerbaijan. In the north from the west to the east neighbor of Georgia is Russia.

36% of Georgian territories are located on 1500 meters above sea level. Relief is mountainous. Two highest mountains Shkhara 5068m and Kazbegi 5037m confirm this. From the west Georgia has the Black Sea, from the North and the South - big and little Caucasian Mountain Range.

Climate

Climatic zones range from the heat of the subtropics to the eternal snow peaks of the mountains, from a moderately humid Mediterranean-type climate to a dry continental climate. In the lowlands, the summers are hot and winters are moderate. The most comfortable times to visit Georgia are spring and autumn. However, summer is the best time to travel to the mountainous highlands since roads are often closed from early autumn until late spring.

Time zone: GMT + 4:00

b. Economic and social indicators as incomes

Cross Border Cooperation between Black Sea Basin Countries originally is the Black Sea Economic Cooperation to respond to the challenges facing the region and to develop a new approach to the resumption of the dialogue between the countries of the region. This dialogue through tourism could strengthen the economic, political and security instruments and will



facilitate the consortium to enable to establish priorities for a better future. Therefore, the main objective will be achieved through sustainable economic development, stability and security in the Black Sea Region and our task is to perform through the development and promotion of Sustainable Tourism, i.e. Rural tourism, Eco tourism and Agro tourism.

The International Labor Organization predicts that despite the negative effects of the global economic and financial crises in the countries of the Black Sea Basin the International tourism is experiencing significant growth. Over the next ten years, experts in the field of tourism are expected to grow 4% per annum.

The Black Sea region's culture, geographical location, history and tourism in the area naturally stimulate the development of the core elements. Thus, the positive economic impact of tourism has the potential to become a leader in the field of co-operation within the region. It is also important to note the advantages and disadvantages of tourism. Despite the fact that it could have a positive economic impact on the balance of payments, employment, the total gross income and production, it also may have a negative impact, such as ecology.

Although the Black Sea Region has natural advantages for the creation of a successful tourism sector, there are many barriers that may interfere with this process. Regional problems (corruption, poverty, frozen conflicts, improving infrastructure, underdeveloped ecotourism) to solve, first of all, we need to agree on standards and regulations and the overall strategic oversight of the public sector. Moreover, it is also important to recognize the role and support of the local population, without complicated and managed strategic priorities of the tourism system.

Studies have shown that these obstacles can be overcome; tourism should be strictly regulated by law, especially in developing democracies.

National authorities should ensure implementation of certain laws and create a national tourism strategy to protect the environment, land, property and employment protection to become a tool for the public, as these areas are under the influence of tourism.

Following regulations, governments need to ensure that the tourism industry in the planning and construction management demonstrate strategic oversight. Strategic supervision, provided by host governments to attract foreign investment and create a flexible infrastructure, both within and between the countries of the Black Sea. At the same time they should take into account the dangers that are thriving tourism as the industrial development will cause environmental harm. Flexible infrastructure - although there are risks, but judiciously planned infrastructure could become the decisive factor, and the foundation of the economic, ecological and social benefits that tourism brings. In other words, we can say that the infrastructure is considered judiciously in the case of the "industry copes with the tourist flow in a way that does not damage the natural and cultural heritage and does not conflict with local interests."

Tourism is the key to successful environmental protection and preservation of cultural values. The Black Sea Economic Cooperation Organization member states governments should ensure cross cultural relations create local community awareness and involvement in the process conditions. Respect each other's cultural significance, the Black Sea countries in the region have an opportunity to develop, both, a prosperous tourist industry and the environmental sector.



c. Population and Demographics:

Population: 4 300 000

Ethnic Composition: 69% Georgians

National Minorities: Azerbaijanians, Armenians, Russians, the rest of Slavs, Greeks, also Abkhazians, Ossetians, Jews, Germans and etc.

Religion:

The majority of Georgians belongs to the Georgian Orthodox Church: Georgia was one of the first countries to adopt Christianity, which was spread already in the 1st century AD, but became the official religion in the 4th century AD. However, the country is also known for its tolerance for other religions; other faiths practiced in Georgia include Roman Catholicism, Lutheranism, Armenian Gregorian, Protestantism, Judaism and Islam.

Basic cities:

Capital City Tbilisi – 1, 5 mil.

Kutaisi – 235 thousand

Rustavi – 159 thousand

Batumi – 136 thousand

Zugdidi – 100 thousand

Gori – 69 thousand

Poti – 50 thousand

Official Language: Georgian

The Georgian language is the part of the Caucasian language group.
4 million people speak Georgian.

d. Political Situation

Politics and State System of Georgia

From 9th April 1991 Georgia is an independent country. According to the 1995 Constitution, Georgia is a Democratic Republic. The Parliament is the higher legislature of Georgia. The President is **Giorgi Margvelashvili** since 2013. In Georgia the multi-party system is adopted. In Georgia, political situation isn't really something to worry about. While relations with Russia are still tensed, Georgia is known as a mediator in the region and has fairly warm relations with Turkey, Armenia, Azerbaijan, the EU countries and even Iran. Our government's pro-Western stance means that American and European visitors have been embraced proved that a peaceful, more or less democratic change of power is possible.

Georgian politics for tourism development:

The Georgian government has set travel and tourism as one of the key development areas and increased efforts to establish the country as an attractive tourist destination. The Georgian National Tourism Administration has developed promotional campaigns in domestic and international markets and actively participated in international travel fairs. The cancelation of visa requirements for Russians travelling to Georgia for up to 90 days has also had a positive effect as the number of inbound arrivals from Russian rose by 72% in 2012. Neighboring countries, such as Turkey, Azerbaijan and Armenia, remained the most popular source



markets in terms of arrivals at the end of the review period. The number of inbound trips from Western and Northern Europe also saw positive development, albeit growing from a low base.

2015 is to be a year of opportunities

The Georgian capital Tbilisi has been chosen to be the host of an important global sporting event- the Youth Olympic Festival in 2015.

Lifting up standards of infrastructure

Aiming to continue the positive development of the travel and tourism industry in Georgia, a number of actions have been undertaken. The government announced its aim to prioritize the development of infrastructure in the country. Major reconstruction work related to tourism is already underway. In order to improve the travel accommodation category the government has developed a Hotel Investment Initiative, which provides favorable conditions for investors to enter the Georgian market. Further steps have been taken to develop a skilled human resource pool, aiming to improve the quality of customer services in travel and tourism. The Georgian National Tourism Administration is developing large-scale marketing campaigns, targeting new markets and new tourist product development.

Bright future forecast

The outlook for the travel and tourism industry in Georgia looks bright as the country has great opportunities for its development. Attempts by the Georgian National Tourism Administration to attract more visitors to the country and to develop Georgia's image as an attractive tourist destination are expected to show positive results. The number of inbound arrivals is forecast to keep growing, and experts believe that the development of the industry will create new jobs and generate higher industry income between 2012 and 2017.

e. Number of social and tourism NGOs

NGOs are distinguished in international and national ones. 14 000 national NGOs have so far been registered in Georgia since 1990, according to official figures, but most of them are not functioning. A database run by the Civic Development Institute has registered 1 500 NGOs that are active today, but the database is not complete. According to the statistics 82 NGOs work in cultural and tourism fields

f. Information about the average salary, NGP, exports

Average Salary in Georgia: 500 GEL = 210 EUR

Georgia Exports

Exports in Georgia decreased to 223.61 USD Million in January of 2014 from 292.51 USD Million in December of 2013. Exports in Georgia are reported by the National Bank of Georgia. Exports in Georgia averaged 78.91 USD Million from 1995 until 2014, reaching an all time high of 311.80 USD Million in November of 2013 and a record low of 7.09 USD Million in March of 1995. Georgia's exports rely on low value added agriculture and mineral products (worth around 72 percent of Georgia's exports to the European Union in 2010).

Georgia's main exports are metals, motor cars, nuts, fertilizers, wine and mineral water. Georgia's main export partners are Turkey, Azerbaijan, Canada, Armenia, Ukraine, Bulgaria and the United States.

g. General country tourism strategies, grants and supports from national institutions to the tourism sector.

The National Tourism Strategy was produced and presented to public and private sector stakeholders in Georgia. The Tourism Department began to implement many of the recommendations in the strategy and the First Steps for Developing Accessible Tourism in Georgia were undertaken.

On Friday, November 5, 2013 Tourism Department of Georgia hosted a working meeting with non-governmental organizations Coalition for Independent Living, “Parsa”, “Tanadgoma” and representatives of those hotels in Georgia that provide all the living conditions identified by the international standards for persons with disabilities. The meeting was dedicated to discussions about developing accessible tourism in Georgia. All of the speech makers underlined the importance of accessible tourism for the country which will significantly increase the international image and economical achievements of Georgia together with improving social problems for the disabled population of Georgia and creating an accessible physical environment and equal opportunities for them. Georgia has been listed as one of the leading countries in terms of tourism potential and thus has been attracting more and more tourists over the years. As of today, the world's disabled population is up to 600 million and quite a significant portion of this population regularly travels to various countries. Therefore, drawing these tourists would greatly benefit the economy and the civil society of Georgia. It was planned at the meeting to organize another workshop in the near future where representatives from state and non-state agencies and local and international organizations will discuss concrete measures and methods for developing accessible tourism in Georgia.

2. Tourism sector in the country and in the region

From the statistical viewpoint, the performance of the tourism industry in Georgia in 2013 can be characterized as a period of further growth. In 2013 the number of international arrivals grew by 22%, overstepping the five million mark for the first time. Fifth million international travelers were rewarded. The high growth rate was also highlighted by international organizations. According to the World Tourism Organization report, "UNWTO World Tourism Barometer" (December, 2013), an increase in the number of international arrivals in Georgia was rated as the highest in Europe.

Domestic and international tourism are important factors in the Georgian economy. Expenditure of foreign guests in Georgia has a significant effect on balance of payment. Approximately, 59% of Georgia's service export revenue comes from tourism. This revenue, consisting of International tourism receipts demonstrated an increasing trend reaching USD 1 333 574 thousand in I-III quarters of 2013. Although the share of tourism in total output decreased in 2008 as a result of world financial crisis, since then it has shown significant growth accounting for almost 6.6% of total output in III quarter of 2013.

Competitiveness of Georgian Tourism on the world market increased by seven positions ranking 66th among 140 nations in the Travel & Tourism Competitiveness index (Score: 4.10 in 2013) compared with 2011 (73th position). In addition, according to “Rough guide” Georgia ranks 5th among the top ten countries to visit, behind Brazil and Turkey in 2014. Georgia was successful in international relations as well. Georgia has been elected as Vice-President of the Committee on Statistics and the Tourism Satellite Account.

The outlook for the industry is highly optimistic. It is forecast that the industry will create more jobs and generate more income in the years to come. The number of arrivals to Georgia is expected to increase substantially thanks to various steps taken by the government in general and the Georgian National Tourism Administration in particular.

Among the actions taken by the GNTA towards increasing the number of travelers in the country are development of tourism infrastructure, facilitation of international travel, improvement of service quality, large-scale marketing campaigns, targeting new markets and tourist product development.

2.1 International Travel to Georgia

The comparison of growth rates in the world and Georgia shows that in the last five years international arrivals in Georgia increased considerably faster than in the whole world. Even in 2008, during the world financial crisis when arrivals worldwide fell by 4%, the number of international arrivals to Georgia increased by 16%. The recent high growth rate was highlighted by international organizations. According to the World Tourism Organization report, "UNWTO World Tourism Barometer" (December, 2013), the statistics for the last three years demonstrate that the most popular season among international travelers is summer which is 35% of total international arrivals.

The statistical data on tourists that have been found do not match the exact accuracy. For example, any non-permanent resident, no matter how long their length of stay is considered as a tourist despite the fact that a sizable number of entrants are arriving for business or trade purposes. The future success of marketing campaigns in the tourist industry will depend on the country's ability to more accurately track the incoming visitors and their purpose for travel. This report presents basic characteristics of international travel to Georgia for the period of year 2013. The sphere of the main interest of the report includes trips for holiday, business, visiting friends and relatives (VFR) purposes, expenditure during the trip and other reasons. In addition, Georgia showed the highest relative increase of 39% in 2013 among the emerging destinations.

2.2 International arrivals by Years

International tourism in Georgia propelled ahead in 2013 as the number of international tourists grew up and reached a new record total of 5,392,000.00

The number of international arrivals in Georgia increased by +8%, compared to the same period of last year, while +3% growth was registered during the first six months of 2015.

According to the Annual Report of UNWTO, 2014 Georgia registered the strongest growth of the tourists and keeps the 48th position among the countries of the world.

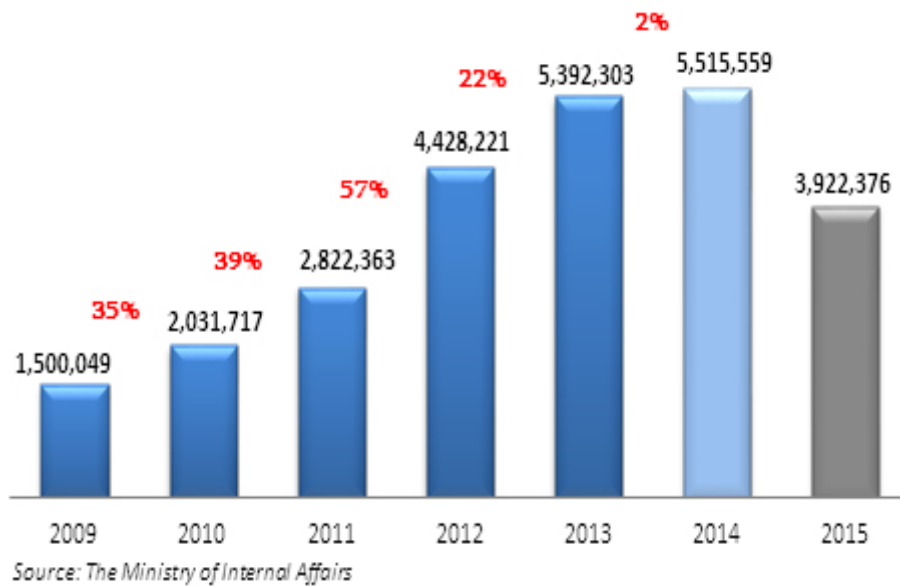


Fig.1. International arrivals by years (GNTA)

The Government of Georgia provides tourists with a network of information centers operating in Tbilisi and throughout the country, as well as a liberal travel policy. Georgia demands no transit fees and sets no quotas, and there are no visa requirements for citizens of EU countries, the United States, Turkey, Israel, Japan, Canada, Switzerland and other CIS countries (except for Russia). Very simple, effective procedures allow citizens of other countries to obtain visas directly at their point of entry into Georgia.

Arrival of non-resident visitors in Georgia (2005-2014)

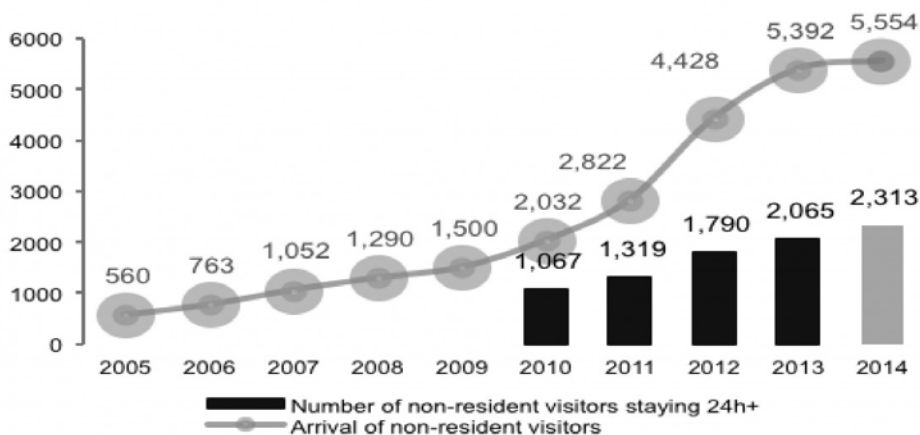


Fig. 2. Arrival of non-resident visitors in Georgia by years (GNTA)

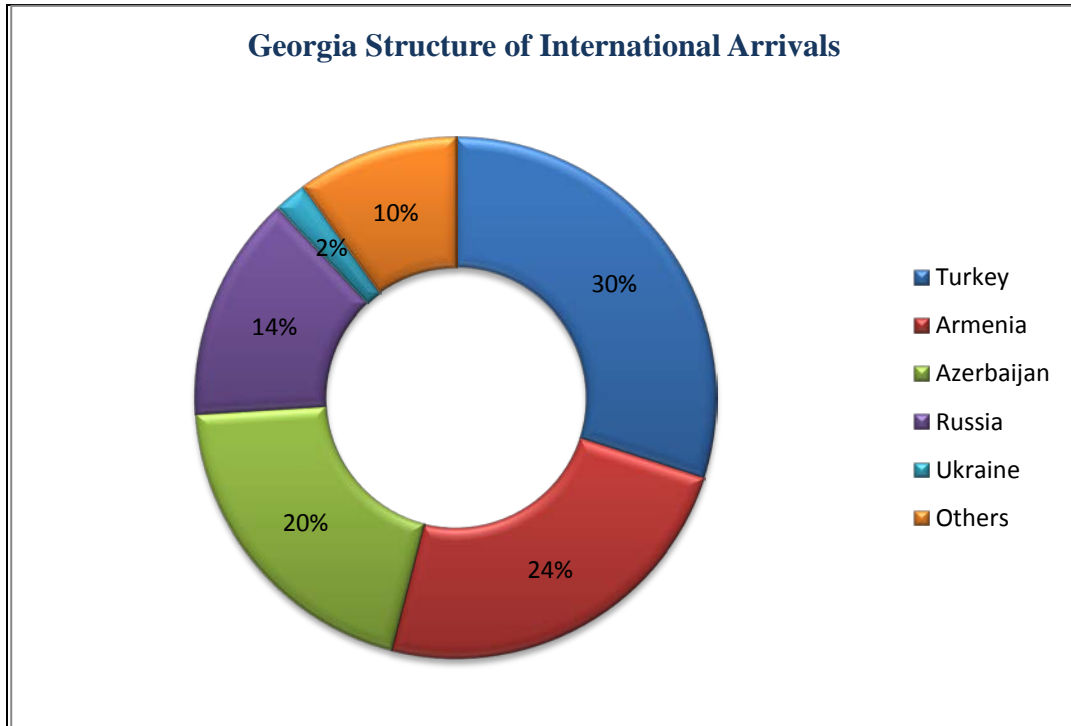


Fig.3. International arrivals top countries (%)

Table 1. International arrivals top 15 countries

Country	2012	2013	Change	In %
Turkey	1,533,236	1,597,438	64,202	4%
Armenia	921,929	1,291,838	369,909	40%
Azerbaijan	931,933	1,075,857	143,924	15%
Russia	513,930	767,396	253,466	49%
Ukraine	76,610	126,797	50,187	66%
Iran	89,697	85,598	-4,099	-5%
Iraq	6,947	41,239	34,292	494%
Israel	30,851	39,922	9,071	29%
Poland	20,563	36,946	16,383	80%
Germany	26,448	30,815	4,367	17%
USA	28,513	26,713	-1,800	-6%
Greece	19,777	22,024	2,247	11%
Kazakhstan	15,115	21,148	6,033	40%
United Kingdom	14,805	16,672	1,867	13%
France	12,004	14,239	2,235	19%

2.3 Main Characteristics of International Travel

Total number of international visitors in 2013 and Jan.-Mar. 2014 is estimated to be around 5351021. A large majority, 87% of visitors were residents of the neighboring countries - Turkey (29%), Armenia (22%), Azerbaijan (20%), and Russia (16%), while 10% of visitors came from Europe and 3% from the rest of the world. (Figure 4)

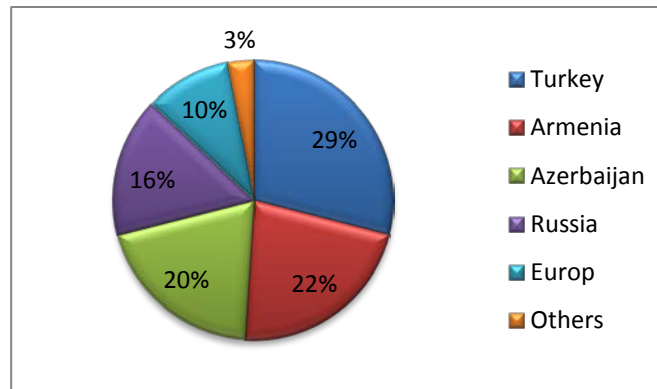


Fig. 4. The number of International visitors by countries

International visitors most often travel for holiday, leisure or recreational purposes (37%). Other frequently observed visiting purposes include visiting friends or relatives (26%), transit (17%), shopping (9%) and business/professional trips (4%). Only 8% of visitors reported other purposes. (Figure 5)

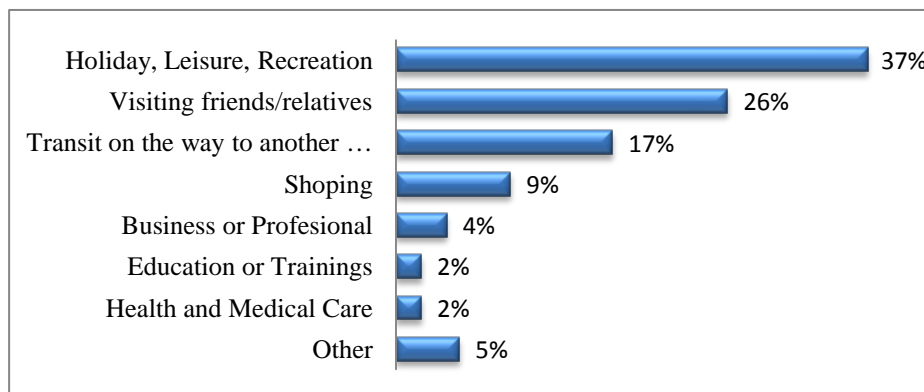


Fig. 5. Purpose of visit

Most of the neighboring country residents have traveled to Georgia before. The highest share of repeat visitors was observed among the residents of Azerbaijan (89%). In contrast, for larger share of Europeans it was the first travel to Georgia.

Visitors' average duration of stay is 5 nights and varies by country of residence. Visitors from neighboring countries tend to stay for short periods except visitors from Russia, who spent on average 8 nights in Georgia (Table 2).

Table 2: Duration of Stay

Country of residence	Average Overnights
Russia	8
Azerbaijan	4
Armenia	4
Turkey	2

60% of international visitors (3 226 953) stayed at least one night in Georgia, while 40% were same day visitors (2 124 068).

Over 46% international trips were to the capital city of Georgia, followed by 41% trips to Batumi. Other destinations had lower number of visitors. Among them Marneuli was the most popular (8%), Kazbegi (8%), Rustavi (6%), Kobuleti (6%), Mtskheta (5%), Kutaisi (5%) and Borjomi 2%.

Most Visited Destinations in Georgia

The most visited cities of Georgia are Tbilisi and Batumi, 45.8% and 40.8% of total tourists go to above-mentioned cities respectively. To fulfill the demand supply of accommodation units has increased in Tbilisi by 17 from 2013 to 2014 and reached 147 to date; further increase is projected in upcoming year. Several international hotel brands are presented in Tbilisi, their number is expected to increase. Number of accommodation units in Batumi has increased by 40 from 2013 to 2014 reaching 102, to meet increased demand. There are several announced project, including international brand hotels, which will be complete in next few year, increasing supply of accommodation units.

Over 46% international trips were in the capital city of Georgia, followed by 41% trips to Batumi. Other destinations had a lower number of visits. Among them Marneuli was the most popular (8%), Kazbegi (8%), Rustavi (6%), Kobuleti (6%), Mtskheta (5%), Kutaisi (5%) and Borjomi 2%. Other regions with a significant number of visits were Kakheti 7%, Imereti 5% and Samtskhe-Javakheti 3% (Figure 6).

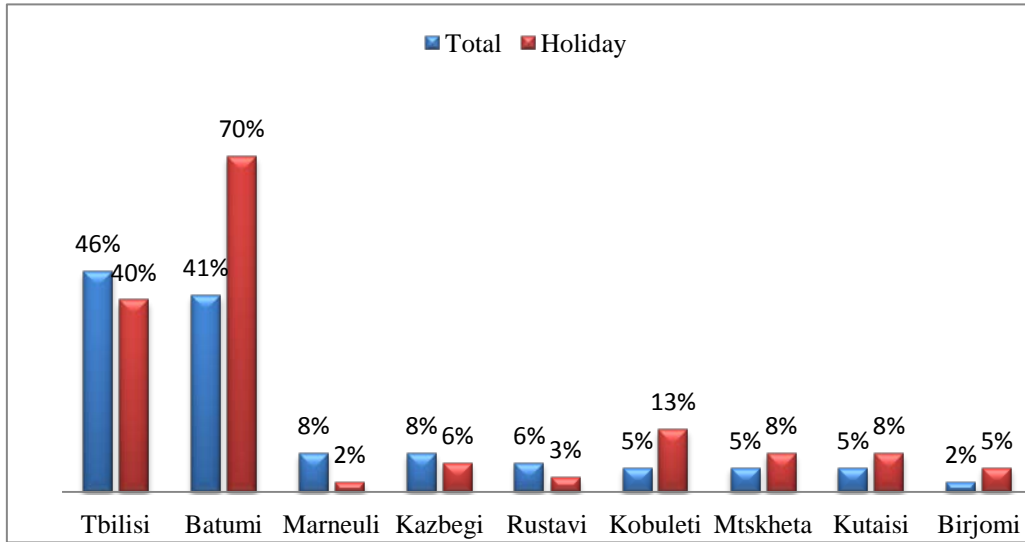


Fig. 6. The most visited Cities in Georgia

Prior to traveling to Georgia, international visitors used various sources for obtaining information. 43% learned about the country from their friends or relatives, 5% obtained information from internet. More than a half of the visitors (59%) obtained information about the country from their previous visits. As expected, first time visitors used more information sources prior to the trip. “Friends and relatives” was most frequently applied information source 73%, 14% obtained information on Georgia from Internet, while TV was less applied information source 10% (Figure 7).

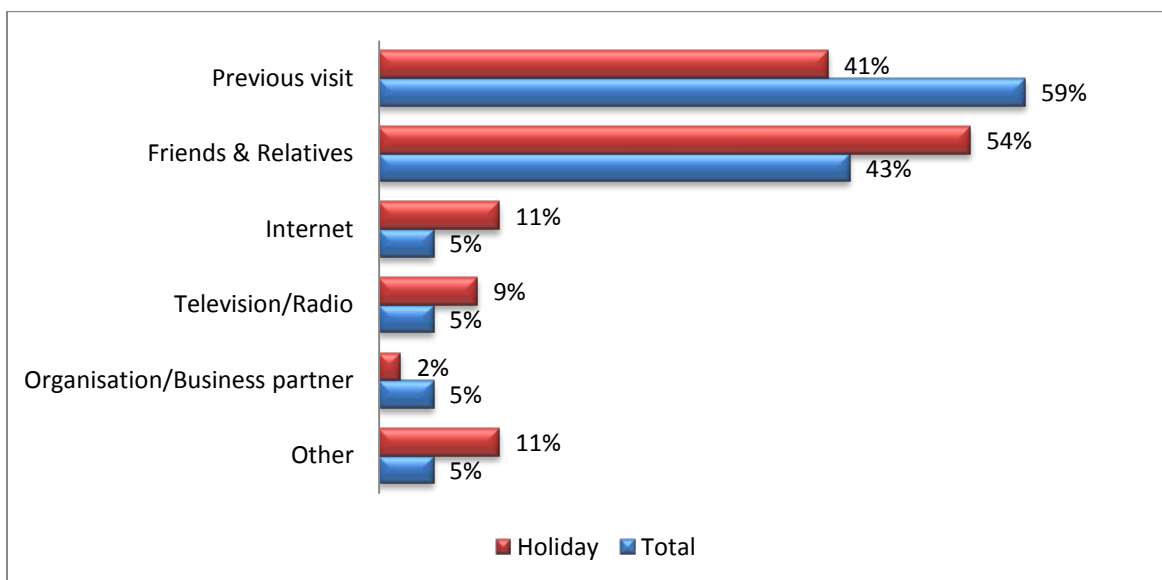


Fig. 7. Information sources

The majority of the visitors surveyed were male (male – 72%; female – 28%). Visitors between 25 – 34 years old were the largest age group (31%) (Figure 8).

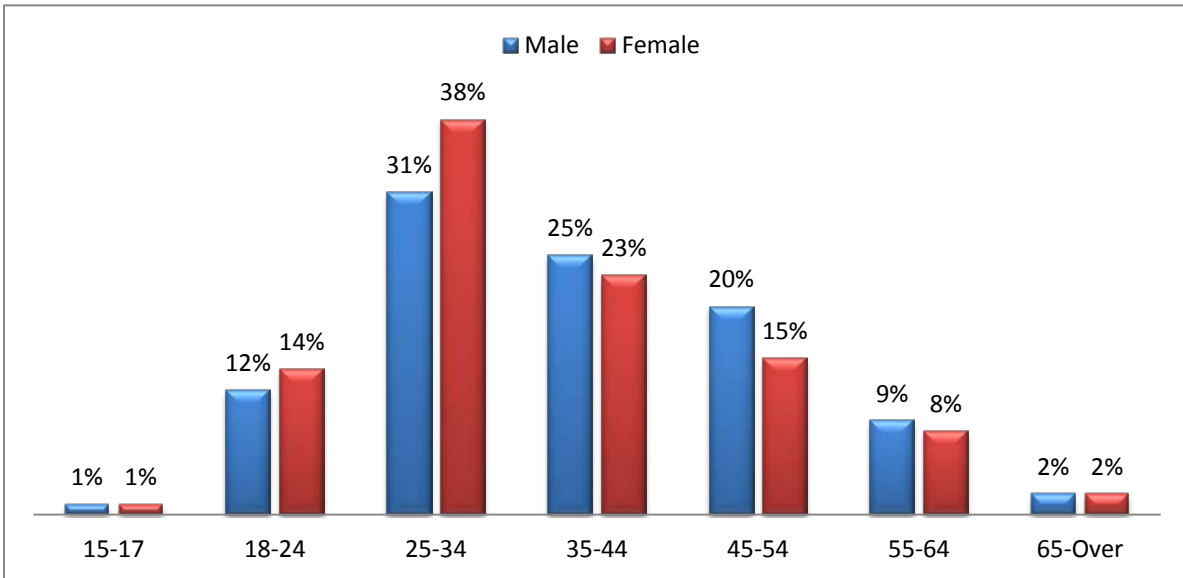


Fig. 8. Age groups

Less than a half of the international visitors traveled to Georgia alone (37%), while others had at least one companion during the trip. A typical companion is a family member/relative (40%). Up to 21% of visitors were accompanied by friends (Figure 9).

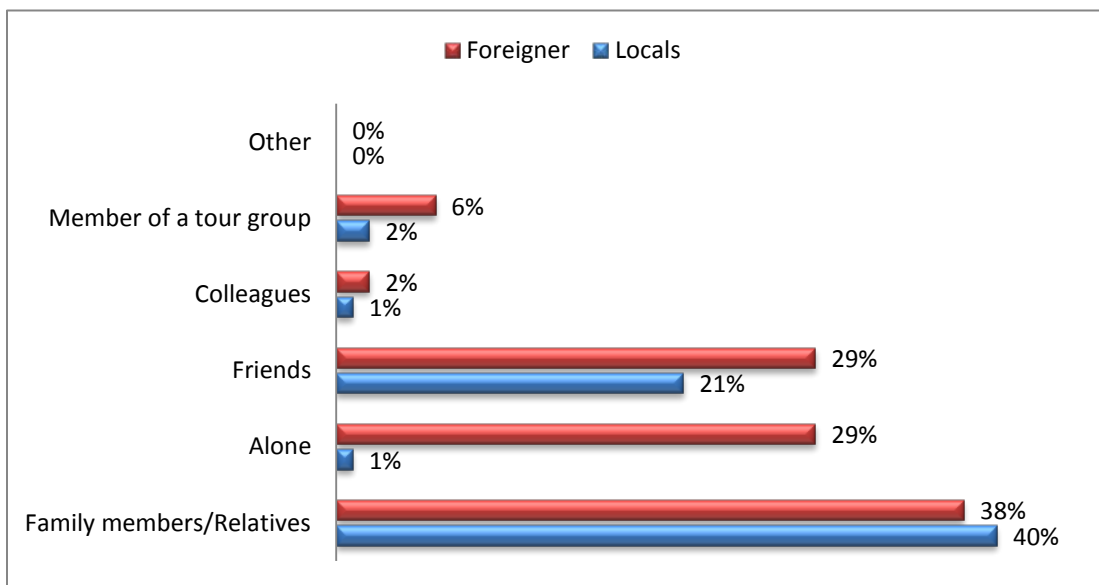


Fig. 9. Persons accompanying on the trip

Trip organization of locals

Most Georgians planned their travel themselves (66%). However, Family members also played an important role in the organization of trips of international travelers with 21%.

Unfortunately, Georgian travel agencies and companies play a minor role in organizing international trips for locals. Their share is only 2.1%. This suggests that there is a possibility to increase potential of those organizations (Figure 10).

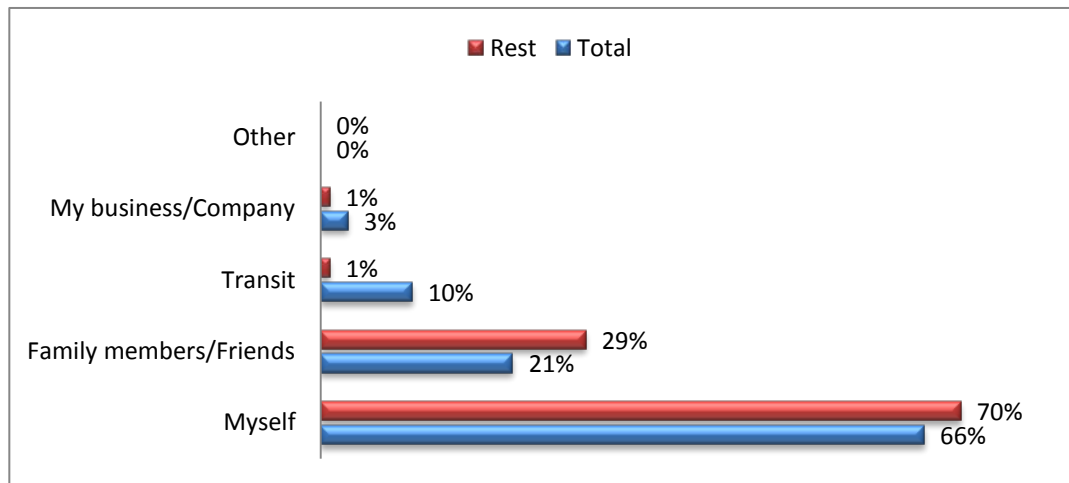


Fig. 10. Organizer of visit

Share of Tourism in Economy

Tourism Industry in Georgia has become one of the strongest fields contributing to the Georgian Economy due to the rapid growth of international visitors during the last couple of years. It has been more than 15 years since the Georgian National Tourism Administration has taken over the tourism policy of Georgia and has become the only responsible entity for forming country's annual tourism strategies, increasing awareness of the country as an undiscovered travel destination, reinforcing Georgia's image on the world tourist map and developing domestic tourism.

Between 2013 and 1st quarter of 2014, due to the increased demand, the total value added in tourism sector rose by 1.1% and reached 5,906 ml GEL. The average expenditure per visitor is GEL 800. As a result, tourism gross value added, as a proportion of GDP, increased from 5.9% to 6.6%. The development of shares of accommodation, meals in restaurants and hotels and passenger traffic reflects the demand situation. The additional value added in the tourism industry in the IIIrd quarter of 2013 was mainly driven by the accommodation (+15%) and passenger traffic (air transport +81%, Rail Transport 3%, other transport +13%).

More detailed information about the contribution of tourism to the economy, tourism receipts and employment can be found at the national statistics office website <http://geostat.ge/> national bank of Georgia website www.nbg.ge and Georgian national tourism administration website

www.gnta.ge Total expenditure by international visitors during the estimation period (2013 – Jan.-Mar. 2014) was over 3 209 514 995 GEL and the average expenditure per visitor is GEL 600. The largest shares of visitors’ expenditure go on served food and drinks (29% of total expenses) and accommodation (19% of total expenses). 19% of expenditure is made on shopping and only 14% was spent on Cultural and Entertainment Services. Detailed breakdown of international visitors’ expenditures is given below (Table 3).

Table 3: Expenditures

Expenditure Components	Total Expenditure GEL	Share of Expenditure
Served Food and Drinks	943 672 386	29%
Accommodation	606 038 439	19%
Shopping	602 764 217	19%
Cultural and Entertainment Services	448 090 929	14%
Domestic Ground Transportation	335 363 639	10%
Other Expenditure	273 585 387	9%

The means of transportation used by international visitors to travel to Georgia was diverse. Most frequently used transport was private vehicle (39%). Fewer visitors traveled by bus (38%), followed by plane with 12%. Only 2% traveled to Georgia by train. (Figure 11).

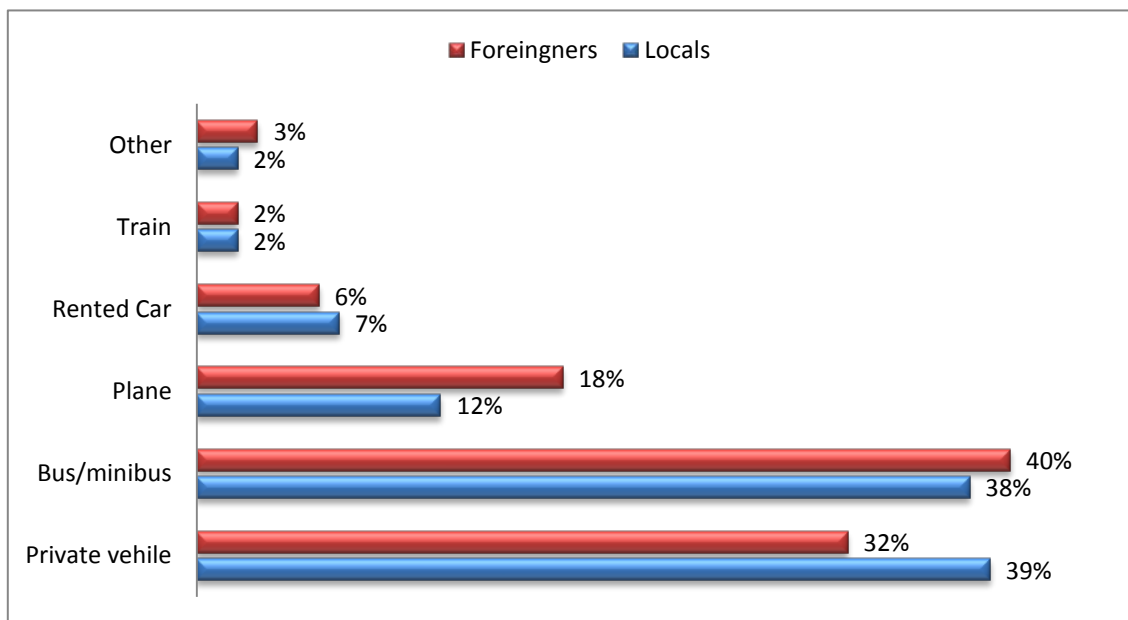


Fig. 11. Means of transportation

Among the activities undertaken by visitors were: experiencing Georgia’s scenery (64%), tasting Georgian cuisine (63%) and rest and relaxation (37%). (Figure 12).

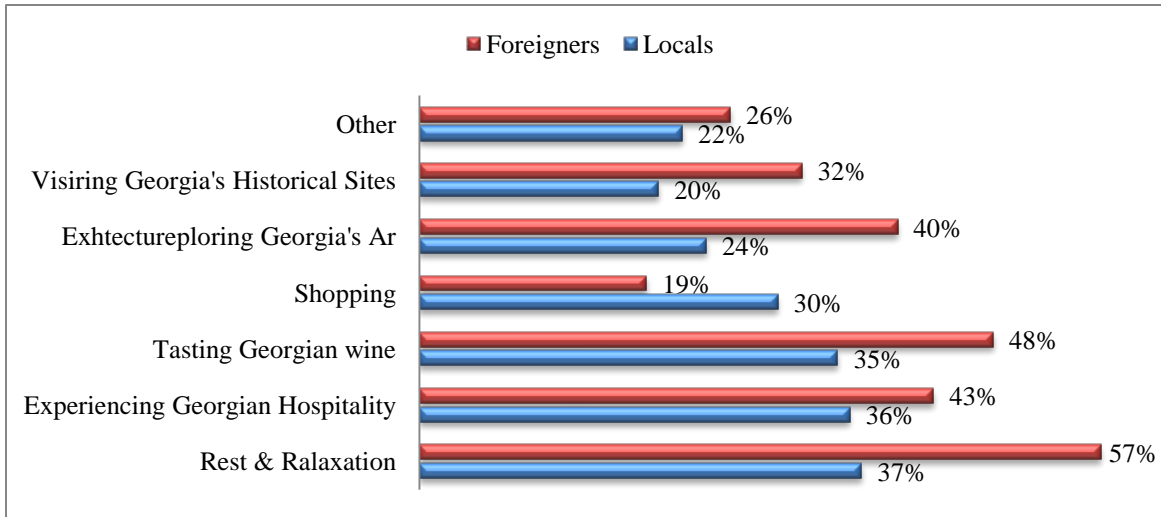


Fig. 12. Activities

International visitors were most satisfied by the Georgian nature and landscape. On the 4 point scale, this parameter was evaluated by 3.8 points on average. Almost similar feedback received Georgian cuisine 3.76 and Georgian wine 3.75. Visitors were least satisfied with Guesthouse (3.41). (Figure 13)

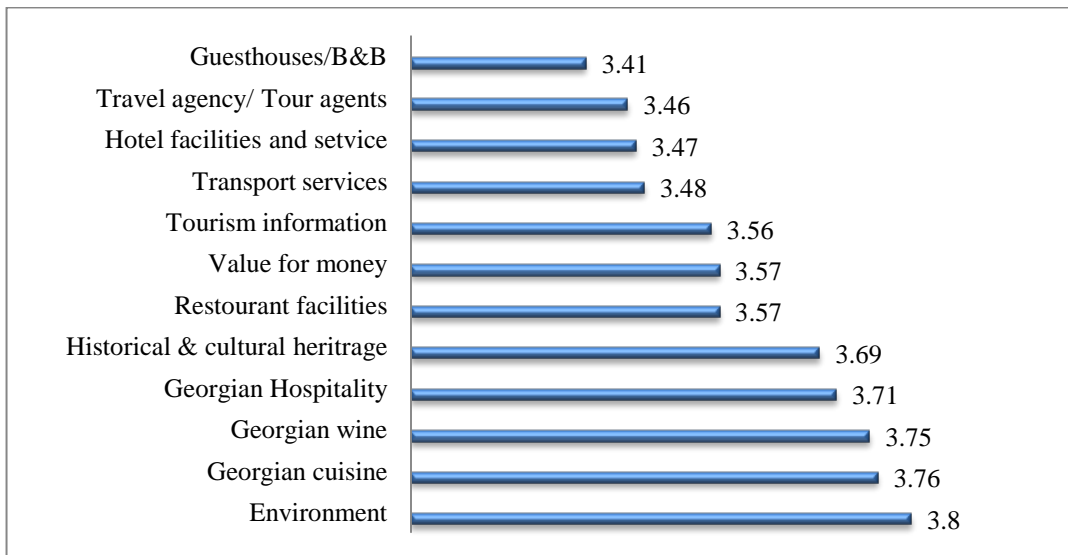


Fig. 13. Satisfaction level

With regard to general satisfaction, 74.2% were very satisfied with the visit, 24,7% were satisfied and only 0.4% expressed dissatisfaction. 0.5% did not answer the question.

The majority of the visitors (86%) did not face any particular problems. 4% had difficulties with transportation, while 2% complained about foreign language capacity. Interestingly, 2%

complained about road conditions in Kazbegi. Other frequent complaints about public toilets (1.7%), problems related to difficulties with border crossing (1%) and navigating, road signs, interpretation 1%.

Traditional Tourism and Local Tastes

Local tourism products: Traditional Handmade Crafts and Local Tastes: Omalo Traditional Folk Arts Festival



Tusheti folk singers



Handicrafts exhibition



Khinkali makers

Georgia has a staggering number of regions (65), each with their own set of culinary traditions, from the shores of the Black Sea to the Caucasus Mountain Range. A variety of famous khachapuri (cheese-pie) according the regions, different chicken and meat dishes accompanied with vegetables, dressed with walnut sauce and local spices are worth of all praise.

The cuisine offers a variety of dishes, high in herbs and spices, a variety of vegetarian meals in addition to meat dishes: organic fresh meats like pork or lamb, chicken or fish dishes,



hazelnuts and walnuts, various sorts of cheese, pickles and pungent seasonings, eggplant, plums, corn, pomegranates, kidney beans, wild herbs, coriander, scallions, hot peppers, mint, basil, love of garlic and much, much more fill homes and restaurants all around the country.

Apart from alcoholic drinks Chacha and wine, tasty Lagidze water is a Georgian flavored soda made with a variety of natural

syrops, sold bottled or mixed in the glass in a soda fountain. Types of mineral water from Georgia are Borjomi, Nabeglavi and Sairme.

Types of tourism

Georgia has the great potential of tourism. Here a tourist can plan extreme tours and other short tours. The professional guides will introduce the tourist to Georgian's traditions and culture. They will show the tourist unique nature and unforgettable places.

Georgia can offer visitors diverse tours starting from Caucasus mountains till the Black sea coast; mountaineering, climbing, hiking, mountain biking, skiing, paragliding, canoeing, rafting, wildlife watching and etc. Also tourists can enjoy cultural tours through Georgia and black sea coast for water sport activities. Nowadays, different tours are offered to tourists in Georgia by hundreds of small and big tour companies; Tourism development is one of the first priorities for Georgian government as well.

The Tour Agencies of Georgia offer different tourist tours:



BIKE TOURS

Different landscapes provide a good opportunity for organizing both cross-country and mountain bike tours in Georgia. While biking in beautiful nature travelers will have a chance to visit ancient historical monuments, meet local people and get acquainted with local traditions and lifestyle.



JEEP TOUR

The unique nature of the country makes the travel special. During the jeep tour, the tourists will discover Georgia's wild nature, its wonderful forests and unique landscape. The tourists will meet both forests and hills, mountains and desert as well. It's possible to travel by jeeps in the alpine zone, on the snow. Georgia's landscape and nature make the journey wonderful.



RAFTING

There are a lot of rivers, lakes and reservoirs in Georgia. There are more than 26 000 rivers and it makes rafting amazing.

Here are different ways for rafting, both for beginners and professionals, too. There are 6 ways for rafting, by level.



HORSE RIDDING

Georgia has an ancient tradition of riding. Elite Tour, offers the tourists riding tours, both for beginners and for professionals.

The riding tours provide complete equipment, also overnights in camps and professional guide service. Georgia's unique nature makes riding tours wonderful.



FISHING

Fishing is the best way to relax. Georgia's rivers and lakes make every fisher dreams come true. The specialists will give tourists information about fishing seasons, places and any other information, which is useful for fishing. Fishing tour provides: fishing rod, fishnet, all useful equipment and professional guide service.



HUNTING

For hunting lovers Georgia is very attractive place. Here tourists can hunt on partridges, pheasants, ducks, wild chicken and hogs.

The professional guides will help tourists to solve any problem during hunting and give professional advices.

The service provides: accommodation, transportation, FB, guide service, professional hunter's service, full equipment for hunting and license.



DIVING

Georgia is the reach of underwater nature. Here are a lot of unique places for diving, in lakes, in underwater caves and Black Sea too.

Tour provides: professional instructor service, full equipment, meal, accommodation and transportation, also offers tourists unique underwater hunting tours



TREKKING

Georgia is unique for its flora and fauna.

During this tour tourists will get in villages, which are in the high mountains, will get acquainted with Georgian culture and traditions. Tourists will visit unique lakes on the top of the mountain, canyons, Mountain Rivers and beautiful gorges.



WINE TOUR

It is widely believed that this is where wine production first began, over 7000 years ago. The wine is central to Georgian culture and tightly bound to their religious heritage. It is common for families throughout Georgia to grow their own grapes and produce wine. Feasting and hospitality are central pillars of Georgian culture, and traditional banquets are presided over by a toastmaster, or Tamada, who proposes numerous toasts throughout

the meal, and ensures the wine, flows liberally. In Georgia the wine is considered a sacred drink, so do not neglect the offer to taste it. Domestic table wines are not very strong. Semi sweet red wine mainly preferred ladies.

CULINARY TOUR



Traditional Georgian cuisine is very popular not only in neighboring countries, but all over the world. Rich, savory, piquant, strikingly original and very specific to the country, Georgian Cuisine is the natural extension of a fertile, mineral-rich landscape fed by the pure waters of the Caucasus Mountains. A variety of famous khachapuri (cheese-pie) according the regions, different chicken and

meat dishes accompanied with vegetables, dressed with walnut sauce and local spices are worth of all praise. Georgia, a stop in Tbilisi is a great way to familiarize yourself with the country's unique history and culture of food and wine.

Membership of the different International Organizations and Agencies:

UN - from 1992
UNWTO - from 1994
UNESCO - from 1992

10 cities are twinned with European and American cities, e.g. Tbilisi and Los Angeles, Kutaisi and Newport (UK), etc.

There are about 150 museums and 12,000 monuments in Georgia, 4 of which are included in the UNESCO World Cultural Heritage Fund, more than 45 historical memorials are under the patronage of UNESCO and the Agency of World Heritage.

Table 4. Situation of the infrastructure related to the tourism:

Hotels	977
Guest houses	487
Boutique hotels	123
Family inns	
Hotels according to their stars:	324
1star	13 hotels
2star	18 hotels
3star	65 hotels
4star	40 hotels
5star	13 hotels
Restaurants	1761
Road transport, pipeline transportation	1049
Water transport	2
Air transport	6
Complimentary transportation, tour operators activity	
Of which:	978
Tour-operators	534
Number of the tour agencies	296
Number of registered tour guides	730
Number of people employed in the tourism sector	74 000 (14%)
Number of employed persons in hotels	10 561
Among which:	
Women	4375
Men	6186

Open green and recreation areas:	
Bicycle roads - throughout the country except the mountainous areas	
Natural walk paths - throughout the country (many of them aren't still marked and tourists - trekkers have to address the local guides	
Total number of museums	188
Of which:	
History/Regional Studies	61
Literature studies	2
Arts	18
Museum Reserve	11
Memorial	78
Others	18
Annual (2013 – 1 st quarter of 2014) attendance	
Number of excursions	34018
Number of exhibitions	664

Accommodation

The most frequently used accommodation was hotel (43%). Slightly more than a quarter of the tourists (34%) resided at friend's or relative's private apartment. Other types of accommodation are less utilized by international visitors – 10% stayed in a guesthouse. (Figure 11).

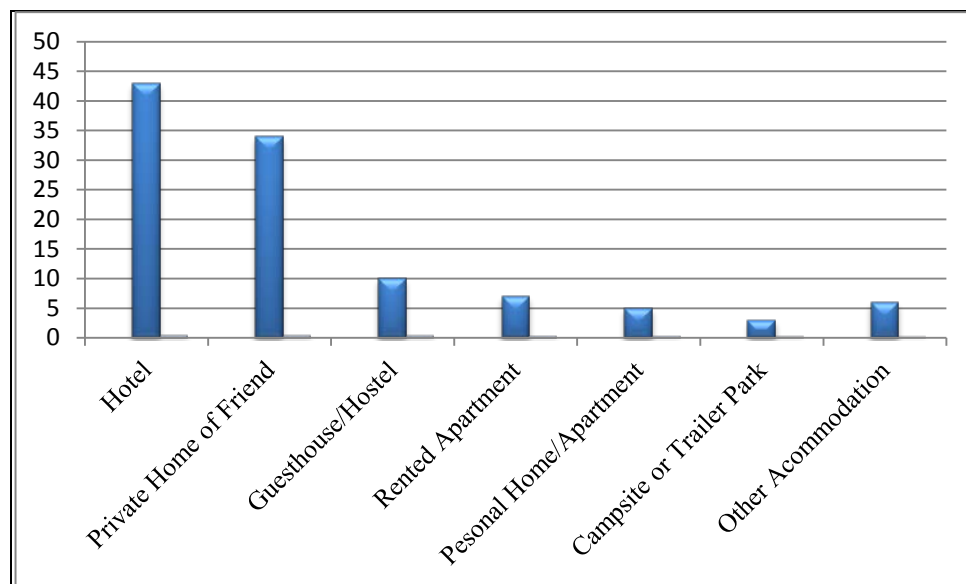


Fig. 14. Accommodation (%)

Transportation links – highway, airway, train – way, seaports, etc.

Thanks to extensive public and private investments, Georgia offers an extensive network of roads, railways, waterways, harbours and airports. The means of transportation used by international visitors to travel to Georgia was diverse. Most frequently used transport was private vehicle (39%). Fewer visitors traveled by bus (38%), followed by plane with 12%. Only 2% traveled to Georgia by train (Figure 15).

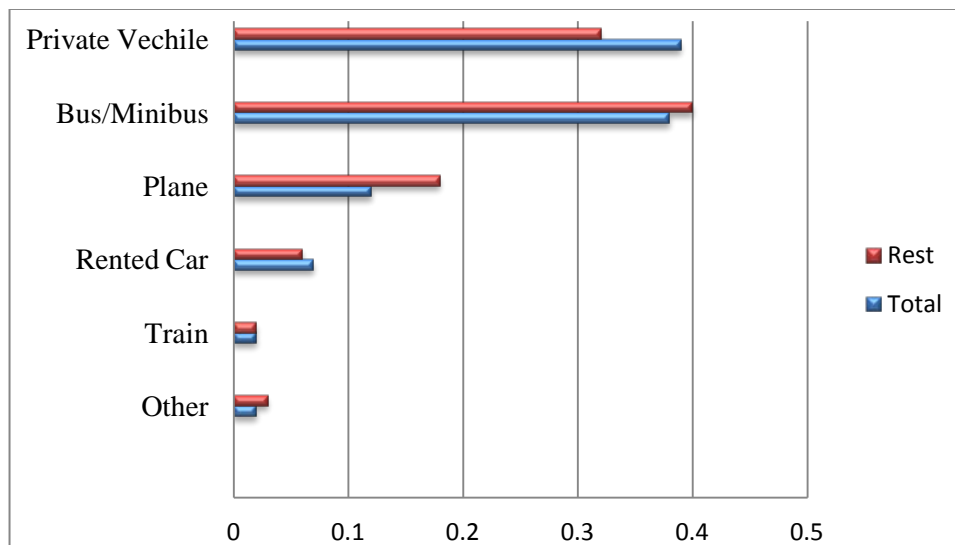


Fig. 15. Means of transportation

Followed by air transport: foreign airlines 12% and Georgian Airlines 3%. Train and sea transport have an insignificant share with 3% and 1% respectively.

The optional way of getting to Georgia is by car or bus. Buses are leaving daily from Istanbul, Ankara, Trabzon, Yerevan and Baku. Buses from/to Athens operate several times a week.

If you are fond of train travel, you can take an overnight train from Baku or Yerevan.

Getting to Georgia by the sea is one of the adventures ways, as the schedule of the ferries is changeable according to the weather conditions. The coastal zone includes the 3 major port cities of Batumi, Poti, Supsa terminal and soon will be Anaklia. Operation of the ports and related infrastructure is an important activity here (see <http://www.worldportsource.com/ports/GEO.php>).

If you make a decision to travel to Georgia, choose the most convenient ways – flight. Many direct flights from European countries and Asia, as well as good connections, make flight the easiest way of entering the country.

The aviation market in Georgia has demonstrated considerable growth in the last few years. Until 2003, the market was not open to competition being a monopoly of different business groups. However, in recent period various steps have been taken towards liberalization, which brought about a rapid increase in the number of flights and passengers. Major airlines operating in Georgia are: Georgian Airways, Turkish Airlines, Lufthansa, BMI, Czech Airlines, China

Southern Airlines, Qatar Airways, Alitalia, AZAL, Air Baltic, LOT, Air Astana, Belavia, Ukraine International Airlines, Aerosvit, Estonian Air, Pegasus, Fly Dubai, Fly Georgia, etc. **Cultural heritage** has always been of great importance and pride in Georgia.

The main body responsible for the protection of cultural heritage is the Ministry of Culture, Monument Protection and Sport, in particular the Department of Cultural Heritage and the Committee for Protection of Cultural Heritage. Some responsibilities are also allocated to the National Committee of UNESCO under the Ministry of Foreign Affairs, the Georgian Academy of Sciences and the State Department of Archives under the Ministry of Justice.

Number of open museums or other related touristic places–

The museum system of Georgia consists of 255 museums of various profiles, which are subordinated to and financed from different levels of authority.



The **Open-Air Museum of Ethnography with Museum of Georgian Folk Architecture** (Tbilisi). This collection of nearly 70 traditional, mostly wooden houses from around Georgia is spread over a wooded hillside with good views, and makes an enjoyable visit. The most interesting exhibits are in the lower section of the museum (near the entrance), where the buildings are kitted out with fine traditional furnishings, rugs and utensils. There's also an archaeological section, which includes a basilica from the 6th and 7th centuries.

Georgia is a unique country possessing enormous tourism potential. Extended along the Black Sea coast, it has about 300 mountain (Abastumani, Bakuriani, Bakhmaro, Gudauri, Utsera, Shovi, etc.), seaside (Kobuleti, Ureki, Mtsvane Kontskhi, Makhinjauri, Batumi and etc.), balneotherapeutic and mud (Borjomi, Sairme, Likani, Nunisi, Akhtala, Sulori and etc.) health resorts, both winter and summer.

Utsera, Mamisoni Pass



Peack of Dadekvini Mountain in Racha



Open green and recreation areas – bicycle roads, natural walk paths, etc.

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Abkhazian resort-recreational region: Located in the conflict zone of Georgia, the region is famous for its best coasts of the Black Sea, plentiful mineral waters, and mild subtropical climate. The region unifies three picturesque protected areas: **Ritsa, Avadkhara, Gagra, Kindghi, Bitchvinta, Miusera, etc.**

Eastern-Caucasus resort-recreational region - is situated along the so called **Georgian Military Road**. Important tourism centers of it are **Kazbegi**, which has a good alpinism potential and very popular ski resort **Gudauri**.

Racha-Lechkhumi resort-recreational region: is popular for balneologic resorts **Utsera and Shovi**, having similar tourism resources as the Svaneti region does.

Adjara Resort-recreational region: Similar to Abkhazia region in terms of tourism specialization, Adjara Resort-recreational region is famous for its seaside tourism centers such as **Batumi, Kobuleti, Makhinjauri, Mtsvane Kontskhi (Green Cape), and Tsikhisdziri**.

Borjomi-Bakuriani resort-recreational region: One of the most important tourism centers of Georgia as it resides double functions – health resort in summer and skiing resort in winter. The region unifies significant tourist centers such as **Tsaghveri, Tsemi, Little Tsemi, Libani** and others.

Southern Osetian resort-recreational region: Located in the conflict zone of the country has a tourist center **Java** which emphasizes climatic and service of balneologic tourism.

Samtskhe-Javakheti resort-recreational region: Exceptional mountain air and abundance of mineral waters makes this place an important balneologic resort. It features **Phthisic resort Abastumani** and various unique cultural monuments.

Kakheti resort-recreational region – This is an especially important region for wine production. Besides, it is famous for therapeutic mud resort **Akhtala**.

Kolkheti resort-recreational region: resorts: **Tskaltubo, Tsaishi, Sulori, Menji** and seaside resorts such as **Anaklya, Ureki, Grigoleti, Maltakva**. Three thousand years old **City of Kutaisi** is interesting in terms of its historical monuments.

Natural heritage information (National Parks, Longoz Forests, Touristic caves, etc.)

Natural heritage is the responsibility of the Ministry of Natural Resources and the Environment.

National Parks

Lagodekhi Protected Area: “Shaviklde Lake”



Not a single country in Europe possesses such rich flora and fauna as Georgia. **None of European countries offer such diverse relief in such a small area. Nowhere in Europe is landscape preserved in such an original state as Georgia.** Georgia with a territory of only 69,000 square kilometers is unique among the world's nations in bio-diversity. To find subtropical marshes, semi-deserts, lofty alpine zones and snowy peaks - all within a hundred kilometers of each other - is rare. Add to this the fact that nearly 40% of Georgia's territory is still covered in forest - a large proportion of which is untouched by humans - and one understands the establishment of its 31 Protected Areas, identified for conservation. Within these are five National

Parks - with the aim to preserve their unique, pristine nature, yet open for visitors to enjoy their beauty.



Vashlovani National Park



Lagodekhi Protected Area



**Borjom - Kharagauli National
Park**

**Tusheti Protected Area
Garden**



Mtirala National Park



Batumi Botanical



National Botanical Garden of Georgia

In Tbilisi vicinities you will see the amazing **Botanical garden** which is located in the southern part of Tbilisi in the river Tsavkisis- Tskani gorge between Tabori and Sololaki ridges and on their slopes. There you will see the blooming plants of unusual beauty, the 40 m waterfall and a little bridge across the river grown with amazing flowers.



Algeti National Park



Kintrishi Protected Landscape



Kobuleti Managed Reserve



**Touristic Caves:
David Gareji Monastery**



Uplistsikhe



Vardzia



Handcraft Folklore Festivals and Various Exhibitions in Georgia



Every season Handicraft Folklore festival and exhibitions are held in Open Air Museum of Tbilisi, where Georgians from different provinces perform handicraft exhibitions including handmade textile and felt production, ancient musical instruments, chasing metal, pottery making performance, also ritual and celebrating songs, based on harmony of polyphony, folk dance... Famous Georgian Cuisine courses and sweets with red and white wine are offered. The samples of handicrafts found in the excavations in Vani, Akhagori, Armazi, Bagineti, Jinvali and other burial places prove the highly artistic skills of the goldsmiths.



These entire traditional handicrafts have been successfully continued by Georgians passing the knowledge from generation to generation.

Information about the human resources employed in the tourism sector:

Employment Module in Tourism

In 2013 –beginning of 2014 the total number of persons employed in tourism amounted to 181.2 thousand. The largest share is employed in the transport sector, which accounts for 54% of tourism employment. Other significant contributor is Hotels, Restaurants with 18% of tourism employment. Employment in Hotels and restaurants increased at 20%, while in transport at 9%. The total increase compared over the same period of last year is 1%, due to the decrease in employment in other sectors of tourism In 2013 total contribution of tourism in employment was 10%.

Number of the tour agencies - 296 companies, Number of registered tour guides – 730.

Number of people employed in the tourism sector – 74 000 (14%), Number of employed persons in hotels 10561 of which women 4375 and 6186 men

3. Problems of the tourism sector in the examined region

As it has been already mentioned political and economical improvements needed for tourism resources to flourish and attract more visitors can be considered as opportunities for the growing industry.

Successful accomplishment of the reforms related to education, police, anticorruption, public service system and others are noticed. International recognition of success in combating corruption in the country has helped promote investment and business climate in Georgia. SWAT analyses looks like, as follows:

Strengths: inherited tourist attractions – cultural and historical heritage, cuisine, natural contrasts, spa facilities as well as recent achievements – creation of a competitive brand - homeland of wine and first Europeans, minimization of crime rate, simplification of public service system, etc.

Weaknesses: insufficient infrastructure and service staff skills - seen as opportunities by the Government as it has started a number of programs aiming at infrastructure renewal and service staff training.

Opportunities: increased interest of reputed investors, international recognition of successful reforms carried out in the country, cancelation of visa requirement for citizens of the Russian Federation, potentially a major provider of visitors to Georgia, rapid growth of the national economy allowing faster execution of tourist projects.

Threats: Political developments in neighboring country from the North; competitors - neighboring countries offering similar cultural heritage and resorts

4. Challenges and Opportunities

Despite of the growth, the Georgian tourism industry faces serious challenges. At many conferences, synergy congresses devoted to Tourism Development the problems regarding poor infrastructure and low quality service were underlined. “Tourists come to Georgia for its ancient history and culture; they are often attracted to the high mountains and seaside regions, but we can’t boast about having a high level of service either in the capital or in the countryside. For instance, the thing that complicates exploring Tbilisi on your own is the absence of street signs in English. Meanwhile, in the regions we hardly have any quality hostels or reasonably priced hotels”. Also, we should mention bad marketing and lack of qualified guides as other problems. We need to improve these points in order to attract more foreign visitors while raising the number of domestic tourists. Georgia is challenged to develop tourism infrastructure, increase service quality, enter new markets, promote Georgia to international markets and recruit qualified staff in this business. There are a great number of notable and worthy opportunities to solve the most important issues at the state level, i.e. at the Ministries of Economy, Culture, Education and Science, as well as at Guide Association, National Tourism Agency, etc.

The wide range of opportunities – from spas to agro-tourism Opportunities for developing various kinds of tourism facilities are as diverse as the Georgian landscapes. Examples include:

- Health spas and wellness tourism based on the rich heritage of more than 2,400 natural springs bearing a wide variety of mineral composition
- Eco-tourism, including ecologically adapted exploration of protected areas, which make up 7% of the nation’s total territory, and 75% of which are covered in forest.
- Adventure sports, water sports and mountain sports, and all other types of low-impact tours based on appreciating the natural environment such as bird watching, nature trekking and river rafting, etc.
- Cultural tourism to explore some 12,000 monuments and remnants from 3,000 years of cultural history.
- Agro-tourism, wine tourism and gourmet tours based on a tradition of more than 500 varieties of grapes, native and unique crops and livestock as well as a cuisine rich in local recipes and traditions.

The 16th International Tourism Fair will be held at the exhibition center “Expo Georgia” from 11 to 13 April, 2014.

Caucasus Tourism Fair is dedicated to the promotion of tourism products of the Silk Road countries. This fair will help to develop a tourism infrastructure in Georgia and the integration of the region into the world tourism market. Trade and public visitors will get the opportunity to

receive information about services and products from exhibiting companies. Exhibitors profile includes: tour operators, touristic agencies, airline companies, hotels, restaurants, insurance companies, publishers, touristic associations.

The International Tourism Training Center began its functioning in Georgia.

Visitors' Profile

Visitor profile includes Travel Trade Members, Corporate and Business Travel Decision Makers, Tour Operators, Travel Agents, Leisure and Holiday Travelers (FIT & Groups), Travel Trade Members, Corporate and Business Travel Decision Makers, Leisure and Holiday Travelers, National and International Representatives from Hospitality Industry, Travel Planners etc.

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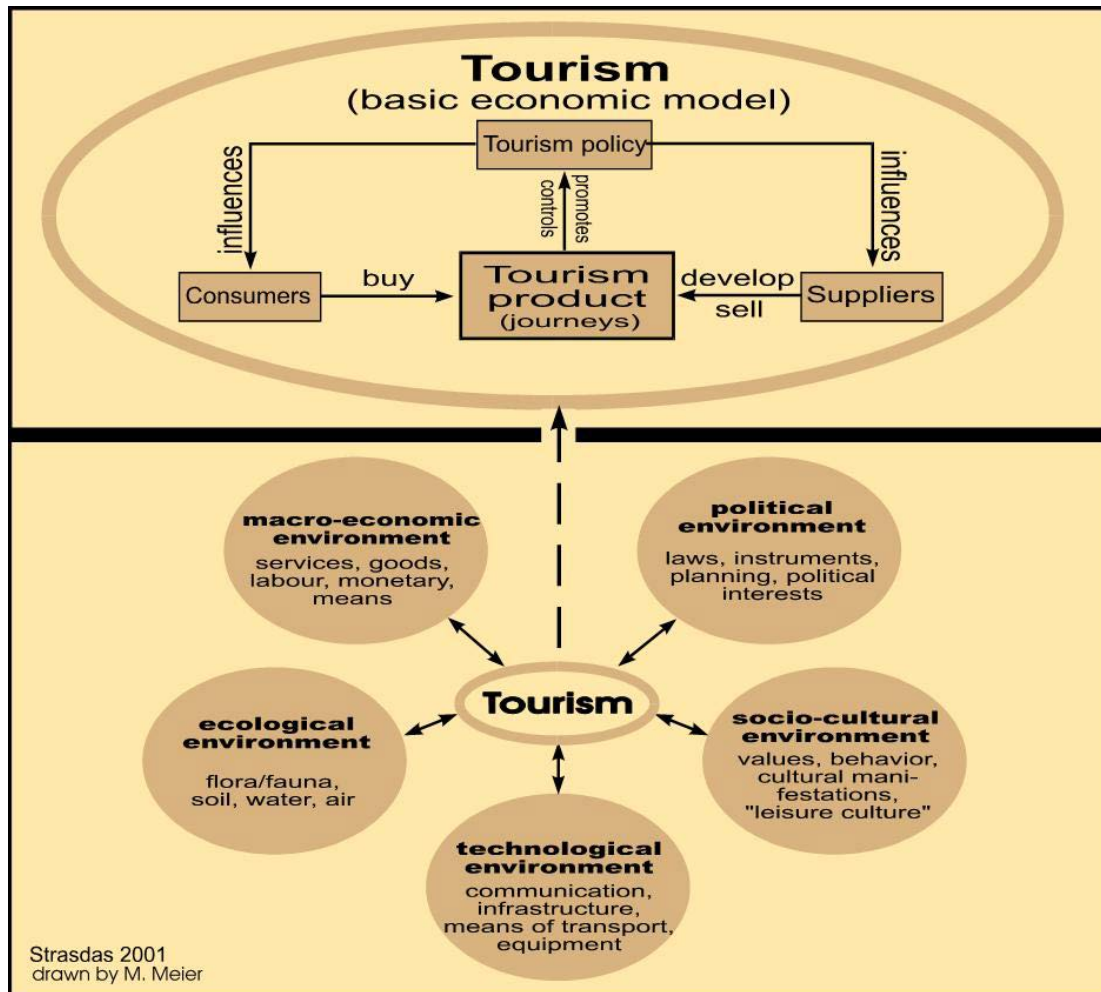
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Chapter 2. Georgian Tourism Industry Overview (Georgian National Tourism Administration)

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1. Executive Summary

Travel and tourism is one of the largest and fastest-growing service industries globally. In 2014, the share of tourism in world GDP amounted to 9% or 6% of the world's exports. The sector employed 1 in 11 jobs worldwide. Despite occasional shocks, international tourist arrivals have shown virtually uninterrupted growth – from 25 million in 1950 to 278 million in 1980, 528 million in 1995, and 1087 million in 2013. UNWTO expects growth to maintain its steady rate at about 3.3% until 2030 to reach 1.8 billion.

From the statistical viewpoint, the performance of the tourism industry in Georgia in 2013 can be characterized as a period of further growth. In 2013 the number of international arrivals grew by 22%, overstepping the five million mark for the first time. The five-millionth international visitor was even awarded a prize to stress the importance of the fact. The high growth rate in tourism was also highlighted by international organizations. According to the World Tourism Organization's report, "UNWTO World Tourism Barometer" (December, 2013), the increase in the number of international arrivals in Georgia was rated as the highest in Europe.

Domestic and international tourism are important factors in the Georgian economy. The expenditures of foreign guests in Georgia have a significant effect on the balance of payments. Approximately 58% of Georgia's service export revenue comes from tourism. Revenues consisting

of international tourism receipts demonstrated an increasing trend reaching USD 1,72 billion in 2013. Although the share of tourism in gross domestic product decreased in 2008 as a result of the global financial crisis, since then it has shown significant growth, accounting for almost 6.5% of GDP in 2013.

In 2013, there were a total of 1,065 collective accommodation establishments in Georgia, comprising 15,967 rooms with 37,317 beds. These establishments are subdivided into hotels, which number 418, with a total of 10,801 rooms and 23,904 beds; and other accommodation establishments, which number 647 units and include 5,166 rooms with 13,413 beds.

The competitiveness of Georgian tourism on the world market increased by seven positions, ranking 66th among 140 nations in the Travel & Tourism Competitiveness Index in 2013 (Score: 4.10), as compared with 2011 (73rd position). In addition, according to “Rough Guides” Georgia ranks 5th among the top ten countries to visit in 2014, coming behind Brazil and Turkey. Georgia was successful in international relations as well, elected Vice-Chairman of the UNWTO Regional Commission for Europe and Vice-President of the Committee on Statistics and the Tourism Satellite Account. Georgia became a member of ICCA (International Conference and Congress Association).

The outlook for the tourism industry is highly optimistic. It is forecast that the industry will create more jobs and generate more income in the years to come. The number of arrivals to Georgia is expected to increase substantially thanks to various steps taken by both the government in general and the Georgian National Tourism Administration in particular.

Among the actions taken by the GNTA towards increasing the number of travelers in the country is: the development of tourism infrastructure, the facilitation of international travel, the improvement of service quality, large-scale marketing campaign, the increase of awareness about Georgia, implementation of marketing activities on domestic and international markets and tourist product development.

Development of tourism stands high in the priorities of the Georgian government. To spur sector growth, various incentives are being offered to investors; among them are the Hotel Investment Initiative and Free Tourist Zones to name but a few.

2. International Arrivals

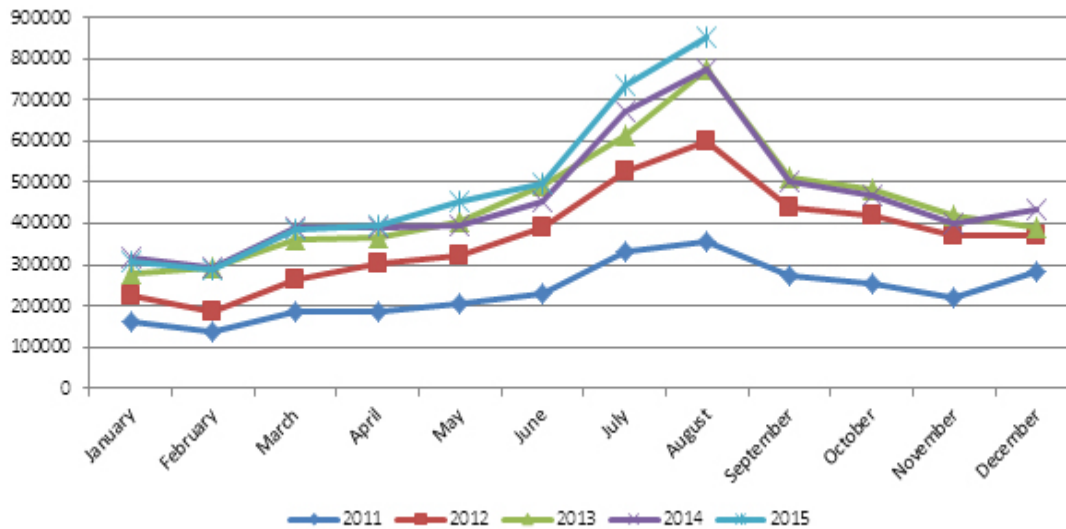
International arrivals to Georgia have been growing rapidly over recent years. In 2013, their number reached 5,392,303, representing growth of 22%. The highest growth rate was registered in 2012, when the number of international arrivals increased by 57%.

The border crossing registration procedure allows the identification of different types of arrivals. Out of the total number of visits, 38% lasted longer than 24 hours, 40% were same-day visits, and 22% were for the purpose of transit.

A comparison of global growth rates and that of Georgia shows that in the past five years international arrivals in Georgia increased considerably faster than in the rest of the world. Even during the global financial crisis of 2008 when arrivals worldwide fell, the number of international arrivals to Georgia increased by 23%. This recent high growth rate has been highlighted by international organizations. According to the World Tourism Organization’s report, “UNWTO

World Tourism Barometer” (December, 2013), the increase in the number of international arrivals in Georgia was rated as the highest in Europe.

The statistics for the past three years demonstrate that the most popular season among international travelers is summer. During this period, the number of international arrivals equaled 1,880,515, (June: 490,796; July: 613,604; August: 776,115) (Fig.1), which is 35% of all international arrivals.



Source: The Ministry of Internal Affairs

Fig. 1. International Arrivals by Months - 2015

The majority of all arrivals, 88% (4,732,529), were from neighboring countries: Turkey, Azerbaijan, Armenia, and Russia; only 12% arrive from other countries. Turkey is the annual leader in terms of the number of international arrivals. Although number of visits from Armenia was greater in December with a total of 121,732 (27%), annual data showed Turkey to be in first place with 1,597,438 arrivals (an increase of 4%). A significant increasing trend is observed in the number of travelers from the Russian Federation. This has been caused by the visa liberation process and the reintroduction of direct flights. In 2013 the increase in the number of arrivals from Russia was 49%. The largest percentage increase was registered in February (138%) and March (103%).

There has been a significant increase in the number of arrivals from Poland (80%) and Ukraine (66%), caused by the introduction of direct flights from Kutaisi International Airport to Poland (Wizz Air), and the addition of flights in the direction of Ukraine. It is important to mention here the significant role played by the marketing campaigns administered by the Georgian National Tourism Administration. The introduction of direct flights to Iraq boosted the number of arrivals from that country. In 2013 their number stood at 41,239, a 494% increase over last year.

In 2013 there were 208,754 international arrivals from EU countries, representing a 4% share of total arrivals and an increase of 22% over last year.

The largest share of visitors, 87% (4,699,387) arrived in Georgia by land transport, followed by air transport, 585,701 (11%). Arrivals by sea and railway had almost the same share of 44,239 (1%)

and 62,976 (1%) respectively. The busiest border is Sarpi (Turkish border), which saw 1,605,666 crossings in 2013, amounting to 30% of all border crossings. This is followed by Sadakhlo (Armenian border) at 17% and Tsiteli Khidi (Azerbaijani border) at 16%.

3. Tourism an Important Sector of the Economy

Travel and tourism is one of the largest and fastest growing service industries globally. According to the World Travel and Tourism Council (WTTC), the industry's direct contribution to world GDP in 2013 was USD 2.2 trillion (2.9% of GDP) and it supported 101 million jobs. Taking into account its combined direct and indirect impacts, the WTTC assesses Travel and Tourism's total economic contribution to be 9.5% of world GDP in 2013; it is responsible for 1 in 11 jobs, 4.4% of total economic investment and 5.4% of world exports (Economic Impact of Travel and Tourism 2014, Annual Update, WTTC). The following indicators are for Georgia: The direct contribution of Travel & Tourism to GDP in 2013 was GEL 1,660.5mn (6.2% of GDP). This forecast was to rise by 6.4% to GEL 1,766.8mn in 2014. This primarily reflected the economic activity generated by industries such as hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). But it also includes the activities of the restaurant and leisure industries directly supported by tourists. The direct contribution of Travel & Tourism to GDP is expected to grow by 6.1% pa to GEL 3, 189.3mn (7.1% of GDP) by 2024 (Fig. 2).

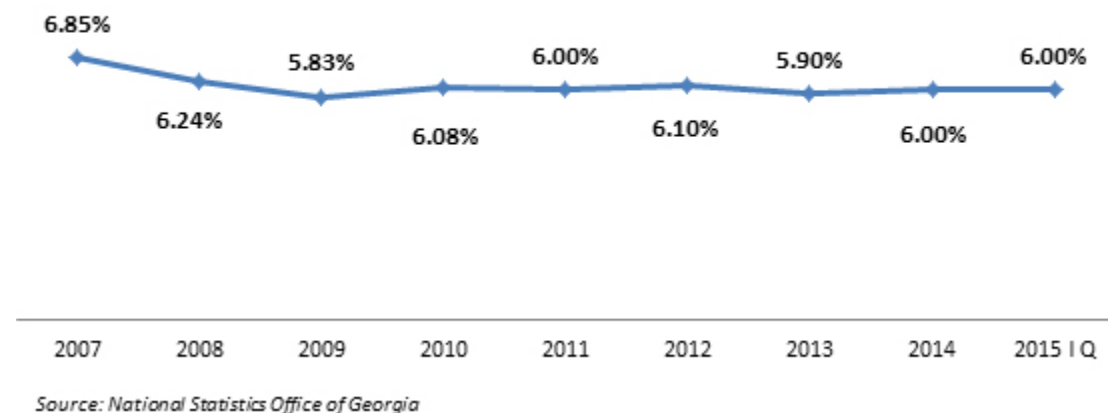


Fig. 2. Share of Tourism in GDP

Tourism – an Invisible Export

The expenditure of foreign guests in Georgia has a huge effect on the Georgian balance of payments. Approximately 58% of Georgia's service export revenues come from tourism. On the asset side, the balance of payments reports Georgia's income from travel by foreign visitors in Georgia, and on the liabilities side, it shows expenditure by the Georgian residents while abroad.

In 2013, the foreign exchange income from foreign tourism in Georgia amounted to USD 1.72 billion. Compared to 2012, this indicator increased by 22%.

Foreign exchange expenditures for foreign tourism in Georgia amounted to USD 0.29 billion compared to 2012, this indicator also showed an increase of 15%.

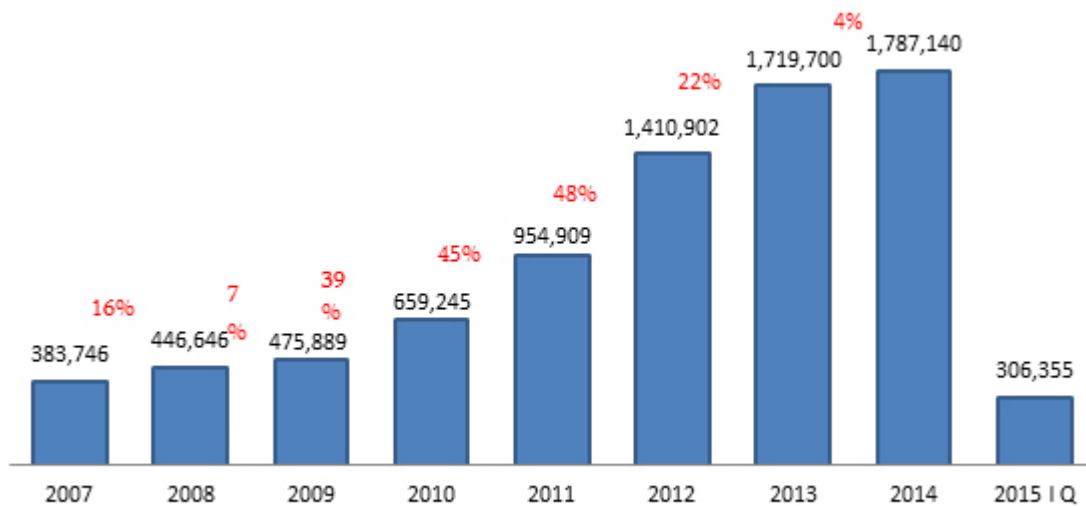
In 2013, the balance of foreign tourism in Georgia amounted to USD 1.43 billion compared to 2012, this indicator also increased by 23%.

Employment Module in Tourism

In the fourth quarter of 2013, the total number of persons employed in tourism amounted to 168.8 thousand. The largest share is employed in the transport sector, which accounts for 57% of all tourism employment. Other significant contributors are hotels and restaurants, with 20% of tourism employment. Employment in hotels and restaurants has increased by 17%, while in transport by 6%. The decrease of total employment compared to the same period last year is 6%, due to decrease in employment in other tourism sectors. In 2012 the total contribution of tourism to employment was 10%.

Share of Tourism in the Economy

Between 2012 and 2013, the total value added in the tourism sector increased by 10% and reached GEL 1.5 billion due to increased demand. As a result, tourism's gross value added, as a proportion of GDP, increased from 6.1% to 6.5%. The additional value added in the tourism industry in 2013 was mainly driven by accommodation (increase 13%) and passenger traffic (air transport increase 28%, other transport increase 3%) (Fig. 3.).



Source: National Bank of Georgia

Fig. 3. International Tourism Receipts (X1000 USD)

4. The Aviation Market

The aviation market in Georgia has demonstrated considerable growth in the past few years. Three international and one domestic airport operate in Georgia, fully complying with International Civil Aviation Organization (ICAO) standards. Georgia's aviation market is primarily international, with the majority of flights being served by Tbilisi International Airport.

Tbilisi and Batumi International Airports are run by a Turkish company - TAV Airports Holding Co. They started operations in February and May 2007, respectively Mestia Airport (Queen Tamar Airport) was officially opened in 2011. The capacity of Tbilisi and Batumi International Airports is 2,000 and 300 passengers/ hour respectively. As regards Mestia Airport, its capacity is 100 passengers/hour. The construction of Kopitnari International Airport (Kutaisi) was finished in September 2012. Its opening was marked by the launch of flights by the low-cost carrier (LCC) Wizz Air from Kutaisi to Kiev. Wizz Air is the third LCC in the Georgian market after Pegasus and Fly Dubai.

Airlines

According to the Georgian Civil Aviation Agency (GCAA), Turkish Airlines is the dominant air company operating in Georgia and it has the largest number of passengers. In 2013, it served 327,912 (19%) passengers. Georgian Airways is the second most popular airline with 208,641 (12%) passengers. It is followed by Pegasus – 165,244 (9%) passengers; Ukraine International Airlines – with 161,168 (9%); Wizz air– 126,038 (7%); Belavia – 95,605 (5%) and Siberia Airlines (S7) – 88,283 (5%).

There are two airline companies offering charter flights to Moscow: Siberia Airlines and Georgian Airways. The entry of new airlines from Russia to the Georgian aviation market is in the process of negotiations.

In 2013 a new Turkish airline, Atlas jet international, began daily flights from Istanbul to Tbilisi and back. It will launch direct flights Tbilisi-Antalya-Tbilisi from summer 2014.

The Iraqi air company Al Naser Airlines also started to perform regular flights from Tbilisi International Airport in 2013. It began flights to three destinations from Tbilisi. The flights Najaf-Tbilisi, Basra-Tbilisi and Baghdad-Tbilisi were performed five times per week during daytime hours.

The first flight from Najaf arrived on July 4, 2013, and brought the company's management to Tbilisi International Airport. There are 24 foreign and one national airline companies offering regular flights from Georgia. This year is going to be quite challenging for Georgia's aviation industry. New airlines are entering the market, while others are expressing greater interest and increasing flight frequencies on various routes. The major airlines operating in Georgia are: Turkish Airlines, Georgian Airways, Ukraine International Airlines, Pegasus, Belavia, S7, Lufthansa, Qatar Airways, Fly Georgia, Air Astana, Fly Dubai, LOT, Air Baltic, Ata Airlines, Azerbaijan Airlines, etc.

5. Travel Behavior of International Visitors, 2013

A total of 60.3% of visits included at least one overnight stay and 39.7% were day trips. Out of a total of visits, 69% were repeat visits and 31% of trips were for the first time. Thus, Georgia had up to 1,643,241 new visitors within the period covered.

Most of those visiting from neighboring countries have traveled to Georgia before. The highest share of repeat visits was observed among residents of Azerbaijan (89%). In contrast, a larger share of European visitors came to Georgia for the first time.

Duration and Purpose of Travel

The average duration of a trip was five nights and varied by country of residence. Visits from neighboring countries tend to last for shorter periods, except for visits from Russia, which averaged eight nights.

International visits were mostly undertaken for holiday, leisure or recreation purposes (37%). Other frequently observed purposes included visiting friends or relatives (26%), transit (17%), shopping (9%) and business/professional trips (4%). Only 7% of visits were for other purposes.

Accommodation

The most frequently used form of accommodation was hotels (43%). Slightly more than a third of tourists (34%) resided at a friend's or relative's private apartment. Other types of accommodation were less utilized by international visitors, 10% stayed in a guesthouse/hostel.

Travel Destinations

46% of international trips were to the capital city of Georgia, followed by 41% of trips to Batumi. Other destinations had a lower number of visits. Among them Marneuli and Kazbegi were the most popular (8%), other destinations included: Rustavi (6%), Kobuleti (6%), Mtskheta (5%), Kutaisi (5%) and Borjomi 2%.

6. Travel Behavior of the Georgian Residential Population

In 2013, the most domestic trips were made by inhabitants of villages; mainly vacations were spent in the central cities of Georgia.

While women and men make about the same number of domestic trips, a comparison between different age groups shows differences in travel behavior. Whereas people aged 18 to 24 were the most frequent travelers, taking 2.95 trips per year, people aged 55-64 took an average of 1.7 trips.

Duration and Purpose of Travel

Visitors' average overnight trip length was three nights and varied by place of residence. Visitors from Tbilisi tend to stay for longer periods (four nights on average) while other visitors spent two nights on average away from their usual environment.

Domestic visitors most often travel for visiting friends or relatives (VFR) (45%), followed by 15% of trips for holiday, leisure and recreation. Only 3% traveled for business or professional purposes. Other frequently observed visiting purposes include shopping (12%), health and medical care (9%) and visits to second home (4%).

Travel Destinations

The most common destination was Tbilisi, 25% of domestic trips were to the capital city of Georgia, followed by 8% of trips to Batumi and Kutaisi. Among other visited destinations were: Mtskheta (4%), Telavi (2%), Zugdidi (2%), Gori (2%) and Rustavi (2%). Between regions most popular places were Imereti, Ajara and Kakheti with 17%, 12% and 8% respectively.

Accommodation

63% of domestic travelers stayed in a private home of their relative or friend. This is partially due to the influence of the VFR segment. Considerably large number (14%) of Georgians stayed in their own houses, while 8% stopped in their second summer houses.

7. Accommodation Market

The seaside region of Ajara and Samtskhe-Javakheti, dominate the Georgian hotel market. In Georgia there are around 1,065 accommodation units with a total capacity of 37,317 beds. The Adjara region boasts the largest number of beds.

Hotels account for 64% of the bed capacity, followed by family houses 17%, and guest houses 13%. With the increasing number of visitors, medium-term demand is already outstripping current supply. Consequently, it is expected that the supply of accommodation will increase considerably to keep pace with demand.

Tbilisi boasts several international hotel brands: Radisson Blu Iveria, Tbilisi Marriott, Courtyard Marriot, Sheraton Metechi Palace, Holiday Inn and Citadines. Several other international chains are expanding in the city as well. As regards Batumi, Sheraton and Radisson Blu hotels have recently opened there and other major hotel projects are under construction, including: Kempinski, Holiday Inn, Ritz-Carlton, Hilton and Marriott, to name but a few.

A number of brand hotels are starting operations in the spa resorts of Georgia as well.

Planned and Ongoing Construction

There are currently around 80 planned and ongoing constructions of accommodation units in Georgia, including brand hotels: Radisson, Kempinski, Holiday Inn. The majority of construction (88%) takes place in Tbilisi and the Ajara, Samtskhe-Javakheti, Imereti and Kakheti regions.

The estimated number of additional rooms being constructed is 4,000, with more than 7,000 beds.

8. Sector Outlook

Against the backdrop of the global economic crisis, the Georgian tourism industry continues to grow. The outlook for the industry is highly optimistic. It is forecasted that the industry will create more jobs and generate more income in the years to come. The number of arrivals to Georgia is expected to increase substantially thanks to the various steps taken by both the government in general and the Georgian National Tourism Administration in particular.

Among the actions taken by the GNTA towards increasing the number of travelers in the country is: the development of tourism infrastructure, the facilitation of international travel, the improvement of service quality, increase of awareness about Georgia, implementation of marketing activities on domestic and international markets and tourist product development.

The development of tourist infrastructure stands high amongst the priorities of the government. New tourist information centers are in the process of construction throughout the country. Significant steps were taken towards travel facilitation and visa relaxation. Georgia has a no-visa policy with majority of countries. Among them are citizens of the United States, Canada, and European Union member states, who can enter Georgia solely on the basis of an Identity Card. Travelers from most other countries are given visas on arrival.

Another significant issue is service quality enhancement. This is achieved through intensive

training for representatives of the tourism and hospitality industry throughout Georgia. Among the new services introduced for tourists were 24-hour hotline (#0800 800 909) and a team of mobile guides distributing information about Georgia.

The GNTA has actively worked to increase awareness of Georgia internationally. For this purpose, famous Georgians were appointed as representatives of Georgian National Tourism Administration in U.K. and Japan to promote Georgia as a tourism destination.

Marketing undoubtedly plays a vital role in tourism growth. Activities undertaken by the GNTA cover promotional campaigns on both domestic and international markets, press and familiarization trips, participation in international travel-fairs, production of print materials, social media marketing, etc.

Choosing the right markets is undoubtedly an integral part of marketing. While maintaining existing markets, the GNTA also concentrates on tapping into new countries. Seven presentations were held in Ukraine, Azerbaijan, Lithuania and Latvia in 2013. Events were attended by more than 600 travel companies and media representatives. GNTA hosted 22 press and FAM trips and organized eight events of different themes throughout the country.

Making the most of Georgia's rich natural and cultural resources by offering new tourist products provides increased possibilities for targeting travelers of different tastes. The GNTA efforts focus on the development of different types of tourism such as MICE, wine, eco, and adventure, to name but a few.

As a result of these projects competitiveness of Georgian tourism on the world market increased by seven positions, ranking 66th among 140 nations in the Travel & Tourism Competitiveness index in 2013 (Score: 4.10), as compared with 2011 (73rd position). In addition, according to Rough Guides Georgia ranks 5th among the top ten countries to visit in 2014, coming behind Brazil and Turkey.

Georgia was successful in international relations as well. In 2013, agreements of cooperation in the field of tourism were signed with six countries (San Marino, Hungary, Poland, Serbia, Montenegro and Estonia).

As regards cooperation with international organizations, Georgia was elected as Vice-Chairman of the UNWTO Regional Commission for Europe and Vice-President of the Committee on Statistics and the Tourism Satellite Account. Georgia became a member of ICCA (International Conference and Congress Association).

European Youth Olympic Festival 2015

The 39th General Assembly of the European Olympic Committees chose the Georgian capital to host the Youth Olympic Festival in 2015. Over 4,000 athletes from 49 European countries will participate in the festival taking place in Tbilisi. The sporting infrastructure of the city will be renovated according to European standards and an "Athletes' Village" will be built. For this event the city of Tbilisi is expected to host more than 10,000 visitors, most of them will require middle class hotel accommodation and the rest will need high class hotel accommodation, all within Tbilisi. Considering the fact that there are only 6,207 bed-places in Tbilisi (including guest houses and family home stays), there is an immediate need for new hotel investment to fill the gap in

supply. This festival represents a good opportunity for the country to showcase its rich tourism potential.

UEFA Super Cup 2015

The UEFA Executive Committee has given Tbilisi the opportunity to host a mega sport event, the UEFA Super Cup. The UEFA Super Cup is an annual football match between the winners of the Champions League and the Europa League. The game will be held at the newly renovated Mikheil Meshki Stadium or Dinamo Arena. This event will gather football fans from all over the world.

9. Government Incentives

The Georgian government has declared tourism and hotel industry development to be a high priority. Various investment initiatives have been proposed to spur the sector's growth, among them are:

- The Hotel Investment initiative giving investors the opportunity to enter the Georgian market in an immediately competitive position by offering the following benefits:
 - Access to prime real estate locations through privatization
 - Privatized property acquisition through a direct sale
 - Significant discounts on current market value for privatized properties
 - Land plots, Greenfield projects, and properties with suitable buildings for Brownfield projects
 - Preferential terms from municipalities, such as Tbilisi and the regional centers
- Free Tourist Zones giving investors special privileges in Kobuleti and Anaklia/Ganmukhuri. Investors making investments of USD 1-3 mln in Kobuleti are offered the following:
 - Free Land
 - Free Hotel Master Plan
 - Free casino license for hotel capacity over 100 rooms
 - Exemption from profit and property taxes for 15 years
 - Fully provided engineering utility networks and corresponding outdoor infrastructure
- After the successful initiation of Kobuleti, the Anaklia/Ganmukhuri Free Tourist Zone was established. The Special package for investors here is as follows:
 - Free land
 - Free Hotel Master Plan
 - Full engineering utility networks (water, electricity, gas)
 - Exemption from profit and property taxes for 15 years
 - Mineral water pipe supply for the new resort
 - Free casino license for hotel capacity over 80 rooms
 - Georgian citizenship for foreign investors

In addition to the current possibilities of entering the market through joint ventures and acquisitions, there are many opportunities for investors to enter not only as hotel owners, but also

as hotel operators. For example, there are many individual Georgian hotels that are currently interested in working with an international operator as a way to increase revenues and occupancy rates.

For hotel owners, considering the supply gaps that currently exist, the market is open to any form of new investment. Not only do hotel investors have access to prime real estate locations, but they can work with the Georgian Government and municipalities like Tbilisi to negotiate preferential terms.

10. Poverty Elimination Through Rural Tourism Development Started With Village Utsera, Oni District, Upper Racha Region, Georgia

FOLLOWED UNWTO PROGRAM S-T-E-P

INTERNATIONAL CENTER FOR CAUCASUS TOURISM

GNTA has been grateful to the ICCT for the co-operation in the field of tourism development for its contribution to existing activities and in the future we hope to maintain and increase our partnership.

ICCT is a non-governmental, non-for-profit organization. ICCT was established by the group of experts working in the tourism sector as well as in other areas like sociology, business and culture and etc. ICCT aims at the development of rural tourism industry through the design and implementation of multi – spheres researches, educational projects, trainings and other activities.

Poverty alleviation has become an essential condition for peace, environmental conservation and sustainable development, besides being an ethical obligation in our country, where the divide between poor and rich seems to have increased in recent years. At the same time rural tourism, if developed and properly managed in a sustainable manner, can make a significant contribution to alleviate poverty, especially in rural areas, where most of the poor live and where there are very few other development options. We examined a number of communities where rural tourism has been fundamental in reducing poverty in Georgia. The more we learnt the more evidences were shown that rural tourism could make to achieving one of the most pressing goals: alleviating poverty.

Therefore from the very beginning the priority of ICCT activities and researches has become **poverty alleviation through poor population involvement in Rural Tourism.**

Our attention was particularly focused upon the directions, as follows:

- Local population employment in tourism enterprises;
- Women and youth involvement in tourism service;
- Direct sales of goods and services to visitors by the poor (informal economy);
- Establishment and running of tourism enterprises by the poor - e.g. micro, small and medium sized enterprises (MSMEs), or community based enterprises (formal economy);
- Voluntary giving/support by tourism enterprises and tourists.

Sustainable Tourism – Eliminating Poverty

Large-scale rural tourism is not yet a mature practice in Georgia, but experts are all optimistic about its prospects since many rural areas are rich in tourism resources, which are attracting more and more holiday makers.

Tourism is one of the engines of world development, which can help three fourth extremely poor populations living in rural areas worldwide to better shake off poverty.

The advantage of rural tourism lies in the fact that poor people can gain benefits from other's business strategies and existing markets, the official said, and it can drive a large number of people out of poverty. So we should encourage tourism enterprises to employ poor people in large numbers and to provide job opportunities for them.

The root of poverty lies in low-level skills of people, experts hold, while rural tourism can not only help to better economic conditions of farmers, but create opportunities for them to raise cultural and education quality.

Tourism is an effective "exploring way" of poverty alleviation, said an official from the National Tourism Administration. People who get rich through tourism have a lower rate of returning to poverty and they can be embarked on the road of wealth faster.

International Center for Caucasus Tourism holds that the function of rural tourism should to be reflected in various aspects our comprehensive and collaborative activities. We've adopted the decision to add RT issues to the priorities. We make sure that development of rural tourism should be combined with the building of a well-off society in an all round way and the tackling of problems related to local population alternative income, living conditions raise in rural areas and especially women's involvement in tourism industry.

At the outset we'd like to start with village Utsera, Oni District, Upper Racha Region. There were searched and found statistics and needed materials relied upon docs offered by Ministry of Regional Development and Infrastructure, Ministry of Economy and Sustainable Development, Tourism and Resorts State Department and local, Racha Region Administration, data, other official docs. We've managed to find local stakeholders apparently interested in native land promotion through RT expansion.

Sources:

Georgian National Tourism Administration

Assessment of Ecotourism Potential in Georgia. IUCN.

Agency of Protected Areas of the Ministry of Environment Protection and Natural Resources Georgia

Chapter 3. Vocational Tourist Education for Youth Involvement in Sustainable Rural Tourism to Reduce Poverty and Prevent Emigration in the Black Sea Region

Content

- 1. Vocational Education a step towards skills' development**
- 2. Formal and Informal Education**
- 3. ICCT for Youth resources to develop sustainable rural tourism
(Debate Club S-T-E-P will contribute in youth professional orientation)**
- 4. Poverty alleviation and migration prevention in mountainous regions through sustainable tourism development and youth participation**



1. Vocational Education a step towards skills' development

"Education is a preparation for life";

VET is the gradual process of acquiring knowledge; it is the education and coaching for work.

Responsible entities offering VET to interested individuals are:

- ✓ Higher Institutions (Universities, Institutes, Various Schools-Departments)
- ✓ Vocational Schools, colleges, lyceums
- ✓ Training centers
- ✓ Governmental and non-governmental structures

VET provides people with the skills and knowledge they require in order to:

- ✓ Enter the workforce for the first time
- ✓ Be trained or re-trained for a new job
- ✓ Upgrade skills
- ✓ Give the capability to move into further study in VET or Higher Institution.

Diverse economic structures, where the modern sector, traditional crafts and traditional trade coexist with an informal sector, need a well-differentiated vocational education and training system. This is the only way to meet the demand both of enterprises and workers or jobseekers. Enterprises need qualified staff; young people need basic vocational training; adults need regular training to update and upgrade their vocational skills.

2. Formal and Informal Education

Formal education is classroom-based, provided by trained teachers. Informal education happens outside the classroom, in after-school programs, community-based organizations, museums, libraries, or at home. What are the main differences between the two?

- ✓ In general, classrooms have the same students and the same teachers every day. After-school programs are often drop-in, so attendance is inconsistent, as is leadership.
- ✓ Classroom activities can last several days. After-school programs need to complete an activity each day because a different group of students could be in attendance tomorrow.
- ✓ Classroom-based teachers have a certain level of training in educational philosophy, effective teaching strategies, classroom management, and content. After-school providers, by contrast, vary in experience and knowledge of teaching techniques, content expertise, and group management. Typically, materials for after-school settings need to include a lot more structure.
- ✓ Teachers need to meet educational standards and stick to a specified curriculum, which can make it difficult for them to incorporate nontraditional content. After-school programs, on the other hand, can be more flexible with their content.

Both formal and informal education settings offer different strengths to educational outreach projects. If your project fits the classroom, it can have a sustainable life; teachers will use trusted resources for years. After-school programs offer a different kind of environment, where your activities don't need to be as formal and where you can reach a different audience.

While both schools and after-school programs serve students, many students who feel disenfranchised at school blossom in after-school settings. Real learning can happen in a setting where students feel less intimidated or more comfortable than they do in a formal classroom. The ultimate goal is that their success in an informal setting can lead to greater confidence in the formal classroom.

3. ICCT for Youth resources to develop sustainable rural tourism

(Debate Club ST-EP will contribute in youth professional orientation)

The specific objectives of Youth PATH are to:

1. Train youth (provide trainings)
2. Develop community (rural) cultural and natural heritage sites as viable touristic attractions
3. Create employment for youth from marginalized/disadvantaged communities. There are employment opportunities for young people; they are interested in being involved in new activities
4. Tourists visit surrounding communities daily/weekly and thus sites in communities/rural areas have the potential to be visitor attractions.
5. Village elders must be more involved in passing on their knowledge to the youth.

Ensuring Community Involvement in Mobilization Activities

Area	Try to
Community Involvement	<ul style="list-style-type: none"> ✓ Keep communication channels open: use visual and interactive tools when appropriate; they tend to encourage openness and willingness ✓ Aim to achieve consensus on ideas ✓ Invest in long-term relationships ✓ Form and maintain good relations with communities ✓ Form focus/target groups within a community and organize a working team of community members --including youth, and keep them up-to-date on activities
The involvement of Elders	<ul style="list-style-type: none"> ✓ Organize a working team of elders ✓ Remind elders how important they are as sources of heritage information, based on their knowledge of the traditions and culture of the area ✓ Organize a working team of storytellers comprising elders and youth

Youth must be stronger in creating more awareness with the entire community; elders must help youth to achieve goals in the interest of all. Village elders play important roles in youths' lives; they can pass on knowledge through workshops in nearby villages to boost new initiatives and pave the way for future innovations

Networking also is an important for the publicity of youth activities. A motivated community forms a strong network for advertising sights by word of mouth. We already know that professionals are required in the planning and implementation stage, they are very important for sustaining the activities. Youth team must work or continue to work with experts in the areas of tourism, environment, cultural heritage, and conservation.

4. Poverty alleviation and migration prevention in communities through sustainable tourism development and youth participation

The world has never been as rich as it is today, yet over one billion people suffer from extreme poverty. UNESCO is committed to raising awareness to the fact that freedom from poverty is a fundamental human right.

Poverty may be defined as a human condition characterized by sustained or chronic deprivation of the resources, capabilities, choices, security and power necessary for the enjoyment of an adequate standard of living and other civil, cultural, economic, political and social rights (United Nations Committee on Social, Economic and Cultural Rights, 2001)

Tourism development is attractive to the pro-poor and poverty alleviation agenda because tourism is "consumed" in the same place where it is produced, the tourist visiting the destination and buying goods and services there. In addition, tourism is highly labour intensive, employing large numbers of people in different activities, including high percentages of young people and women. It can take place in remote, otherwise peripheral areas that have strong cultural traditions and largely untouched natural environments but few economic options. Tourism is also growing in the developing world, notably in least-developed countries, and it often involves, through tourist spending in tourism destinations, the direct transfer of financial resources from the developed to the developing world.

Strategies taking advantage of these features of tourism for poverty alleviation have included those focused on the direct provision of economic benefits for local populations at tourist destinations, including job-creation, the development of small business opportunities supplying tourists with goods, such as handicrafts, or services, such as accommodation, food, transport, or with other forms of assistance, such as guides. Activities of this sort all have the potential directly to support local household incomes. In addition, the development of community-based organizations and local cooperatives can allow the benefits of tourism to be ploughed back into local development, such as through the establishment of community funds, and the sharing of economic benefits among the whole community, such as through joint management of communal resources turned over to tourist development, for example local land rented out for campsites. Aside from poverty alleviation strategies directly designed to support local incomes, further strategies have focused on using tourism development to improve training and skills-building opportunities for local people. Other strategies have used tourism development to support local participation in planning and

development issues, turning over ownership of facilities to local people and thereby building local capacities and encouraging the claiming of economic, social and cultural rights. These strategies have the advantage of working hand-in-hand with current thinking on poverty alleviation, which sees poverty as multi-dimensional and stresses the need for a "capability approach", or one that builds capacities, to its alleviation.

Each sight in communities are significantly different in terms of culture and resources, the existence of common problems that could be alleviated through community-based sustainable rural tourism development means that common strategies can be developed and shared, that are:

- ✓ Strategies to provide economic benefits for local populations, including job-creation and the development of small-business opportunities supplying tourists with goods and services, such as accommodation (home stays), food, transport, or guides
- ✓ Strategies to develop community-based organizations or local cooperatives allowing the benefits of tourism to be ploughed back into local development, such as through the establishment of community funds, or through the joint management of communal resources;
- ✓ Strategies building local skills and capabilities, including training in language skills to those involved in the management of a small business, support for local participation in planning and development, confidence-building, technical assistance and partnering, and the strengthening of local community organizations, through the establishment of local associations, community funds and shared resources;
- ✓ Strategies to conserve the cultural and natural heritage, revivifying traditional crafts and cultural events, raising awareness of conservation issues and helping local communities see the natural environment, including endangered animal and plant species, as assets, along with the cultural heritage;
- ✓ Strategies to effect change at policy level and the claiming of rights, including through enhanced community organization at the village and local level helping to give communities a voice in decisions affecting their lives.

Migration is a way to escape from chronic poverty, violence, gender based discrimination, or the impact of climate change these are the main triggers that allow teenagers or adults leave their hearth and move to bigger cities or regions where they will have the chance to increase their opportunities and rely on themselves. Young migrants are generally resourceful, resilient, adaptable to new environments, and able to learn and speak new languages. Many have skills and qualifications and are familiar with new technologies. Migration process has positive and negative sides. Young people's choices and the way they decide to pursue them have a significant impact not only on their own lives and opportunities for human development, but also on the lives of their societies and communities, both in the medium and long term. The youth years pose both challenges and opportunities. They represent a period during which the efficiency of interventions throughout childhood and adolescence can be tested, assessed and, as a result, further improved or reconsidered. A positive migration experience can set young migrants on a successful path toward capitalizing on their accomplishments and developing economic and social assets for their future. However, if the circumstances are negative, migration can have particularly dire and traumatic

consequences for young peoples' short and long-term future. Not only they lose a valuable opportunity for full human development, but their countries of birth and destination stand to lose an enormous potential contribution to social, economic and cultural development. For most young people migration represents an important step toward achieving a sustainable life for themselves and their families.

In countries of destination, equality of treatment and opportunity allows migrants, including young migrants, to contribute as productive members of their communities: as workers, students, entrepreneurs, artists and consumers. If migration becomes a productive and empowering experience and opens up new opportunities, young migrant women and men can gain more skills through education and/or work experience and earn higher wages, allowing them to support their families and contribute to the development of their communities of origin, as well as the societies in which they live and work. For young women, migration can also be a socially empowering experience: as the recipient of remittances or as breadwinners or students in a new country, young women may gain decision-making power and experience greater personal autonomy.

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3. <http://www.unesco.org/new/en/education/themes/leading-the-international-agenda/education-for-sustainable-development/>

Chapter 4. Vocational Tourist Education for Youth Involvement in Sustainable Rural Tourism to Reduce Poverty and Prevent Emigration in the Black Sea Region

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Executive Summary

One billion people travelled in 2012. The market expanded despite weak economies. In fact, for the past 60 years, tourism has experienced continued expansion and diversification, becoming one of the largest and fastest-growing economic sectors in the world (source: *UN World Tourism Organization*).

Emerging economies now account for over 47% of the market share and will exceed 50% during the next decade. (Source: *UNWTO Tourism Highlights 2012*)

The Other Europe is how the World Travel & Tourism Council designates many of the countries surrounding the Black Sea.

The future economic impact of tourism on the Black Sea region will exceed \$450 billion by 2022 and will represent over 7% of the overall economy (Source: **WTTC Travel & Tourism Economic Impact 2012**).

The development communities through donors – the EU, USAID and the World Bank – have identified sustainable tourism as a major tool for economic development, particularly in rural, underserved areas. But these are *projects* and focus on distinct locations and short time frames. Do these projects change anything significant in the long-term? Do they succeed in creating new sustainable business opportunities for the local population? Do they include the private sector commercial travel industry as partners? We don't think so – not for the long-term.

The Black Sea Sustainable Rural Tourism *Program* is taking advantage of the extraordinary growth in the eco-tourism sector to both support rural sustainable development *and* attract private sector investment by targeting an entire region in an integrated manner partnering with commercial travel providers.

Our program intends to tap the huge eco-tourism potential of the region to benefit the people living there, businesses serving them and create new economic and travel opportunities through sustainable tourism.

Introduction

In 2012 traveler number 1 billion visited a destination somewhere in the world.

Over the past six decades, tourism has experienced continued expansion and diversification, becoming one of the largest and fastest-growing economic sectors in the world (Source: UN World Tourism Organization).

Many new destinations have emerged, challenging the traditional ones of Europe and North America. Emerging economies now account for over 47% of the market share and will exceed 50% during the next decade (Source: *UNWTO Tourism Highlights 2012*).

In an effort to promote sustainable tourism to lesser known or visited locations and to improve economic opportunity for rural and small towns, many donors – the EU, the United States and the World Bank – have focused on distinct locations within short term projects. At issue is whether this approach actually succeeds in creating new sustainable business opportunities for the local population and attract investment.

The Black Sea Sustainable Rural Tourism Program is taking advantage of the extraordinary growth in the eco-tourism sector to both support rural sustainable development and attract private sector investment by targeting an entire region.

The program is not intended to simply expand a sector, but to open up new opportunities for the people living in the towns and villages off the beaten path. It is about how the sustainable or green tourism sector can uniquely contribute to economic development in rural areas and how business can profit from the growth.

Background

Tourism into a key driver of socio-economic progress through export revenues, the creation of jobs and enterprises, and infrastructure development.

World-wide, overall export income generated by inbound tourism, including passenger transport, exceeded US\$ 1.2 trillion in 2011, or US\$ 3.4 billion a day on average. Globally, as an export category, tourism only ranks below fuels, chemicals and food. For many developing countries it is one of the main sources of foreign exchange income and the number one export category.

The Other Europe

The *Other Europe* is how the World Travel & Tourism Council designates many of the countries surrounding the Black Sea.

The future economic impact of tourism on the region to the GDP by 2022 will exceed \$450 billion and will represent over 7% of the overall economy (Source: WTTC Travel & Tourism Economic Impact 2012).

Our program intends to tap the huge eco-tourism potential of the region to benefit the people living there, businesses serving them and create new economic and travel opportunities through sustainable tourism.

Georgia, Turkey, Ukraine, Romania, Bulgaria, Moldova and Russia are all served by major international carriers, including Turkish Airlines, Aerosvit, Aeroflot and most European airlines. Tourists are looking further afield and for different experiences which include the culture, art, food and scenery of rarely visited locales like the rural areas of the Other Europe.

Program Basics – The Multiplier Effect

This program focuses on the Black Sea basin because it represents a vast web of interconnected multicultural experiences, ecological diversity and history spanning thousands of years. What makes the Black Sea cultures distinctive and attractive to travelers is the way their component parts came together over the millennia to shape unique communities, languages, religions and trade. It is the perfect environment for all forms of sustainable tourism.

A regional program is important to the concept of sustainability as has been recognized by initiatives like the Blue Flag program for the Mediterranean or The Silk Road Project.

The Black Sea program aims to establish a unified system – the creation of a regional net-work of community sustainable tourism products under a permanent visual banner.

The Black Sea Sustainable Tourism Program takes this regionalism concept a step further.

It does not concentrate on one goal, such as clean water or music and the arts. It links all forms of

sustainable tourism to local economic growth in a trans-national, integrated environment.

Uniquely, the Black Sea program aims to establish a unified system – the creation of a regional net-work of community sustainable tourism products under a permanent visual banner. Participating communities will be selected based on a rigorous eligibility process and will be required to work together across borders.

The travel and tourism sector will benefit from increased awareness and travel opportunities for customers looking for new experiences.

Aims and Objectives

The broad aim of the program is to stimulate economic development of community based sustainable tourism models under a single banner to foster, local economic growth, enhance the tourism experience and take advantage of eco travel and tourism growth.

Investment and sponsorships in communities and the region will be promoted particularly to businesses that emphasize renewable energy and environmentally sensitive products and services.

The transport sector will be engaged to increase access to the participating communities in a sustainable, eco-friendly manner.

Communities will benefit directly from new tourism and the multiplier effect on service and product providers to the sector, whether from construction, transport, agriculture and new revenue for local government.

Approaches and Methodology

A strong, simple governance structure is a key foundational step to provide overall direction and guidance to the program participants. A formal Secretariat is the primary management entity but which will not be involved in day to day matters. The next level of management is a national Program Implementation Organization; each PIO will handle day to day matters working directly with the final level of management – the Community Management Committee composed of providers and community business and local government representatives.

The program will provide through volunteers, universities and written materials, training in business planning and strategic development strategy.

A Black Sea Community designation will be awarded based on strict criteria based on UNWTO, environmental and Millennium Development compliance and a community developed business and environmental development plan. A specially formed Black Sea Tourism Information company will be formed to direct interested travelers to the communities and promote sponsor and contributor products.

The Governance Structure

The Secretariat is comprised of senior representatives from each country, including universities, private sector representatives, Vesselka Consulting Ltd., and NGOs.

Each National Program Implementation Office responsible for day to day matters and coordination will have representatives from eco-tourism organizations in addition to support staff and grant managers.

Communities must establish inclusive management committees – meaning they must have a

representative from at least the private sector, local government and eco-tourism providers and community representatives.

The straightforward structure is ideally suited to a large scale regional effort such as this. It presents the opportunity to tie community efforts in Ukraine with those efforts in Turkey, Georgia and others. Management and guidance by the Secretariat will not burden the national offices with a bureaucratic structure – their responsibility is to assure the success of communities in their network through advisory support, direct consulting assistance and small grants.

The Community Management Committees are the key. Communities are the designers and implementers of the program in their locale. This type of development organization is a proven method. One only needs to look to South East Asia where the Andaman Coast Travel organization has implemented an impressively successful structure increasing arrivals, benefiting communities and preserving the culture and environment.

Overall rural community infrastructure and quality of life will be improved through management training and revenue enhancement. Plus, benefiting both the community and the travel industry in general –

- Employment will increase and new support businesses will be formed.
- Average wages and supplemental incomes will rise.
- Economic activity measured by increase in numbers of domestic and foreign visitors will increase.
- There will be improved policy frameworks for local economic development and tourism;
- Opportunities will arise for micro-lending and inward investment;
- Sponsors, such as airlines and other transport providers can leverage their sponsorship and contributions to increase revenues from travelers; and,
- Usage of environmentally friendly and renewable energy resources will offer opportunities to eco-friendly industries.

A Program. Not a Project

The Black Sea Sustainable Rural Tourism Program is not a fixed time project. It is a permanent structure that will establish a trusted brand for travelers and providers to the region.

Participating and branded communities will benefit at every level – economically, socially and environmentally.

Participating businesses will benefit economically and from a marketing standpoint as they will be identified as the suppliers and supporters of a program that does not just expand an industry, but opens up new opportunities for all participants.

The program has begun in Ukraine in 2012 and rolled out to Turkey and Georgia during 2013. In 2014, the remaining countries will be included.

The interest in this type of permanent, branded program has been high and enthusiastic.

All economic and financial indicators show that travelers are looking for new; eco-friendly destinations and that rural community, cooperating on an organized regional basis can benefit themselves and open new markets.

Chapter 5. Tourism as a Key Factor for Sustainable Development of the Black Sea Region

Contents

1. Economically Sustainable Management
2. Economic Indicators
3. Share of Tourism in GDP
4. PESTLE Analysis



Economically Sustainable Management

Tourism is a potential contributor to socio-economic development in destination areas. Generally recognized best practices for regional economic development identify the business clusters in the city/region for which there are the preconditions for becoming strong, particularly those business clusters that are effective job and wealth producers, assisting existing businesses, strengthening businesses that produce products and services for export out of the region to a national and global market, in balance with city/region and neighborhood serving businesses, attracting businesses, particularly those in the identified clusters, to move to the region, encouraging real estate development that locates housing which is affordable near where the location of these businesses, promoting the revitalization of low- and moderate-income neighborhoods and communities, fostering robust economic, social, and environmental infrastructures in the city/region that provide the financial, workforce development, educational, and resource systems which businesses need, branding and marketing the region, highlighting its business clusters, economic, social, cultural, physical and natural advantages to attract businesses. A Sustainable Economic Development strategy uses all of these best practices in a modified fashion to encourage:

- Businesses that are specialized in environmental products and services, to start-up locate and grow in the region.
- All businesses in the region to become greener and, at the same time, more economically productive.
- Sustainable real estate development to take place - development that is with mixed usage and income, resource efficient and transit oriented.
- The regional financial workforce and educational infrastructure to understand sustainable enterprises, in order to invest the sustainable economy and prepare people to participate effectively as workers, consumers and investors.
- The regional physical infrastructure to provide energy, water, materials, buildings and mobility in a way that is both ecologically and economically efficient.
- The region to be recognized as a place that is in the forefront of the sustainable revolution, becoming an economically, socially and environmentally better place to live, work and locate businesses.

Separately, each of these best practices can make a significant contribution to the emergence of sustainable economic development in a region, but taken together they can show the way for building a sustainable economy that provides strategic and economic advantage in the global economy.

According to the *Tourism 2020 Vision* (the World Tourism Organization's long-term forecast and assessment of the development of tourism up to the first 20 years of the new millennium), tourism is one of the driving sectors of the economy in the near future.

The essential outcomes of the *Tourism 2020 Vision* are quantitative forecasts covering a 25 years period, with 1995 as the base year and forecasts for 2010 and 2020.

Although the evolution of tourism in the last few years has been irregular, UNWTO maintains its long-term forecast for the moment and underlying the structural trends of the forecast don't

believed that tourism will undergo significant changes. Experience shows that in the short term, the periods of faster growth (1996, 2000) alternate with the periods of slow growth (2001 to 2003). While the pace of growth until 2000 actually exceeded the *Tourism 2020 Vision* forecast, it is generally expected that the current slowdown will be compensated in the medium to the long term. UNWTO's *Tourism 2020 Vision* forecasts that international arrivals are expected to reach nearly 1.6 billion by 2020. Among these worldwide arrivals in 2020 1.2 billion will be intraregional and 378 million will be long-haul journeys.

The total tourist arrivals show that by 2020 the top tourists receiving regions will be Europe (717 million tourists), East Asia and the Pacific (397 million) and the USA (282 million), followed by Africa, the Middle East and South Asia.

East Asia and the Pacific, the Middle East and Africa are forecasted to record growth at rates of over 5% per year, compared to the world average of 4.1%. The more mature regions Europe and the USA are anticipated to show lower than average growth rates. Europe will maintain the highest share of world arrivals, although there will be a decline from 60 per cent in 1995 to 46 per cent in 2020. Tourism, as a world-wide phenomenon, touches the highest and deepest aspirations of all people, and it is also an important element of socio-economic and political development in many countries. Governments, other public authorities, public and private decision-makers whose activities are related to tourism and tourists themselves, consider it a priority to protect and reinforce the human dignity of both local community and tourists. Because of this all these agents have registered a growing concern insustainability as a guiding principle to allow the integration of economic development with environmental and social aspects within tourism policy and strategy. But the incorporation of sustainability in tourism development is not a self-evident issue but a politically contested one, if the different interpretations of the concept which have been identified are taken into account. These differing, sometimes conflicting, interpretations are not accidental, but rather the outcome of particular ideologies, varied disciplinary backgrounds, value systems and vested interests. Despite the wide range of varying definitions at its core, tourism sustainability lies: on strong emphasis of following concerns:

- The need to avoid the uncontrolled destructive degradation of the environment and the loss of local identity, while respecting the fragile balance that characterises many tourist destinations, in particular environmentally sensitive areas;
- The need to actively pursue and strengthen the quality of life and equity between present generations;
- The exigency not to reduce the opportunities offered to future generations. If the core elements of tourism sustainability - ecology, economy, and equity - are to be taken into consideration for balanced strategies, there are many gaps in our knowledge that need to be filled if we want to be successful in controlling tourism in a way that puts this important economic sector onto a sustainable development path.

An innovative environmental management is a significant part of a quality strategy. With our excursions and destinations we aim to maximize the benefits for the people in the places, which we visit, and minimize negative impacts of our visits. Generally, we use a local cultural guide or local people from each destination if possible to perform our tour operation.

Share of Tourism in GDP

Periodicity: *Quarter*

Year: 2012, 2011

Quarter: IQ, IIQ, IIIQ, IVQ

Share of Tourism in GDP (Million GEL)	2011					2012					Total
	I Q	II Q	III Q	IV Q	Total	I Q	II Q	III Q	IV Q	Total	
Accommodation	20.04	26.35	32.82	21.63	100.85	25.63	32.96	45.94	27.81	132.35	233.20
Food objects	93.62	99.23	103.48	94.30	390.62	85.85	114.93	77.99	99.46	378.23	768.85
Transport	106.19	145.96	136.10	117.33	505.58	84.47	152.76	107.75	97.70	442.69	948.28
Travel companies	73.27	75.63	89.01	78.59	316.50	90.80	107.58	113.36	104.00	415.74	732.25
Total tourism value added	293.12	347.17	361.42	311.86	1313.56	286.76	408.24	345.04	328.97	1369.02	2682.57
Total real GDP	4401.70	5144.81	5361.03	5952.97	20860.51	4844.97	5661.30	5840.54	6158.48	22505.29	43365.80
Share of tourism in GDP	6.66 %	6.75 %	6.74 %	5.24 %	6.30 %	5.92 %	7.21 %	5.91 %	5.34 %	6.08 %	6.19 %

The PESTLE analysis for tourism as economically sustainable development covers

Political concerns:

Economic Indicators

Economic Indicators encompass statistics on the number of people employed in the tourism sector, on tourism services import/export, the share of tourism in GDP, foreign direct investments in hotels and restaurants, and the passenger capacity of Georgian railways and airports. The statistics of economic indicators are available in various breakdowns:

- **Employment:** data of the number of people employed in hotels and restaurants, transportation and other tourism related services;
- **Tourism services import/export:** quarterly and annual data of revenues from international tourism and expenditures of Georgian residents abroad;
- **Share of tourism in GDP:** statistics available quarterly and annually;
- **Foreign direct investments:** quarterly and annual data of foreign direct investments in hotels and restaurants;

Capacity: passenger capacity of Georgian Railways and airports of Tbilisi, Batumi, Kutaisi and Mestia.

Current Situation: State policy growing interest towards sustainable tourism and economic development on a country level, a liberal law, a stable condition, beneficial environment for tourism industry development.

Measures: Further activities in tourism development policy to increase awareness of the country in the international tourism market, to stimulate incoming and domestic tourism development, to increase the competitiveness, to promote the image and popularization of the country.

Economic Concerns:

Current situation: Stable situation and economic growth in the country after the war calamity and subsequent crisis, inflation and exchange rate stability. The multitude of projects, investment growth and the creation of employment opportunities in the tourism sector resolved a country level.

Measures: Much support to country's economic development through the following activities: infrastructure development, fund-raising, investment opportunities, raise the competitiveness of country's sustainable tourism products on global tourism market, support to growth and preparation of training for trainers, professional workshops and raising the level of education, awareness of local residents.

Social Concerns:

Current Situation: Low conditions of tourism infrastructure, informational vacuum, population (local residents, especially young people) migration to big cities or capital, high level of

unemployment in districts, a lack or a low level of tourism service, no sustainability plans on a regional level in different fields of tourism.

Measures: The state's effort to allocate additional funds for Social Infrastructure Development in the region, elimination procedures against migration, employment opportunities and opening the new possibilities for residents. Working out short, mid and long term strategies for sustainable development.

Technological Concerns:

Current Situation: On Regional/local level, there is fixed a low access to modern technologies, a lack of communication, no internet access which will exert the impact on production efficiency and its sustainability.

Measures: Opening possibilities for new technologies, orientation on market, and offering and realization of sustainable tourism products according to market demand.

Legal Concerns:

Current Situation: Despite the existence of self-regulatory legislation in the country, there is not given separate regulatory framework in the law for development of the region

Measures: To establish a clear division of responsibilities among state departments, to provide a legal framework for tourism sustainable and economic development on country and regional level.

Environmental Concerns:

Current Situation: No availability of technology to reduce pollution in ecotourism, no sufficient management of protected areas in regions, no conventions about Biological Diversity and the lack of regulations and etc.

Measures: Improvement of quality of eco tourism service, forming regional and local forest policy and forestry management, evaluation of local natural resources and plans for sustainability and etc.

Chapter 6. Sustainable Management of Tourism Business: Hotels, Restaurants, Travel Agents and Cruise

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- 1. Ecologically Sustainable Management**
- 2. Sustainable management of hotels, sanatoriums and beaches**
- 3. Sustainable management of restaurants and wine testing**
- 4. Sustainable management of transport infrastructure**
- 5. Sustainable management of touring and excursion**



Ecologically Sustainable Management

Tourism is one of the world's fastest growing industries and important source of foreign income and employing for many developing countries. Since the mid 90's we have heard of the term sustainable tourism and thought of it vaguely as something good for the planet and for the future of tourism but most of us do not really know what it its value.

Sustainable is explainable. According to the World Tourism Organization (WTO), sustainable tourism is "satisfying current tourist and host community needs, while protecting and improving future opportunities." Put simply, sustainability is the capacity to endure. In ecology the word describes how biological systems remain diverse and productive over time with due consideration for carrying capacity. For humanity, it is the continuing maintenance of its well-being, as it depends on the natural resources' benefits and its responsible use.

According to UNEP, Sustainable Tourism describes policies, practices and programs that take into account not only the expectations of tourists regarding responsible natural resource management (demand), but also the needs of communities that support or are affected by tourism projects and the environment (supply). Sustainable tourism thus aspires to be more energy efficient and more "climate sound" (e.g. by using renewable energy); consume less water; minimize waste; conserve biodiversity, cultural heritage and traditional values; support intercultural understanding and tolerance; and generate local income and integrate local communities with a view to improving livelihoods and reducing poverty. Local cultures, values and traditions are affected adversely from the profusion of massive expansion without any regard for eco balance. One major loss is authenticity, a major pillar in the principle of sustainable tourism, which should maintain the geographical character of a place, its environment, heritage, aesthetics, culture and well-being of its residents.

Sustainable is attainable, sustainable tourism development requires the informed participation of all relevant stakeholders, as well as political leadership to ensure wide participation and consensus building, according to WTO guidelines. To achieve sustainable tourism all sectors have to follow continuous process which requires constant monitoring of impact and implement the necessary preventive and or corrective measures at all times.

Sustainable tourism is

- Making optimal use of environmental resources that form a key element in tourism development, maintaining essential ecological processes and helping to conserve natural heritage and biodiversity
- Respecting the sociocultural authenticity of host communities, conserving their built and living cultural heritage and traditional values, and contributing to inter-cultural understanding and tolerance.
- Ensuring viable, long-term economic operations, providing equal socio-economic benefits to all stakeholders, including stable employment, income-earning opportunities and social services to host communities and contributing to poverty alleviation.

Sustainable management of hotels, sanatoriums and beaches

Sustainable tourism should not only satisfy the traveler's needs of pleasure and relaxation but also ensure a meaningful experience that raises their awareness about preserving and conserving nature and culture while contribution to the local community as a lasting legacy.

Working together and common sense approach is the key to success for all type of hotels: smaller and mid-size hotels need to unite join efforts with larger hotels; in order to confront the continuous strong competition in our industry worldwide in the beginning of the 21st century. Sustainable development starts with the idea that the most sustainable aim for all is a better quality of life for everyone, not only now, but for generations to come.

Accommodation Units

Total	Number of Units	147	252	55	111	146	11	18	86	28	106	163	1 123
	Number of Rooms	3 310	4 341	1 096	1 677	1 203	69	227	1 135	308	981	2 439	16 786
	Number of Beds	6 914	10 380	2 818	3 750	2 677	168	539	2 787	711	2 140	6 224	39 108

Accommodation Type	Accommodation	Region											Total
		Tbilisi	Ajara	Guria	Imereti	Kakheti	Shida Kartli	Kvemo Kartli	Mtskheta-Mtianeti	Racha-lechkhumi Kvemo Svaneti	Samegrelo Zemo Svaneti	Samtskhe-Javakheti	
Hotel	Number of Units	91	106	36	47	30	3	6	33	7	25	59	443
	Number of Rooms	2906	2811	885	1066	603	31	175	833	185	536	1431	11 462
	Number of Beds	5725	6243	2288	2293	1280	73	389	1894	366	1138	3539	25 228
Family House	Number of Units	30	8	15	45	96	7	12	49	20	77	88	447
	Number of Rooms	247	60	133	260	459	36	52	269	121	387	683	2 707
	Number of Beds	527	147	328	543	1082	87	150	736	341	857	1910	6 708
Guest House	Number of Units	5	136	3	5	20	1	0	2	1	3	9	185
	Number of Rooms	39	1458	42	68	141	2	0	17	2	56	70	1 895
	Number of Beds	103	3922	102	147	315	8	0	87	4	125	195	5 008
Sanatorium	Number of Units	0	0	1	4	0	0	0	0	0	0	2	7
	Number of Rooms	0	0	36	245	0	0	0	0	0	0	93	374
	Number of Beds	0	0	100	646	0	0	0	0	0	0	250	996
Boarding House	Number of Units	0	0	0	0	0	0	0	0	0	0	1	1
	Number of Rooms	0	0	0	0	0	0	0	0	0	0	120	120
	Number of Beds	0	0	0	0	0	0	0	0	0	0	220	220
Sports School	Number of Units	0	0	0	0	0	0	0	2	0	0	0	2
	Number of Rooms	0	0	0	0	0	0	0	16	0	0	0	16
	Number of Beds	0	0	0	0	0	0	0	70	0	0	0	70
Hostel	Number of Units	21	1	0	10	0	0	0	0	0	1	0	33
	Number of Rooms	118	5	0	38	0	0	0	0	0	2	0	163
	Number of Beds	559	40	0	121	0	0	0	0	0	20	0	740
Cottage	Number of Units	0	1	0	0	0	0	0	0	0	0	4	5
	Number of Rooms	0	7	0	0	0	0	0	0	0	0	42	49
	Number of Beds	0	28	0	0	0	0	0	0	0	0	110	138

Sustainable management of restaurants and wine testing Food and Beverage Outlets

Food and Beverage Outlets	Region											Total
	Tbilisi	Kakheti	Guria	Racha Lechkhumi, Kvemo Svaneti	Imereti	Samegrelo, Zemo Svaneti	Samtskhe - Javakheti	Shida Kartli	Kvemo Kartli	Mtskheta – Mtianeti	Ajara	
Restaurant	205	46	20	2	57	30	38	17	7	44	55	521
Café	23	22	27	11	17	45	19	15	7	8	82	276
Bar	10	1	1	1	8	4	0	3	2	4	10	44
Club	6	0	0	0	0	0	0	0	0	0	2	8
Fast Food	16	1	0	0	10	0	1	7	0	7	8	50
Total	260	70	48	14	92	79	58	42	16	63	157	899

Sustainable management of transport infrastructure

Against the background of globalization and due to the geopolitical location of Georgia, the development of country's economy is primarily related to the proper and effective functioning of transport sectors. As of today, Georgia's geopolitical location plays important role in country's economic and political life. It is located on the crossroad of Europe and Asia, where transportation of strategic cargoes is conducted. Therefore, one of the top priorities for the Government of Georgia is coordinated functioning of transport fields, modernization-construction of transport infrastructure in accordance with international standards and harmonization of country's legislation with international law. Taking into consideration all the above mentioned, the Government of Georgia is being implementing important infrastructure projects, which shall facilitate new cargo volumes through Georgia and increase effectiveness of functioning of transport systems.

Georgian Main Transport Systems are:

International Airports

- Tbilisi International Airport
- Batumi International Airport
- King David the Builder Kutaisi International Airport

Local Airport

- Tamar Mepe Airport, Mestia

Main Sea Ports/Terminals

- Batumi Sea Port
- Batumi International Container Terminal
- Poti Sea Port
- Black Sea Terminal
- Supsa Terminal

RailwayTransport

- Georgian Railway
- Marabda-Kartsakhi Railway

Main Priorities

- Integration of Georgia into the international transport systems and development of transit potential;
- Harmonization of Georgia's legislation with European standards;
- Development of the cooperation with international organizations and realization of International Agreements;
- Improvement of safety policy;

- Creation of legal basis for the development of multi-modal transportation;
- Increasing competitiveness of Georgian maritime sector;
- Improvement of seafarer’s education and certification system and flag state performance.

Plans

- Implementation of the obligations under “Common Aviation Area Agreement between the European Union and its Member States and Georgia”. Harmonization of Georgia legislation with EU legislation and supporting Civil Aviation Agency in this process;
- Attracting low cost air companies in Georgian aviation market and enhancing competitive environment in aviation market;
- Re-recognition of Georgian seafarers’ certificates by EU, that will facilitate employment of Georgian seafarers on ships, flying the of EU countries;
- Removing of Georgia flag from the “black list” of the Organization of Paris Memorandum of Understanding on Port State Control;
- Implementation of the European Agreement Concerning the Work of Crews of Vehicles Engaged in International Road Transport (AETR) signed on 1 July in Geneva, 1970 (the convention entered into force for Georgia from 19 November 2011). The accession to the said convention ensures instillation a concurrency of working conditions and minimal road traffic safety standards in road transport sector;
- Starting internal state procedures for accessing to the European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR);
- For the development of multi-modal transportation concluding Agreements with state parties to the Container Block Train project (SILK WIND) – Kazakhstan, Azerbaijan and Turkey.

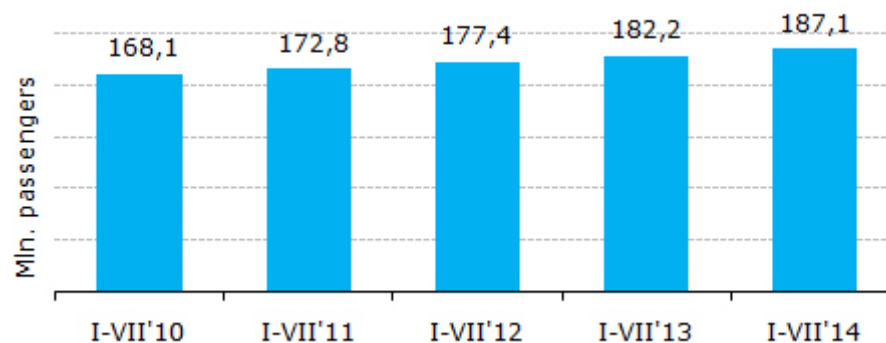


Fig. 1. Total Passenger Transportation

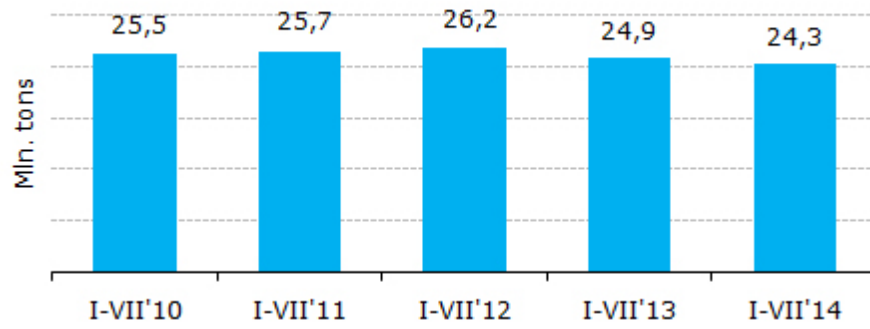


Fig. 2. Total Cargo Transportation

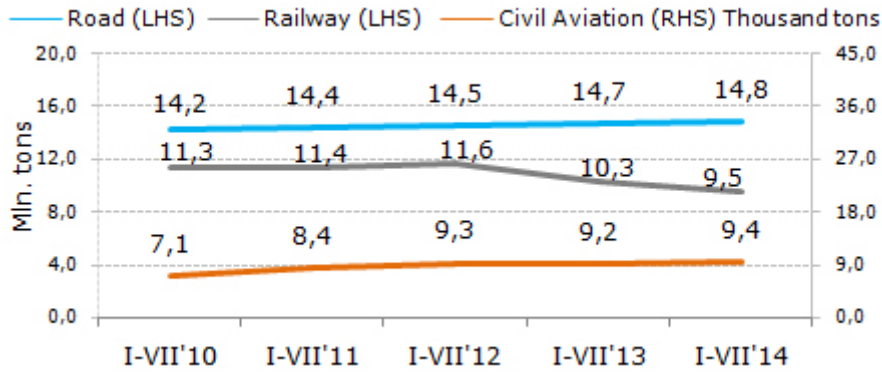


Fig. 3. Cargo Transportation by Modes

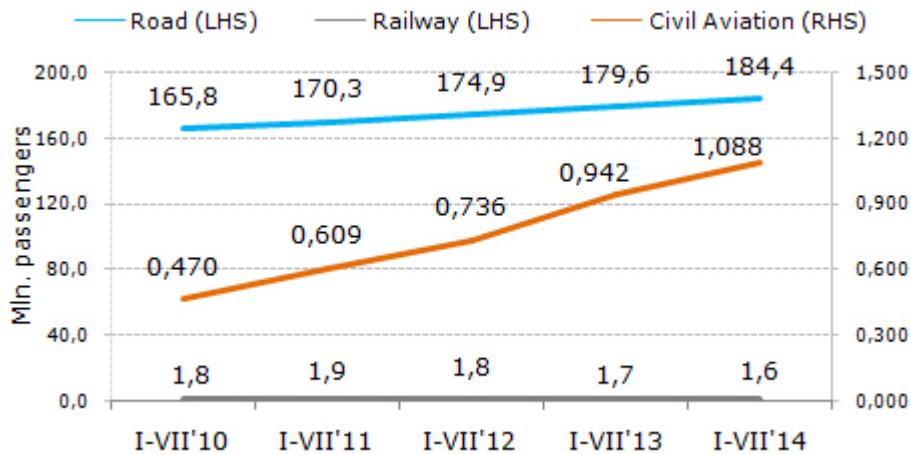


Fig. 4. Passenger Transportation by Modes

Transport statistics describe the dynamics of inbound and outbound means of transportation within the territory of Georgia, registered at 19 border checkpoints. The list of border checkpoints is provided below:

- Air: Tbilisi International Airport, Batumi International Airport
- Sea: Poti port, Batumi port, Kulevi port
- Land: Tbilisi, Akhkerpi, Guguti, Vale, Vakhtangisi, Ninotsminda, Sadakhlo (air and railway border checkpoints), Sarpi, Kazbegi, Tsodna, Tsiteli Khidi, Gardabani, Samtatskaro, Kulevi.

Information on the following means of transportation is provided:

- Air: Air transport
- Land: Bus, car, truck

2013 Year

- Incoming transport: 67 339
- The same period last year: 64 027
- Increase over the same period last year: 5.2%

The most commonly used means of transport: Car (50 191)

Transport Type - Quantity	2012 - Incoming	2013 - Incoming	Percent Change
Car	46 309	50 191	8.38%
Truck	11 966	12 082	0.97%
Bus	5 015	5 066	1.02%
Air Transport	737		%
<i>Total</i>	<i>64 027</i>	<i>67 339</i>	<i>5.17%</i>

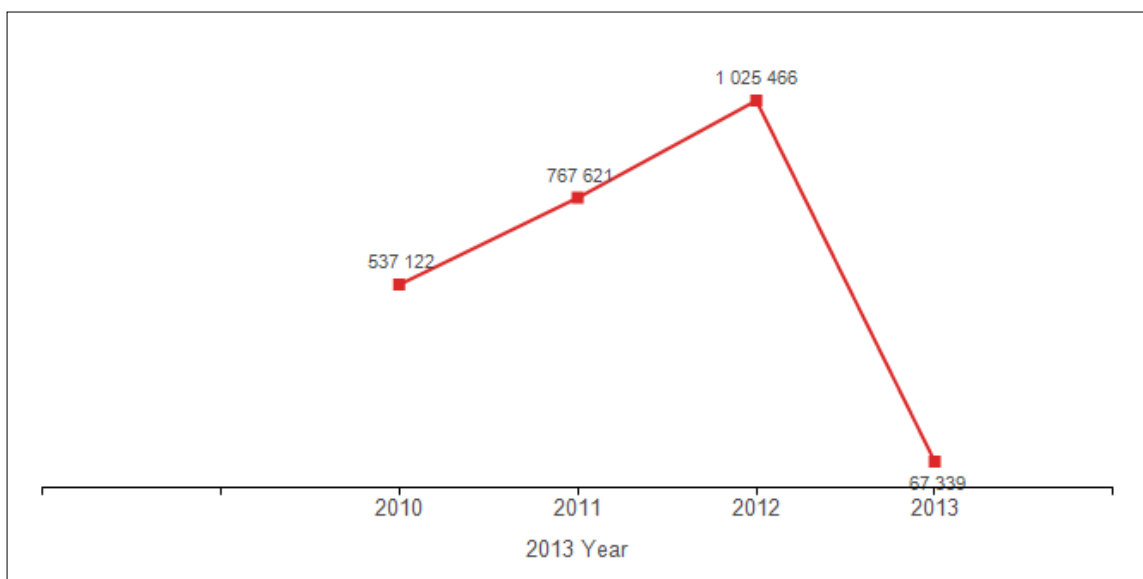


Fig. 5. Incoming Transport by Years

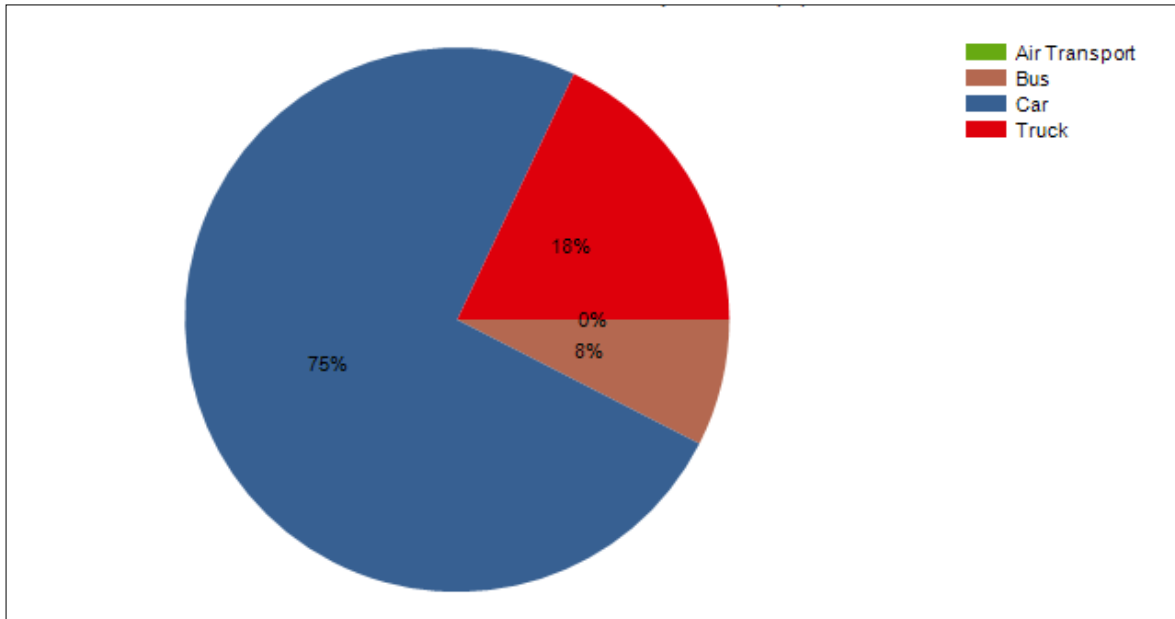


Fig. 6. 2013 Year: Destination of Transport Means (%)

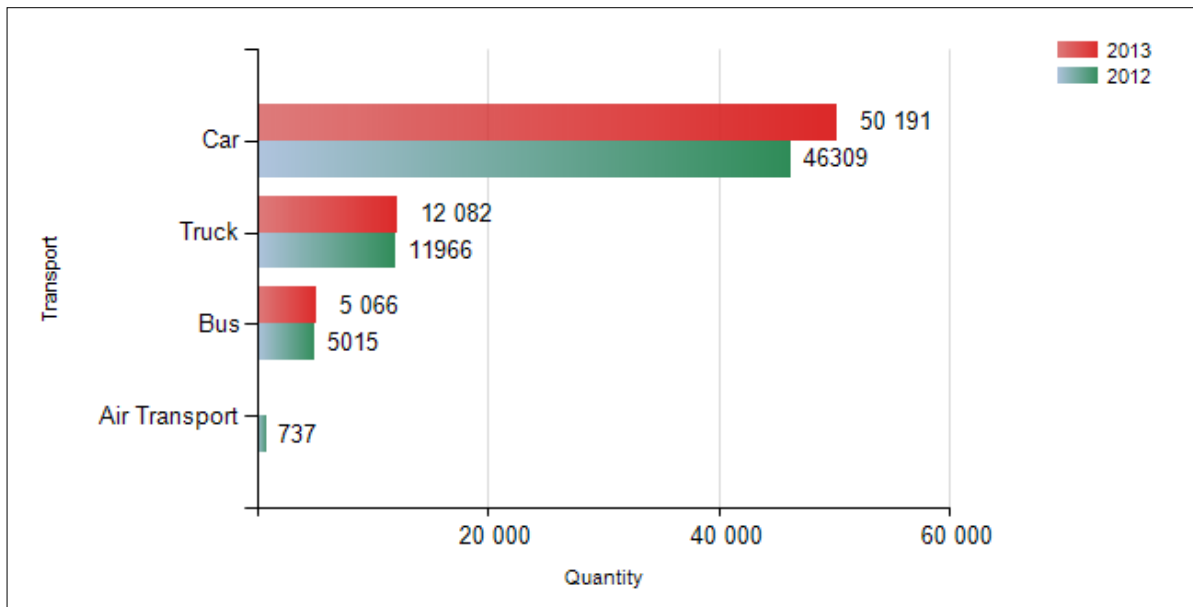


Fig. 7. Transport Statistics

Sustainable management of touring and excursion

Without proper management of environment there is no scope of tourism. The management, transport, accommodation, excursions and destination should be sustainable. Without environmental quality there can be no holiday quality and no customer satisfaction. Innovative

environmental management is therefore a significant part of a quality strategy. With our excursions, we aim to maximize the benefits for the people in the places we visit and minimize any negative impacts. Generally, we use local cultural guide or local people from each destination as possible to perform our tour operation. Besides we encourage our customers to buy local products available as souvenir wherever they go if they want. We believe that these kind economic activities empower living of the local people. As well as prefer to use local restaurants for lunch and dinner also get involve and celebrate local events.

Chapter 7. Traditional Georgian Products, Production, Promotion and Tasting

CONTENT

- 1. Introduction.** Welcome to Georgia
- 2. Traditional Products & Production**
 - a. Ceramics
 - b. Stone Carving and Glyptic
 - c. Woodwork
 - d. Metalwork
 - e. Enamel
 - f. Textile
 - g. Embroidery
 - h. Printed Fabric
 - i. Felting
 - j. Dyeing
 - k. Knitting
- 3. Labor Resources**
- 4. Regional Distribution**
- 5. Consumers**
- 6. Sales Channels**
- 7. Food and wine adventures through the heart of the Caucasus**
- 8. Georgian Cuisine**
 - a. Cheeses
- 9. Georgia - Cradle of Wine**
 - a. Famous Georgian Wines
 - b. The Supra
 - c. Tamada
- 10. Wine-producing regions of Georgia**

1. Introduction

Welcome to Georgia



Everything in Georgia speaks about its greatness and cultural wealth of ancient people. Numerous monuments - cult structures of the early Christianity, ancient churches and monasteries hiding in the Caucasian Mountains are silent witnesses to its rich history. The unique landscapes of this part of the world: high mountains, rapid rivers, green meadows, the turquoise sea ... eloquently "speak" about the rich nature... The generosity of the inhabitants of Georgia has become in best expressed by the saying "the Georgian hospitality" which implies a noisy cheerful feast with endless toasts and rivers of magnificent Georgian wines.

Everything in Georgia is unique, original and exotic indeed. It is the country of highly developed culture which evolved like a colorful mosaic for centuries before it has turned into the national asset of the country and can be compared only with Georgian native land so treasured by its people – beautiful, rich, long-suffering but proud and independent.

Georgians are very much fond of their country calling it Sakartvelo literally, "the land of the Kartvelebi." and consider it the heavenly spot on the earth. To prove this they even created an amusing legend: "When the God divided the Earth among the people, Georgians were late because of their traditional feast, and by the moment of their arrival the entire world had already been divided. When the God asked them to what they had drunk Georgians just answered: "To you, oh Lord, to us, to peace". The God liked their answer. So told them that although all lands were taken, he reserved a small plot for himself and now he decided to give it to Georgians. According to the God the land was incomparable in its beauty and all people would admire and cherish it forever."

Georgia is strategically located at a crossroads between Europe and Asia. Through the centuries, it has been invaded and settled by Greeks, Romans, Persians, Turkish tribes, Arabs, Mongols, and Russians. Georgia was also on one of the branches of the Silk Road, which carried trade from China and India to Europe. So the Georgian people have been influenced by many cultures, both Asian and European. The Georgians' architecture, language, literature, and cooking draw upon Persian, Arabic, Greek, and Russian sources. Georgians probably developed a national identity around the tenth century AD. At that time the Bagrationi dynasty founded an independent and powerful Georgian nation. The Georgians resemble Greeks and Turks in appearance, and they think of themselves as an Eastern Mediterranean culture.

And it did come true: the beauty of Georgia is impossible to describe but sing about it. So Georgians prefer singing about the beauty of their land in their original harmonious songs.

The landscapes of Georgia are a unique mixture of all four seasons. The mountain tops are sparkling with snow, the autumn fog with rain and snow reigns in the foothills, in the river valleys there are spring flowers and fruit trees, and finally, hot summer - among evergreen palm trees on the Black Sea shore. It is not surprising that the fertile Georgian land inspired such great Russian classic writers and poets as Pushkin, Lermontov, Tolstoy and many others.

The beauty of Georgian nature, the purest air, the unique coniferous forests, the beautiful mountain lakes, the Alpine meadows and healing mineral springs; sacred places – the unique monuments of early Christian culture, numerous resorts known all over the world – Batumi, Kobuleti, Ureki, Tskhaltubo, Utsera, Shovi, Borzhomi and many other things attract tourist from around the globe. All in all there are about 300 mountain, seaside, balneal and healing mud resorts in Georgia.

Georgia possesses a huge tourist potential. Just think about it – in the 1980s there came up to 4-5 million people a year! After the country gained its independence this figure was considerably reduced. It was connected with the political instability in the country. But today the troubles are over and Georgia is again opened for tourists and travelers from all over the world. The popularity of this destination is rapidly increasing and the projected number of visitors coming there will soon reach one million tourists per year.

Technically Georgia is located in Eurasia, but its own people describe it in a very lovely way, it's the balcony of Europe. A journey into humanity and kindness. A gem between Europe and Asia.



The people of Georgia will conquer your heart within seconds and they will treat you like family!

In the today's world the creative and cultural industries represent the most important driving force of the economy. If the twentieth century was a period of industrialization, the modern world has realized a new and pushed the primary importance of an individual, knowledge, creative approach for the innovation and the role of SMEs in economic development.

A separate field of the cultural industries is the heritage crafts which along with such sectors as music, cinema, architecture, fashion, etc. represents the most important resource of development of various countries and regions and a source of employment and economic growth worldwide.

The heritage crafts play a particular role in the economy of developing countries. This trend is particularly enhanced by a small dependence of the heritage crafts and folk handicraft on technological innovations, hence, the financial capital, as well as its proximity to local resources and traditional knowledge.

The heritage crafts is a creative process or a process of creation of an imitative product by which the products are created by hand or partially by mechanical means, which is based on the motives of both tangible and intangible cultural heritage and folk traditions.

Traditional handicrafts products include the products performed with the traditional techniques and/or which implies traditional forms, ornamental patterns and in creation of which an important role is played by the manual labor.

Located at the geographic meeting point between Europe and Asia, Georgia has been distinguished by the diversity of crafts traditions throughout the centuries. Every single province in Georgia has its own images, history, culture, traditions, which ensures the

ethnographic mosaic of the country and its special attractiveness. So too, traditional crafts techniques, color combinations and ornamental patterns in ceramic, woodcarving, stonework, metalwork, leatherwork, basket weaving and textiles, which include knitting, carpet weaving, felting, block printing and other techniques, vary from region to region.

2. Traditional Products & Production

The analysis of the products and the range of products at trade facilities showed that the heritage crafts in the market today are represented with about 500 types of products that can be grouped in the following major functional categories:

Accessories, jewelry, pottery, interior accessories, religious items, furniture, dolls/toys, musical instruments, weapons, clothing, decorative compositions, carpets/rugs, souvenirs and other.

CERAMICS

The traditional Georgian applied art is mainly represented by high art items from ceramics, metal, wood, and bones. Georgia is famous for its fine jewelry, engraving on metal, armory. The first samples of ceramic ware appeared in the territory of Georgia in the 7th millennium BC. Later, in the 4th-3rd millennia BC along with ceramics there emerged first metal items. The first silver objects found in the territory of Georgia are dated back the 3rd millennium BC. The quantity of jewelry increased in the next millennium. At that time the jewelry business reached its blooming. The jewelers mastered the art of filigree, stamping, and molding to perfection.

But the art's apogee came in the 11th-13th centuries. The period of numerous conquests affected Georgian applied arts. It was under the influence of European, Persian, and Asian art but managed to preserve the traditional techniques and deep national content.

The traditions of pottery in Georgia go back to the hoary past. Unusual variety of winemaking equipment and wine vessels of ancient times attest to the high skill of Georgian craftsmen.

Centers of unglazed ceramics were located in Kakheti (Telavi) and in western Georgia in Shrosha. In Tbilisi several ceramic factories were producing tableware. The high level of craftsmanship, artistic value and richness of decoration were particular for the pottery of this period.



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The traditions of 19th century pottery were largely maintained for the beginning of the 20th century. Establishment of studio of ceramics and glass in Tbilisi State Academy of arts in 1959 enhanced advancement of the professional school of ceramics in Georgia.

Throughout 20th century ceramic production were still maintained in Shrosha, Ikalto and also Mtskheta and Zugdidi, where the factories of ceramics and porcelain were functioning, employing number of skillful master ceramist in their premises.





Stone Carving and Glyptic The stone carving techniques were widespread in medieval art. Church facades, chancel screens or free standing stelae were mostly adorned with stone carved ornaments and figural images.

If the early medieval period was still under the Hellenistic influence, stone reliefs of so called transitional period (8th-9th centuries) are marked by the flatness, disproportion and highly stylized rendering of the subject. However, the 10-11th century stone carving features elaborate delicate forms and proportions, and variety of ornamental motives. The particular tendency is continued in 12-13th centuries as well. The stone reliefs of the following period are distinguished with more primitive folksy style. The crafts of stone carving has been widely used to decorate gravestones, which became very popular in 19 century,

when stone carved gravestone portraitures became common in Georgia.

Nowadays stone carving is applied to decorate ecclesiastic architecture and religious objects, whereas the art of gemstone engraving is used to produce both religious items and jewelry.



Woodwork

Being widely used both in religious and folk architecture and applied arts, woodwork has been amongst the most developed traditional crafts in Georgia.



The 10th-11th century woodcarved church doors from Chukuli and Jakhunderi (Svaneti), Lashes-Vani, Mgvimevi (Imereti) amongst others, which feature figural images and wide variety of ornamental patterns, speak to the refined skills of Georgian

medieval masters. Alongside church doors mostly made of walnut, wood carved frames and chancel screens with refined ornaments are preserved from the Middle Ages.

Alongside ecclesiastic objects, woodcarving was widely used in folk architecture and objects of everyday life such as traditional furniture:

armchairs, bedsteads, chests, cradles, musical instruments (traditional instruments with strings *chonguri* and *panduri*) and tableware. Embellishment with wood carved ornaments was especially widespread in the highland regions of the country. The variety of woodcarving ornaments mostly feature geometric patterns, astral symbols, stylized anthropomorphic and zoomorphic imagery, which are typical for both furniture design and folk architecture.



Woodworking techniques were essential for domestic architecture in every region of the country, widely applied in *darbazi* type structures, prevalent in Eastern and Southern part of the country, the openwork wooden *Oda-type* houses built on wooden “legs” typical to western lowland of Georgia, or magnificent interior of *machubi* in Svaneti. Amongst these, the decoration of *darbazi* type structures and namely of its central wooden column (*dedabodzi*) is worth of special mentioning. The latter is abundantly decorated with wood-carved geometric ornamental, astral imagery maintained throughout centuries. The peculiar technique of work in wood is found in some *darbazi* type structures in Akhaltskhikhe, where the walls are covered with inlaid wood panels, speaking to the exquisite mastery of the craftsman.

If the domestic architecture of Svaneti and south-eastern Georgia makes special focus on the decoration of interiors with wood carved ornaments, the *Oda-type* houses in western lowlands emphasised the exterior, and namely the balcony decorated with wide range of openwork ornamental patters, including foliage motives barely found in the eastern part of the country.



The classical type of the openwork wooden *Oda* houses emerged in the 19 century (2ⁿ half). In this period exterior and particularly adornment of the balcony became the main focus for master builders. The Old Tbilisian type of house with openwork balcony clearly demonstrates this tendency. The particular type of a house became predominant soon after in other cities of the country. The old traditions of woodworking reshaped to cope with new tendencies. It seems however, that the imagery applied in openwork ornamentation often incorporates ancient motives going back to the hoary past.

Currently woodworking techniques are widely used to decorate religious objects such as church doors, icons, crosses etc. Meanwhile, the traditions of folk furniture making and wooden architecture are maintained in several regions of the country. Amongst these are Svaneti, Racha and Upper Achara, where this tradition is still kept alive in everyday life.

Metalwork. Georgia developed metallurgical traditions which go back to the Early Bronze Age, namely the fourth to third millennium BC, when the Mtkvari-Araxian Culture (c. 3500 - 2400 BC) emerged on the territory of the East Caucasus.



Between the sixth and third century BC, the western state of Egrisi, the legendary `Colchis` preserved in ancient Greek mythology and literature, and the eastern state of Kartli, called `Iberia,` flourished. The development of local goldsmithery was made possible, in part, by the regions' rich resources: gold-mines in southern Kartli and gold-bearing rivers in Egrisi. The first, the Archaeological

Treasury, is a series of cases filled with stunning millennia-old metal work, such as bright-gold jewellery from the famed kingdom of Colchis, one of the ancestors of modern Georgia.

Examples of Colchian gold work from the earliest eighth to ninth century BC include temple pendants, richly decorated with granulation and sculpted heads of predators, which have been found at Ureki on the Black Sea coast. These fine metal pieces attest to the high level of skills among craftsmanship.



Gold granulation attained great variety and technical excellence in the fifth and early fourth century. Outstanding examples, discovered in Vani, include exquisitely crafted gold diadems, with braid-patterned holders; diamond-shaped plaques, adorned with repousse images of fighting animals; earrings; arm rings and temple pendants. All suggest the work of a skilled master. The plethora of such objects offers clear evidence of the existence of a distinct and original Colchian goldsmithery style that emphasizes extensive use of the granulation technique in combination with filigree.



Weapons of Beauty. The culture and technology of weapons was a vital part of any country's evolution. As well as being dangerously sharp, quite an amount of attention was also often paid to the design of handheld metal weaponry. As "hot-blooded" Georgia has had a history of almost constant wars, weapon making is naturally well developed here. Top quality weapons were simply bare necessities. Ancient Georgian tribes were known as metal making tribes and their steel weapons could easily cut through enemy offerings.

Iron was widely used in Georgia as far back as the 12th century BC. Starting from that period, people were constantly perfecting their iron and steel sabres and daggers.



The further advancement of the metalwork in eastern Georgia is demonstrated by the first century AD discoveries in Mtskheta, the ancient capital of Georgia. In addition to the abundance of unearthed golden jewelry, such as gorgeous necklaces, earrings, rings and bracelets adorned with precious stones and engraved gemstones.

The cloisonné incrustation with multicolored stones found in richly decorated objects discovered at Mtskheta is considered as a progenitor of cloisonné enamel, which became very popular in medieval Georgia.

Announcement of Christianity as a state religion in early 4th century marked an important turning point in the development of Georgian Metalwork. It strongly influenced the pictorial language of metalwork, moving it away from three-dimensional sculptural methods, such as volume, modeling and relish for reproducing the naturalistic forms, to a more flattened, stylized aesthetic.

The ecclesiastical objects, such as, crosses, icons, cups and manuscript covers, enable us to trace the development of this branch of art from the eighth to ninth century AD through the early 19th century.

The Icon of Transfiguration from Zarzma (886 AD), which is the earliest surviving monument of medieval metalwork, clearly demonstrates this new trend in art: the surface of the icon is flat and relatively simple.



Alongside medieval repoussé work, rich metallurgical traditions were maintained in everyday life of local people. Racha for instance was famous as a center of blacksmithing in Georgia.

In the 19th-20th century Tbilisi became the center of metalwork. Silver crockery made in Old Tbilisian guilds distinguished with the variety of shapes display the style widespread in the whole Caucasus featuring floral ornaments and figural images. Contrary to the items made elsewhere these Old Tbilisian silver bowls often display local Tbilisian characters.

The rich artistic tradition of medieval repoussé work reinvented itself in the works of Georgian masters during the Soviet time by changing religious subject matter with secular themes inspired by national motives.



Enamel was recovered in Georgia in the late twentieth century and has gained significant popularity among the craft masters in the last decade. 70% of the masters in the field have the experience less than 10 years and 32% of them have learned the enamel work from other masters. This fact just has led to the enamel distribution and product peculiarities.

In terms of geographical distribution we see the strong concentration of enamel in cities (44 % of the interviewed masters live in Tbilisi, and 91 % of the masters live in urban areas), that is quite reasonable for a relative “new” sector. In this technology group are separated 3

techniques: embedded, cloisonne and painted enamel. Out of 46 respondents 43 work in the cloisonne enamel, 9 - in painted enamel and only 2 masters – in embedded enamel (Note: Some of masters are working in 2 or 3 techniques).

In the terms of functionality, we see in the products the predominance of jewelry, a relatively small number of compositions. Total up to 120 items have been found. The enamel production is characterized by an abundance of mixed designs - 62.2 % of masters attribute their works to this category. This fact likely has contributed substantially to the particular popularity of enamel in Georgia.

Depending on its functional purpose, applied materials (gold, silver, copper, enamel) and the labor-intensive technology, the value of the enamel products is higher than average rates (see Table 7).

Thus, we can say that the average price for enamel production is quite high, about 280 GEL.

In recent years the popularity of the enamel products has been generated due to great demand for them among local and foreign consumers, as well as due to the inclusion of the enamel art in the special employment-oriented training courses. However, at the same time, all this has created a quality problem, which may be neglected by the ignorant consumers. In addition, the enamel artisans are not skilled in the goldsmith techniques, therefore, they order shapes for their products, or purchase ready-made shapes, that may lead to the standardization of enamel products.

Textile is the most common technology group in Georgia. It is the most diverse in terms of subsections of textile processing, of which the most common is felting, weaving, embroidery, printed fabric, crochet work and knitting and sewing. Each of them, in turn, includes a variety of techniques (e.g. weaving: carpet, rug, tapestry and many others). The carpets from the Caucasus region are readily distinguished by their geometrical designs and bold colors. Rugs from Georgia are either woven in traditional Georgian patterns or made from compressed felt in abstract patterns. The colors used most often are deep red, brown, blue, and yellow.



49.07 % of interviewed artisans work with textiles. As already mentioned, this technology group is characterized by the employment of mainly women (99.06%). In terms of geographical distribution the textiles is one of the most evenly distributed. However, a particularly high proportion of the textile artisans were revealed in Tbilisi (43.03 %). Also a significant part of them are in Samegrelo-Zemo Svaneti (8.61%), Mtskheta-tianeti (8.61%) and Kakheti (8.61%). The Kakheti percentage is likely to be higher because the data of artisans interviewed in Alvani municipality (which is the traditional center of rugs, cotton and knitting, etc.) have not been used in the statistical analysis.

Percentage of textiles is also large among the enterprises. Overall, 67% of surveyed enterprises produce textile, but it is noteworthy that only four of the 20 enterprises are limited liability companies. Others are non-profit (non-entrepreneurial) legal entities or the monastery workshops.

The history of carpet weaving in the Caucasus region dates back to the Middle Ages. Pieces of knotted pile carpet from the 13th and 14th centuries have been found in cave complexes in Georgia.

The carpets from the Caucasus region are readily distinguished by their geometrical designs and bold colors. Rugs from Georgia are either woven in traditional Georgian patterns or made from compressed felt in abstract patterns. The colors used most often are deep red, brown, blue, and yellow. Over the centuries, traders from Istanbul to Athens traveled to Tbilisi, Georgia, to trade in hand woven carpets at bazaars known as the Caravanserai.

Embroidery



Out of textile technology subsections, the second place in terms of the abundance is held by embroidery. We can say that the embroidery like felting has not experienced radical changes. The functional groups of products of this subsection are still clothes, accessories (hats, bracelets, headpieces, etc.), ecclesiastic and household things (tablecloths, napkins). There can be found functional innovations as well (e.g. cellphone holders), but the real product diversification is not been observed.

Though 85% of interviewed artisans work according to the traditional design, it should be noted that the typical features of each region of Georgia have been actually lost in the embroidery.

Printed fabric

Today the printed fabric is presented in Georgia with a less traditional batik. Batik became popular in Georgia in the 90s, along with silk printing. As in many other fields, a relatively large percentage of respondents (more than 50%) live in Tbilisi. 81% of the product is of mixed design and only 3.8% artisans believe that they work in the traditional design. Today the cold and hot batik technologies are spread.

The fabrics printed with the traditional wooden molds are rare. In this regard noteworthy is the activity of the Tbilisi Academy of Fine Arts, which has initiated the restoration of the technology of printed fabric and, namely, making of the traditional blue tablecloth and creation of a workshop that produces printed blue tablecloths with traditional negative technique.

There are also blue tablecloths printed on the computer, which in addition to full mechanization of the technique are notable for artificial fabric and low quality of prints.

The printed fabric products are presented with scarves, wall panels, interior accessories, blue tablecloth. An interesting practice is a connection to the modern fashion industry, in particular producing fabric for creation of modern clothes. Although such connections are just an exception but it can be considered as one of the promising trends not only for printed fabric but for other crafts as well. At the same time, it should be noted that the printed fabric products insufficiently use the opportunities of its functional diversity.

FELTING During the last 5-7 years we have observed the particular popularity of felting, that



may be caused by various factors. On the one hand, they are vast resources available in the Internet, simplicity and less labor inputs of felting techniques compared with other industries and, on the other hand, the inclusion of felting in the women's employment oriented programs in recent years. Consequently, many "newbies" are working in the felting technique: 42% of respondents have engaged in the heritage crafts for five or less years.

The products have experienced a significant diversification: the traditional products such as Svan hats, cloaks, weaving, woolen rugs today hold only a small share of production (22% of authors produce traditional design items), a major part are modern garments and accessories: scarves, baby shoes, felt toys, flowers, decorations (necklaces, hair pins, etc.), which have similar, standard design.

Despite the mass production of felt products, the traditional technologies have still been preserved nationwide, e.g. Svan hats in Svaneti, cloak felting technology in Samegrelo as well as felting of cloaks, hats, rugs and horse blankets in Stepantsminda, Pankisi Gorge and Alvani.

The main material is still wool both of a local origin and imported (merinos). However, as already mentioned for the felt "base" is often used various types of fabric, on which wool is felted. A significant part in the felt products is held by toys that are also largely similar to each other, although there are exceptions, which are characterized by a high quality and originality of toy design.



Dyeing with natural dyes (mulberry) is not separated as a technique in the survey, as the poll shows that some masters know the technology of dyeing a raw material with natural dyes but practice it only in order to create a product just for personal use and not for the realization of the raw material independently. As a rule the felting, weaving masters and relatively rarely knitters dye raw material only for own use and sell the finished products. However, many times during the interviews it was noted that natural dyeing is a very time- and labor-consuming work and that in case of acceptable price they would be glad to buy naturally dyed raw material.

KNITTING 19 % of the artisans working in textile are engaged in the knitting. Most of the



productions are made with knitting needle and about 20 % - with crochet. Out of functional groups accessories (hats, scarves, stockings, gaiters) are mainly presented in the market. Among the knitted products dominate the products of mixed design (48%), traditional design - 38%, while only 14% are of modern design. The prevalence of mixed design products is likely the result of the recent demand for modern knitted hats and scarves. Traditional patterns - stockings, gaiters are still available in their original form, but in the case of stockings they are now made with more vivid colors customized to the taste of foreign users. The material used is mainly wool yarn, though there are also cotton and synthetic yarn. Due to lack of filaments of domestic origin, the artisans mainly use the imported filaments for knitting that further increases the cost of the final product. Only single masters span thread from wool throughout the country.

3. Labor Resources

As the existing databases were compiled by different organizations in different time periods and for different purposes, the consolidated database covered a wide range of artisans.



The survey covered all regions of Georgia and 44.6% of the primary base. Most of the interviewed artisans (84 %) are working alone, without any assistants, and only 16 % use the paid labor. 76.7% of “individual employers” employ less than three people, and only 23% employ more than three.

The enterprises engaged in the sector are mainly small. In the majority of them (85.7%) the number of employees is only 6-10, and 14.3 % employ 10-15 people. (See Fig. 1).

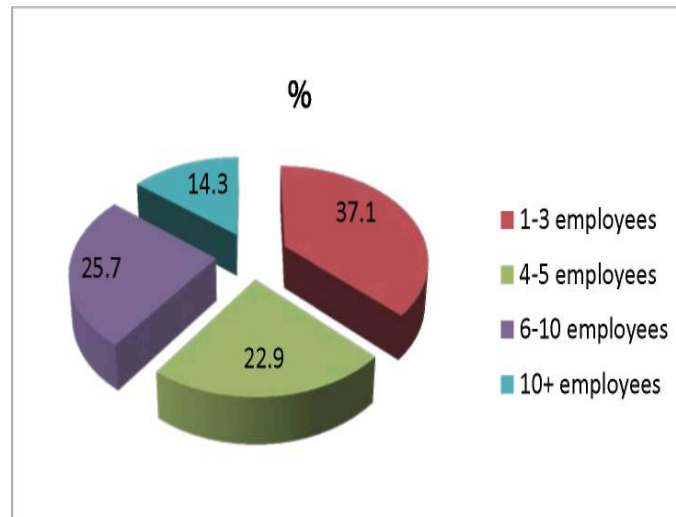


Fig. 1. Distribution of crafts enterprises by the number of employees

Thus, based on the above data, we can say that the number of individual artisans of heritage crafts in Georgia is estimated at around 960, while the number of enterprises – up to 40. The total number of their employees is about 540, therefore, about total 1,500 people are involved in the creation of heritage crafts products.

As we can see, despite the rich traditions and great potential of the sector the total number of employees in the heritage crafts makes up only 0.07 % of the total number of labor resources of Georgia.

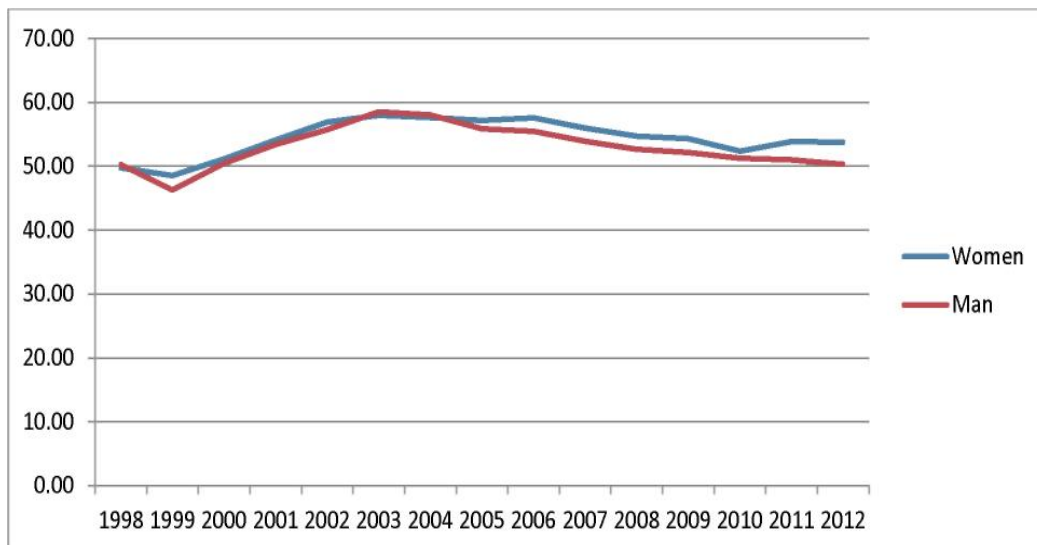


Fig. 2. Percent of self-employed persons in labour force by gender

The analysis of research results has shown that the percentage of women in the heritage craft is higher than the national average. They make up 62.3 % of the employed in the sector while the share of women in the entire population is 52.3 %.. Unlike developing countries, such imbalance is not caused by a high unemployment rate among women, because according to the Georgian National Statistical Office data, the unemployment rate is lower in women than in men.

The low income of the heritage crafts, of course, reduces the men’s interest in this sphere and causes prevalence of women, because in Georgia, as a rule, women are involved in the small activities generating women’s and men’s employment picture is different by technological groups.

As we can see in Figures 3 and 4, the textile is clearly defined as the “women’s sphere”, while woodwork and metalwork as the “men’s fields”. In the ceramics and enamel the distribution of genders is more or less equal.

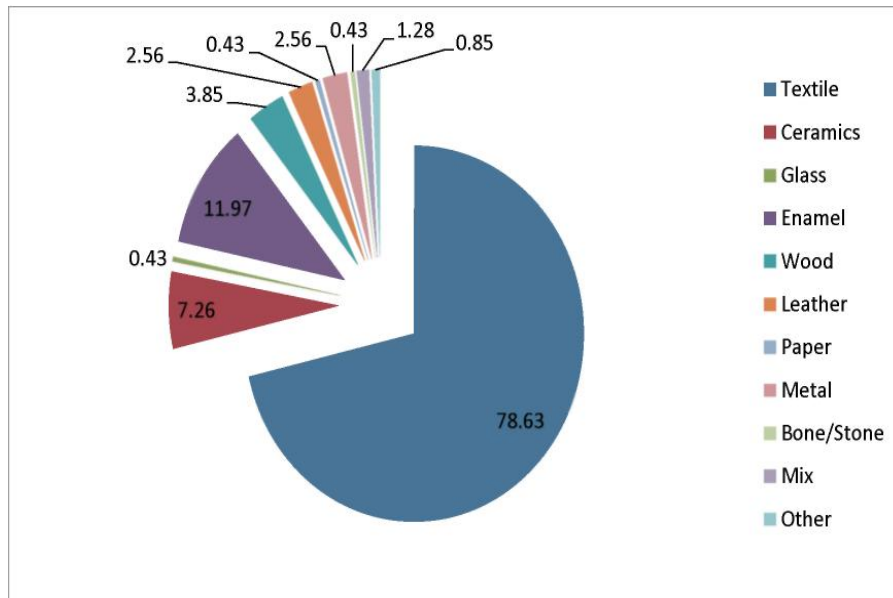


Fig. 3. Employment for women by technological groups

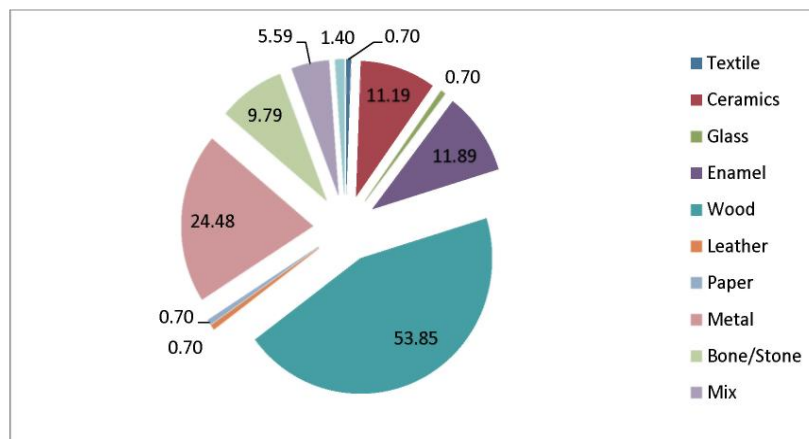


Fig. 4. Employment of men by technological groups

4. Regional Distribution

One of the problems of development of small and medium businesses in Georgia is their uneven geographical distribution - 45 % of registered companies are located in Tbilisi. This trend is also observed in the heritage crafts, but not so strongly. Based on the survey, the geographic distribution of the sector can be described as follows:

A large part of individual artisans, about 26 %, lives in Tbilisi, and others are almost equally distributed to other parts of the country: in Racha -Lechkhumi, Kvemo Svaneti, and Guria, as well as in Mtskheta-Mtianeti, Adjara and Samtskhe - Javakheti. The main “attraction” areas of the heritage crafts in Georgia are the mountainous regions that are primarily due to the strength of the highland traditions. As for enterprises, their number is very small and it is difficult to generalize them. Just about 26 % of the surveyed enterprises are located in Tbilisi, Although the heritage crafts as a supplementary source of income and self-employment should be particularly “attractive” for the rural population, the analysis of interviews of artisans has shown that only 28% of them do not reside in urban areas, while 46.8 % of the total populations are village residents. This, among other reasons, is largely due to a lack of distribution channels that makes it difficult for the rural population to get their products to market and thus prevents them from engaging in such business.

The regional development of heritage crafts is comparatively equal, although by the share of heritage crafts artisans in the population noteworthy are Racha-Lechkhumi, Kvemo Svaneti and Guria, and Mtskheta-Mtianeti, Adjara and Samtskhe-Javakheti. It is clear that the main “attraction” areas of heritage crafts in Georgia are the mountainous regions.

Due to the underdeveloped infrastructure, the heritage crafts cannot perform its role in the development of regions and, in particular, of rural areas, whereby it concentrates in urban areas (72 % of producers).

5. Consumers

To study the consumer’s views local consumers and foreign tourists were questioned . During the survey 101 local consumers and 150 foreign tourists were interviewed in different regions of Georgia, at the heritage craft trade facilities and festivals and fairs, where the customers interested in this field were present.

As expected, the majority of heritage craft consumers are women, their share of local customers is 73.3 % and in tourists - 62.9 % . By the age groups the most active in both cases are representatives of 26-35 and 46-55 age groups

According to the general trend a foreign tourist spends more money for the heritage craft items than a local consumer.

Although the study included only individual consumers, the interview of masters has revealed that there are also corporate clients in the today’s crafts market. Although only 13.7 % of masters sell their products to this category of consumers, the corporate consumers cooperate more with enterprises and trade facilities. Their share increases accordingly - 28.61% for enterprises and 37.5% - for trade facilities but in all cases, the products sold to corporate buyers, typically attains to 20%.

The survey also analyzed the demand for different types of products. The survey showed that the most popular among both the local consumers (32.6%) and foreign tourists (32.4%) is jewelry. Much behind the jewelry are souvenirs, respectively 19% and 18.9%. The demand for furniture is very small (in the category a major buyer is corporate clients (mainly catering facilities where the interview were not conducted), and weapons.

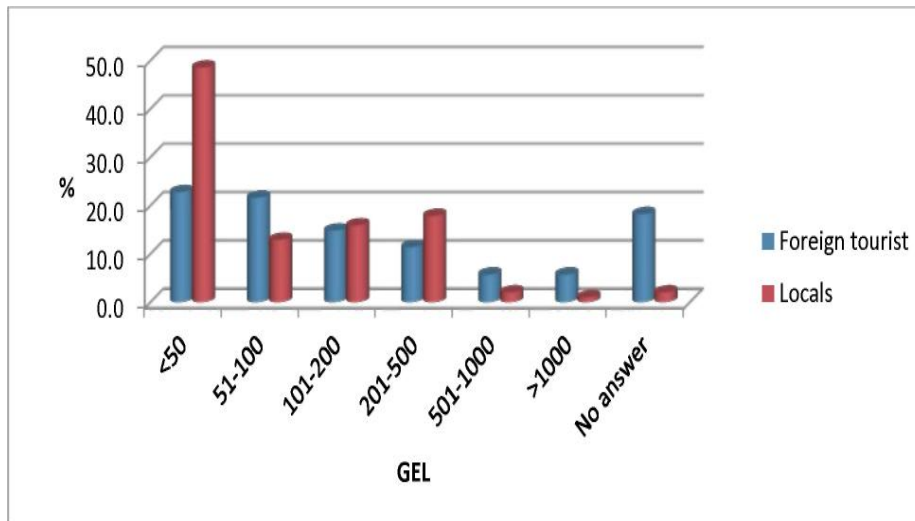


Fig. 5. Amounts spent of crafts product by locals and foreign tourists

The deficiencies in the supply - demand have been also revealed during the interviews of trade facilities. 28 % of them said that last year they had the deficit of certain products of the heritage crafts that in turn, indicates a lack of coordination between producers and in case of some products – on the low performance.

Table 11. Distribution of producers and customers by functional groups

Production	Artisans %	Local customers %	Foreign tourists %
<i>Accessories</i>	27.95	8.1%	8.6%
<i>Jewelry</i>	13.59	32.6%	32.4%
<i>Weapons</i>	1.54	2.7%	2.7%
<i>Musical instruments</i>	2.69	4.3%	4.3%
<i>Crockery</i>	8.21	7.1%	7.0%
<i>Toys/dolls</i>	4.10	7.6%	7.5%
<i>Garment</i>	4.10	10.9%	10.8%
<i>Religious items</i>	5.13	3.8%	3.8%
<i>Furniture</i>	2.95	1.6%	1.6%
<i>Souvenirs</i>	11.54	19.0%	18.9%
<i>No answer</i>		2.2%	2.2%

6. Sales Channels

Heritage craft products are sold either by a direct way as the master - end-user, as well as through intermediaries. During the survey the following sales channels were identified:

Direct: (1) by order; (2) a workshop; (3) the open market; (4) festival, holiday; (5) Internet sales.

Indirect: through intermediaries: - various trade facilities

The study showed that 57.6 % artisans realize more than 60% of their works by any channel. At the same time 81.3 % of masters use only three or less channels, that indicates that the masters

fail to diversify the sales channels in the current commercialization system. Moreover, when asked what ways do they use to sell their artworks, the direct sales channels were named 271 times, and indirect - only 184 . Out of direct channels the leading place is held by orders (69.8 % of artisans) and sales from workshops (40.4% of artisans) (however, we can suggest that sometimes the artisans mean the sales from workshops as the sales by order). In addition, 21.9 % of artisans sell 80% of their works from the workshops. The fact that 78 % of artisans live outside the capital, once again points the distribution problems mentioned above.

The separate segment is open fairs (standing), exhibition / sales, festivals and public holidays, although these channels were named only by 11 % of interviewed masters. Among the open fairs noteworthy is the so called:

1. “Dry Bridge” (Tbilisi).



Much of the adjacent park was filled with paintings and other artwork that was for sale.

2. the spot in the vicinity of the Academy of Sciences (Tbilisi, Rustaveli Ave.),



Svetitskhoveli surrounding area (Mtskheta), Shrosha fair oriented to ceramics and wickerwork (Imereti).

Internet sales are particularly low: only 0.8 % of surveyed masters use this channel, while in the UK this figure is 35.3 %.

Among the indirect channels we have identified only different types of trade facilities. No wholesale dealers, brokers or other similar links have been named.



The 5 main groups were identified in trade facilities of shop type:

- (1) Souvenir shops - the facilities, which offer to the customers the products of low and medium cost and quality.
- (2) Salon type shops - characterized by a relatively high - quality products that are designed not only for tourists but also for local consumers;
- (3) Gallery shops - the shops at the art galleries, which offer to their customers the higher artistic products of mainly mixed and modern design. To the same category are attributed the Art-Café-Saloons.
- (4) Museum shops
- (5) Mixed shops (which sell craft products among other products).
- (6) Ecclesiastic shops

(7) However, it should be noted that actually the share of museum shops is significantly lower as during the survey we have interviewed about 90 % of such facilities and only 70% of other types . The low % of ecclesiastic shops also requires explanation. Despite the fact that there are a lot of these types of facilities in Georgia, they are mostly trading in imported goods, and rarely – in the Georgian heritage craft products. Beyond any doubt is the highest percentage of souvenir stores among the trade facilities. Most surveyed masters - 33 % sell their products through this type of shops.



(8) In terms of geographical distribution, the highest concentration of shops is in Tbilisi, which houses 60% of the surveyed facilities, then comes Batumi, Mtkheta and Gori.

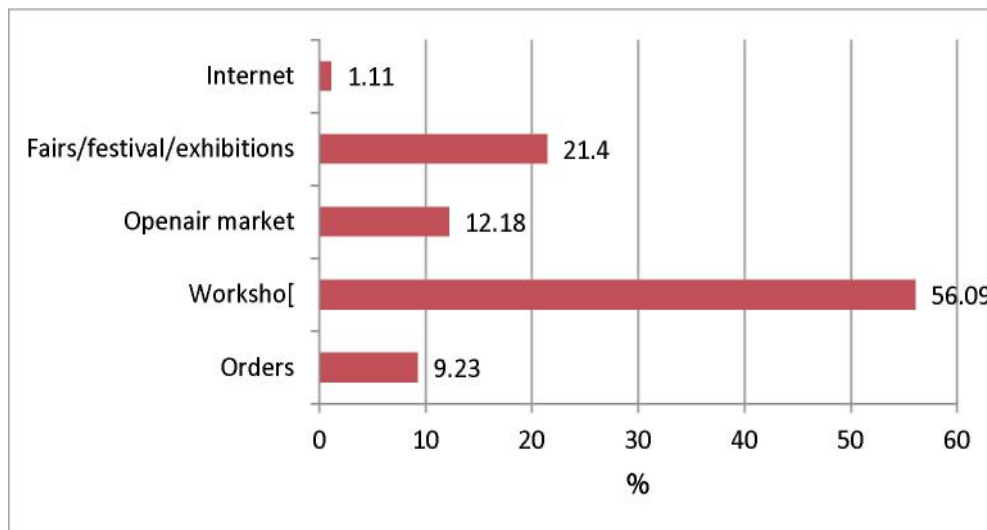


Figure 6. Use of direct channels of sales

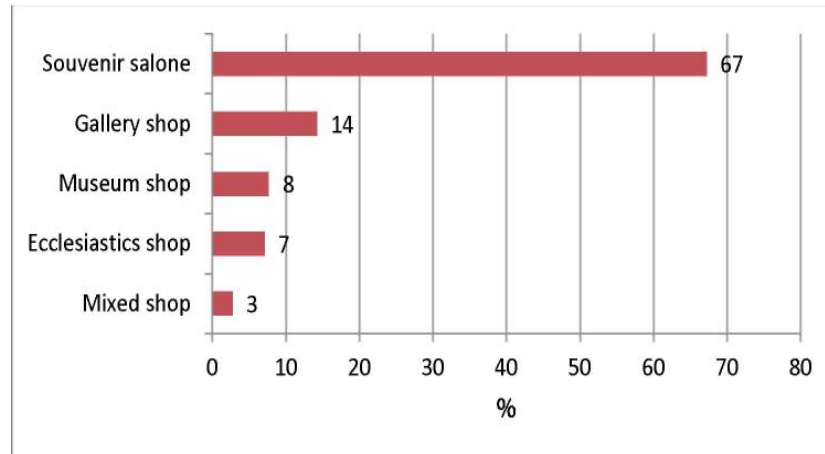


Fig. 7. Use of non-direct channels of sales

7. Food and wine adventures through the heart of the Caucasus

“A traditional Georgian dinner begins with “Borjomi” and ends with the love poem “Suliko”

Welcome to Georgia! Nothing tells you more about the spirit and culture of a country than its native food and wine. And Georgia’s food and wine is amongst the best in the world. Georgian food is one of main highlights of your trip. All fresh, all tasty, often spicy. Variety of vegetables, cheeses and meat, traditional technology of bread baking – you will definitely like it!

8. Georgian cuisine

Friendship and hospitality are important elements within Georgian culture. Traditionally for Georgians, any visitor arriving on the doorstep is a “gift from God” and must be received as such. This usually means that the guest is treated to a Georgian supra (dinner party) to which neighbors and relations are invited. The host brings out bottles of both “Borjomi” and his or her finest wine and a toastmaster is elected to lead the ceremony.



Georgian cuisine is traditional national culinary style in Georgia. Feature of the Georgian cuisine is the use of certain products distributed in the Caucasus, and therefore the presence of certain foods, the popularity of which has worldwide fame.

Georgian recipes Satsivi, Lobio, Khinkali, Ghomi, Kharcho, Chakhokhbili, Chanakh, Shkmeruli, Gozinaki, Churchkhela and many others have long been prepared outside of Georgia.

Georgian cuisine at its compilation of recipes and dishes of ideology is based on the contrast of spicy and hot. Vegetables widely used in separate dishes and as a complement to meat dishes.

Continued existence of the Georgian nation at the crossroads of many cultures and influences led to the fact that, none of the types of meat has no the predominant value in Georgian cuisine. Georgian meat dishes can be made from pork, lamb, beef, poultry, etc.

Georgian cuisine is probably the most important attraction of the country. Since the traditional Georgian feast is an integral element of culture, Georgian entertainment should match its high level. Georgians have managed to make their cuisine not only magically delicious but also bright, original, exquisite, unique and unforgettable.

Therefore, Georgian cuisine absorbed the best culinary traditions of many people of Transcaucasia, Asia and the Black Sea coast. The western part of Georgia was affected by Turkish cuisine, the eastern – by Iranian. Therefore, in the western Georgia widespread are the corn flour flat cakes from– mchadi, while in the eastern Georgia people prefer white bread baked in huge clay jugs.

The easterners use corn flour to cook thick mash - gomi - and eat it instead of bread with meat and vegetable dishes. Eastern Georgians cook mutton, use many animal fats along with the core Georgian meat – beef, while in the Western Georgia they eat much less meat and favor poultry – chicken and turkeys.



The Cheese production culture in Georgia is as old as the winemaking. Georgian cheese diversity - the wealth we have in front of us. Like many great things, Georgian cheese



"enrichment" begins by private initiative. Cheeses in Western Georgia they prefer rennet cheeses - suluguni and Imeretian. As for the eastern Georgia there they prefer spicy and salty cheeses – Kobian, Tushin and Georgian. Both western and eastern Georgians are famous for their special spice sauce from nuts and spices used with meats.

However, these insignificant differences can not be the reason of

distinguishing between western and eastern cuisines. There is only one "Georgian cuisine" when it comes to reception of a guest of honor. And of course only the freshest ingredients, obligatory sauces, seasonings, spices and greens are used for cooking ...

9. Georgia - Cradle of Wine

It has been archaeologically proven that the roots of Georgian viticulture are between 8000 and 5000 BC, when peoples of South Caucasus discovered that wild grape juice turned into wine when it was left buried through the winter in a shallow pit. This knowledge was nourished by experience, and from 4000 BC Georgians were cultivating grapes and burying clay vessels, kvevri, in which to store their wine ready for serving at perfect ground temperature. When filled with the fermented juice of the harvest, the kvevris are topped with a wooden lid and then covered and sealed with earth. Some may remain entombed for up to 50 years.



Wine vessels of every shape, size and design account for the bulk of earthenware artifacts unearthed by Georgian archaeologists. The Georgian craft of pottery is millennia old. Ancient artifacts attest to the high skill of Georgian craftsmen in whose hands water, clay and fire turned into an object of an exceptional beauty much admired by people. The most impressive of all archaeological finds are kevekri, giant clay vessels in which wine was fermented and stored up. The old ones used to dig them into soil, just as we are doing now. The secrets of trade passed on from fathers to sons. Modern potters carefully study the ancient craft and decorative patterns and create their own pottery making extensive use of ancient national traditions and using the latest scientific and technological achievements to enrich ancient traditions.

Famous Georgian Wines

There are nearly 500 grapes varieties in Georgia, only 38 varieties are officially grown for commercial viticulture in Georgia. Traditionally Georgian wines are numbered and named after the territory from where they are produced, or numbered and named after the grape sort from which they are made. Wines are divided into the sorted and blended categories. Sorted wines are made from one kind of grape. Blended wines are made from different sorts of grapes. wines are Classified as Table wines, Sweet wines, Semi-sweet wines, Dessert wines, Sparkling and Vintage wines.

Among the famous Georgian white and red dry wines anyone choose wine to one's own taste: "Mukhuzani" with a pleasant bitter taste, golden cool "Tetra" light straw-coloured "Tsinandali" with a crystal sourish touch, dark amber-coloured slightly astrigent "Teliani", rubycoloured "Ojaleshi" and with a mildly sweet, emerald-like sparkling "Manavi", garnet-red honey-tasting "Kindzmarauli", and "Saperavi",dark ruby-coloured velvety "Khvanchkara", light-green "Gurjaani" dark golden fruity "Tibaani" and many others. If to Georgian wines you add best-brand cognacs, champagne, not to mention remarkable mineral waters and fruit drinks, you can fancy what pleasure Georgian cuisine will to you.

The Supra

The grand Georgian table is still very much alive and is found on a daily basis in cities as in villages. Spread out before you, you will find a superb range of meats, cheeses, vegetables more often than not organically produced, and often at high altitude amid pure mountain air. Our Matsoni (Georgian yogurt) and the many varieties of cheeses from sheep, cow and goat's milk are the products of these deep green pastures. As the Tamada or toast-maker raises a glass to friendship look down the table at the array of aromatic foods covering the surface.

Tamada

The role of tamada, the toastmaster, is an exquisite art form in itself. A tamada must be a philosopher-poet, a wit and jokester, an orator and social commentator, and even a singer who effortlessly improvises an engaging atmosphere of camaraderie and convivial pleasure. A certain pattern and pace must be maintained so that periods of relative quiet and reflection juxtapose with the general joviality and energy of a feast.

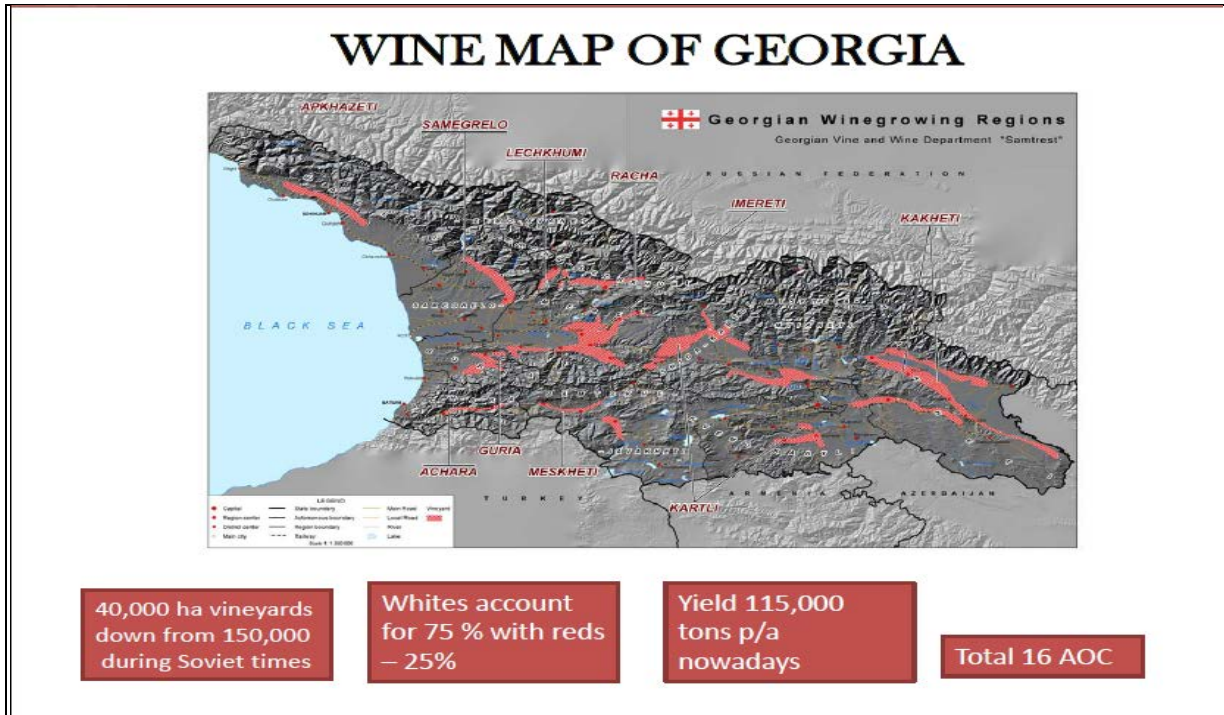
Toasts, however, are not simple declarations; they are expected to be speeches mixed with mirth, spoken verse and insight. Toasts are usually made with wine, toasting with beer is an insult to the one toasted. We are very generous with our wine, but since toasts are the only time you are supposed to drink your wine, we have many toasts (we have always been a practical people). In fact, we will use just about anything as an excuse to toast, a foreign guest happens to work quite well. So get used to your family, your country and friendship and your character being toasted.

Sometimes the Tamada proposes a toast and everyone around the table is expected to expand on the idea. Each person stands and tries to say something more vital, original and poignant than the last, and it becomes something of a speaking contest adjudicated only by applause and laughter.

Wine-producing regions of Georgia

Wine growing and winemaking in Georgia is one of the ancient fields of agriculture. The Georgian winemaking history numbers several millennia. The Georgian grape breeds and wine varieties, made from them for many centuries are considered to be one of the best. Up to date Georgian wine-growers bred over 500 grape varieties. Georgian wines are ones of most popular in the world, since they are made of top-quality grape variety, and the know-how, passed on from generation to generation, is kept in secret.

Among the best-known regions of Georgia where wine is produced are Kakheti (further divided onto micro-regions of Telavi and Kvareli), Kartli, Imereti, Racha-Lechkhumi and Kvemo Svaneti, and Abkhazia. UNESCO added the ancient traditional Georgian winemaking method using the Kvevri clay jars to the UNESCO Intangible Cultural Heritage Lists.



Grapes make Georgian wine distinct, but also special technologies are applied. There are three main technologies of wine production there: European, Kakheti and Imereti.

Georgia produces a great number of wines: they are red and white wines of various Georgian brands as well as some champagne taps. Georgian wines feature subtle aroma and unique taste of freshly harvested grape.

Winemaking in Georgia is an entire culture. Wine is made not only for sale. Many Georgian families make home wine which does not differ in taste from the best trade brands. Home wine is usually kept in kveri, a huge earthenware shaped as a jug and dug in earth. Wine corkage and tasting are an important family's event, accompanied by festivity.



Wine is a main sacred symbol in the Georgian Orthodox Church. Christian architectural monuments, icons and frescos do often include wine-motifs. As for other Christian traditions, also in Georgia wine and bread is the symbol of the blood and flesh of Christ. In the Georgian Orthodox tradition however, this does not apply only for communion and other Christian ceremonies. For Georgians wine is truly synonymous with the blood of Christ in all situations, and Georgians with respect for their culture and tradition will always treat the wine with honor and dedication.

Chapter 8. The Main Trends of Tourism Sectors in Georgia Foreign and Local Tourists' Survey Results

During the researches the following amount of the respondents participated among which 92% were foreign tourists, and 8%- the Georgian tourists. 82% of foreign tourists visited Georgia for the first time, while 18% traveled for the second time. The absolute majority of tourists who arrived in Georgia was looking for the possibilities of recreation, cultural tourism, tourism activities and mountain walking:

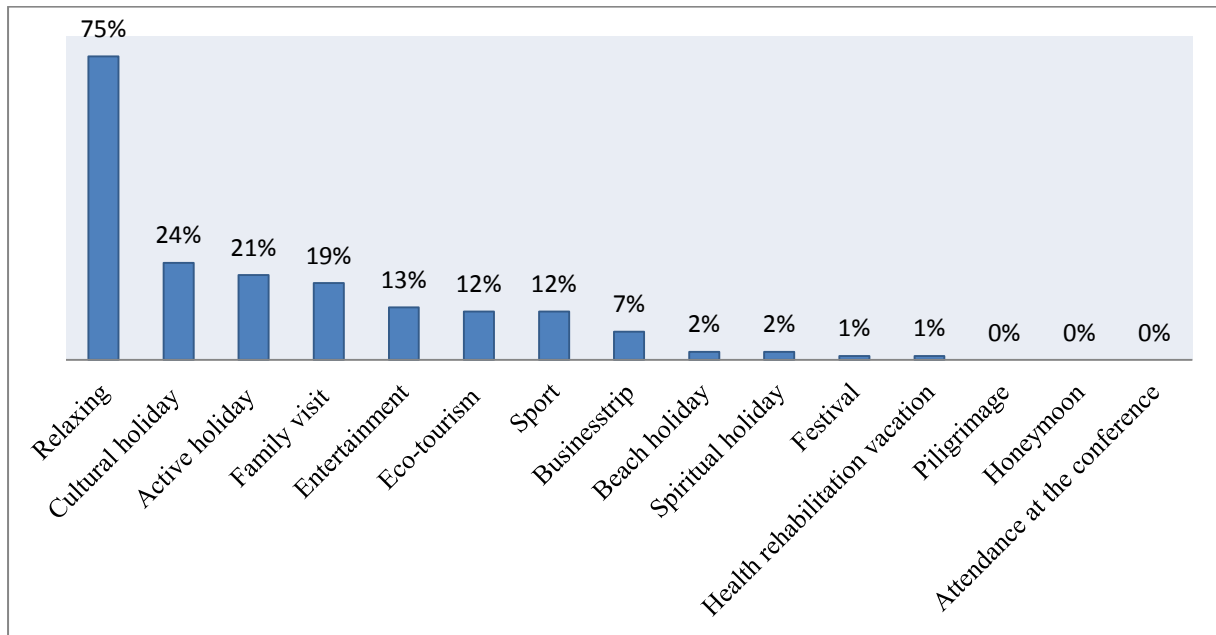


Fig. 1. Trip Motivation

Among the tourists were those whose aim was to have a holiday and those who showed their interest in sightseeing, attending cultural events and tasting traditional Georgian cuisine and wine.

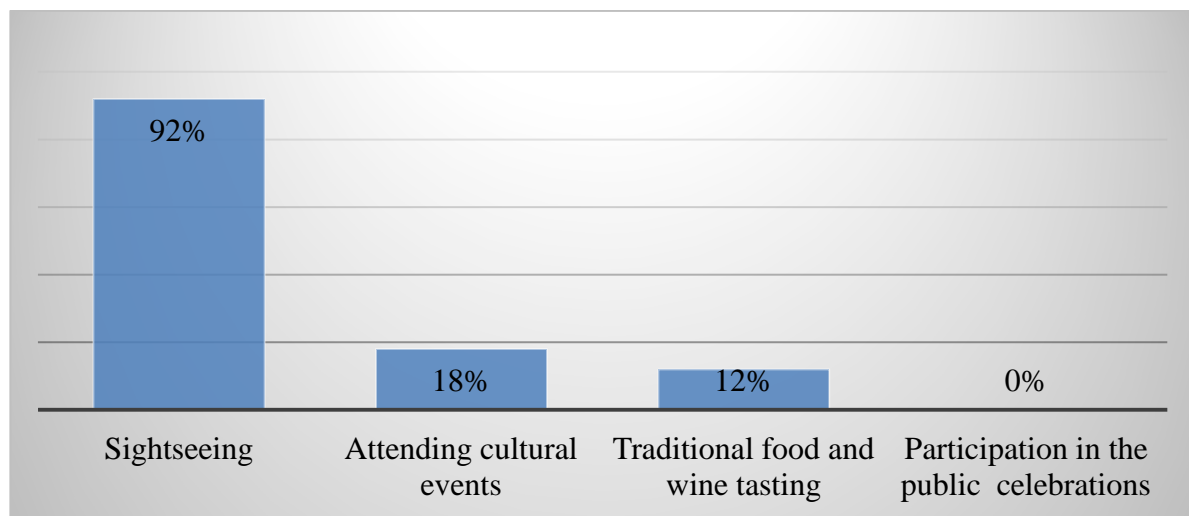


Fig. 2. Activity Interests

About 63% of the survey participants received the tourist information via the internet. Also the high rate went on recommendations provided by friends and relatives, resulting in a total of 44%. The role of travel agencies in the development of national tourism should be noted, which attracted 31% of total travelers:

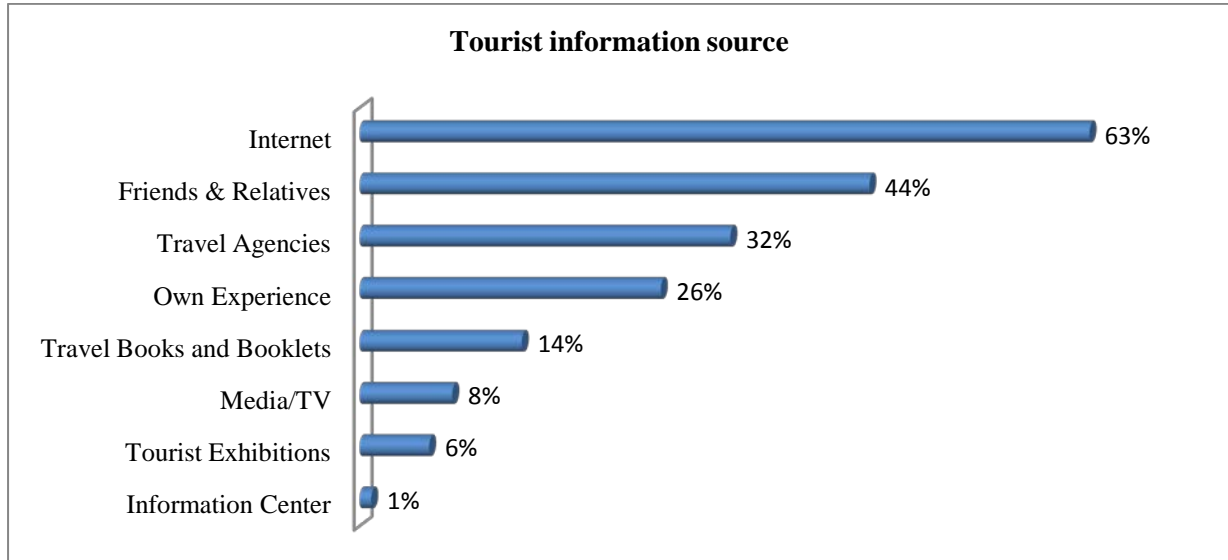


Fig. 3. Tourist information source

Tourists consumer behavior

Most of the tourists prefer traveling together with the partners or friends. Respondents' experience concerning this issue was as follows:

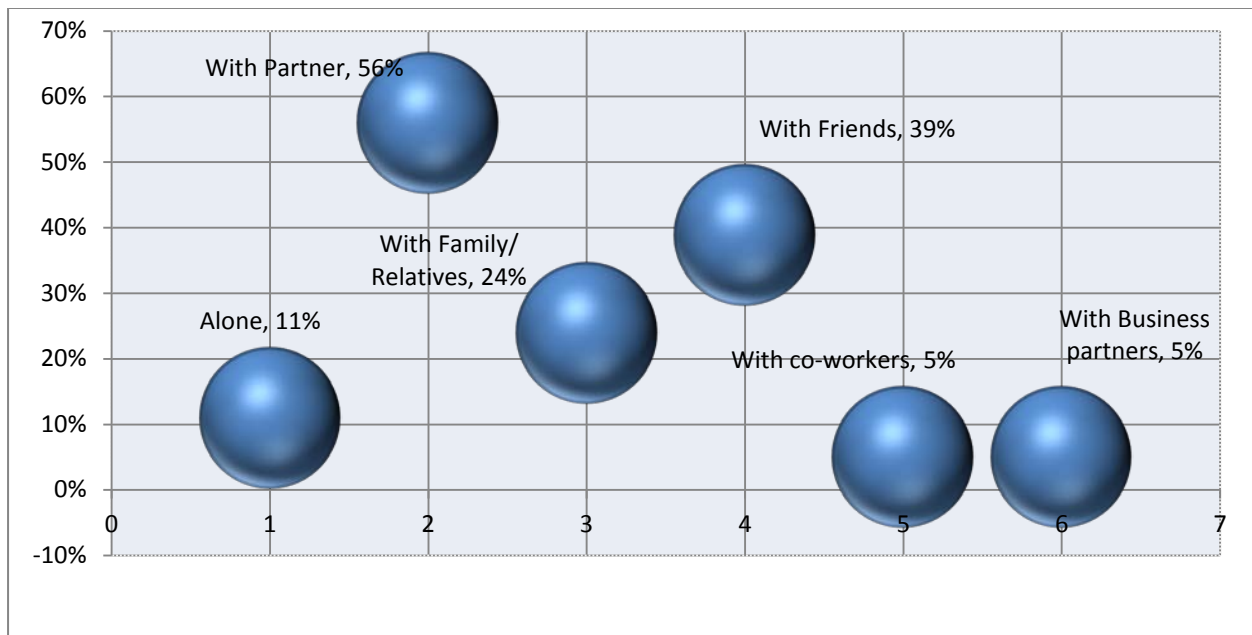


Fig. 4. Tourists' trip preference

Tourists start planning to travel much earlier before they decide to travel. It should be noted that 43% of tourists arrange their travel schedule 1-3 months before the trip, 32% -1 month before, while 26% - more than 3 months in advance. Among those who plan to travel more than 3 months in advance are the families who belong to the consumer segment:

Table 1. The consumer segments

At the last minute	19–25 years	5%
1 month before	20–34 years	10%
1-3 months before	35–75 years	75%
3 months before	30–45 years	10%

The majority of tourists visiting Georgia apply to the low-cost airlines, but for local transportation they prefer a rented car, which is probably determined by a low development level of public transportation:

Table 2. Tourists' transportation preference

International Transportation	Local Transportation
<ul style="list-style-type: none"> • Low-priced airline – 38% • Main Airlines – 34% • Charter Flight – 4% • Commercial Flight – 4% • Private Airline – 1% • Own Car – 9% 	<ul style="list-style-type: none"> • Hired Car – 38% • Bus / minibus– 22% • Train – 15% • Excursion Transport – 15% • Own Car – 9% • Bicycle – 1%

The main stream of tourists visiting Georgia for periods was ranging from 3 to 14 days. In particular, the average duration of the visit periods was distributed as followed:

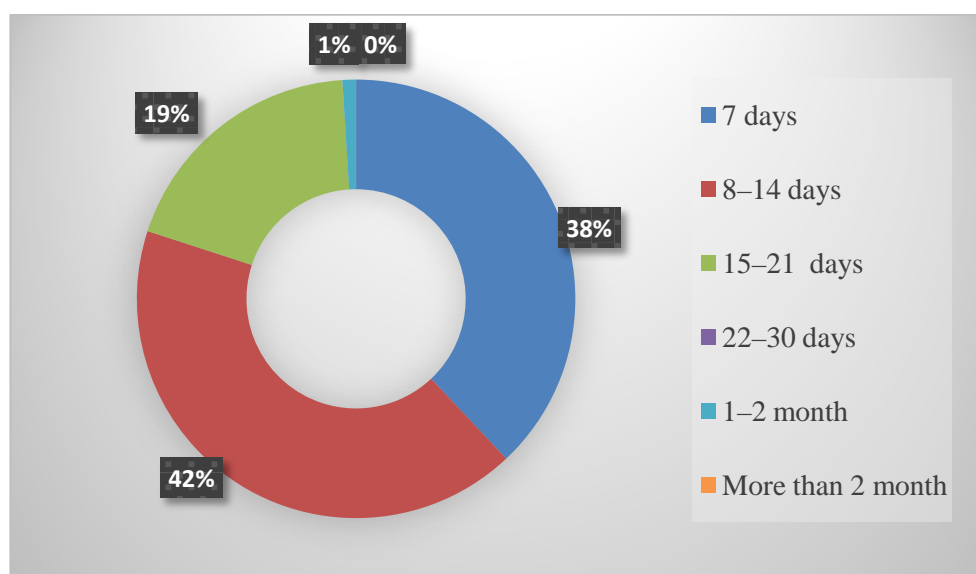


Fig. 5. Visits duration

Estimates of the tourist experience

During the general assessment the majority of the tourists highly estimated the conditions of the tourist sites; 86% said that the quality level of service was excellent. Only 2% complained on the service quality, while 12% refrained from answering. The impressions of the traveling were of high assessment:

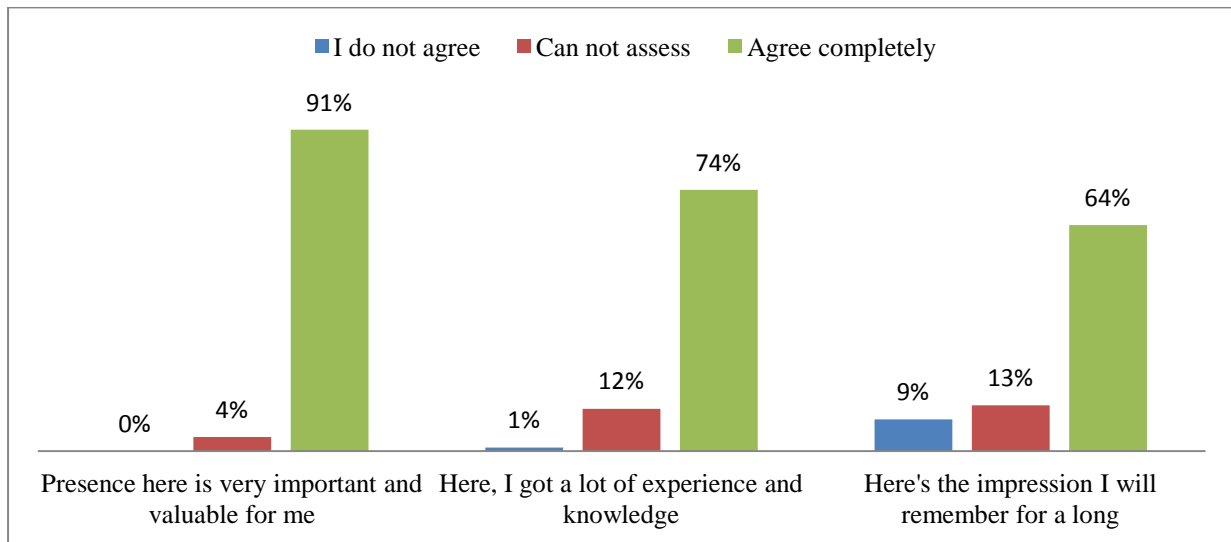


Fig. 6 Tourists' assessment of traveling

The tourists' assessment displayed strong and weak features of the typical tourist places. In particular, the environmental contamination was detected:

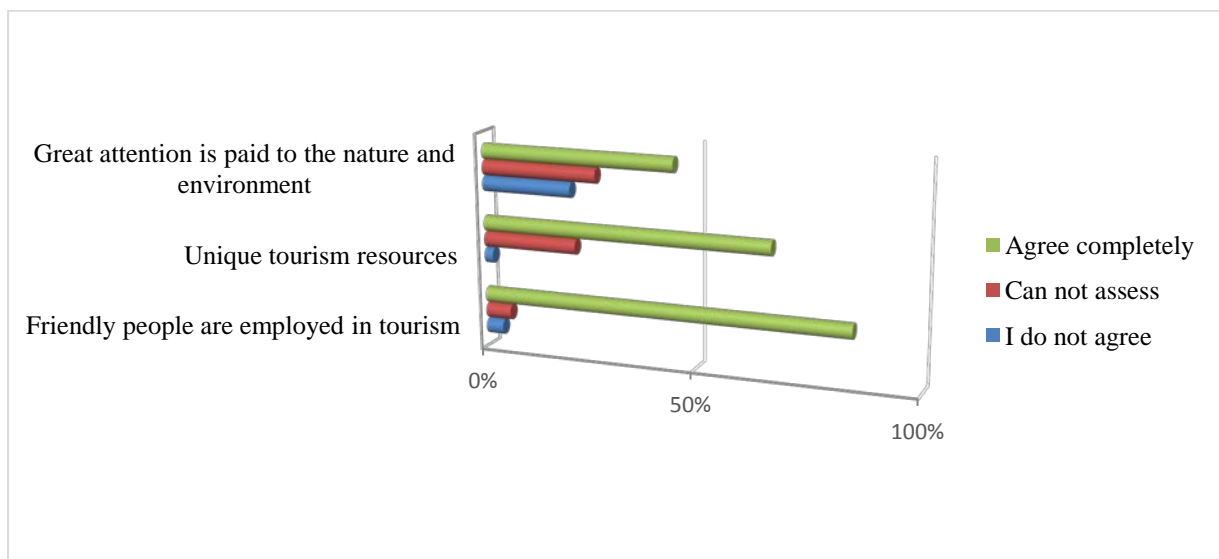


Fig. 7. Tourists' assessment of typical tourist places.

Ultimately, traveling along Georgia, the majority of respondents positively estimates their trip. 83% of travelers said they were satisfied with the decision to travel in Georgia. 68% of respondents believed that the experience of traveling in Georgia had exceeded all their expectations. Only 26%

had a reason to express dissatisfaction, mainly due to the pollution of the environment or the low quality of service.

In order to create the travel motivations of tourists, especially for the second visit, it is not enough just to possess the rich cultural, historical and natural heritage resources. There are additional factors that affect the degree of tourist's satisfaction. During the survey the following priorities were determined:

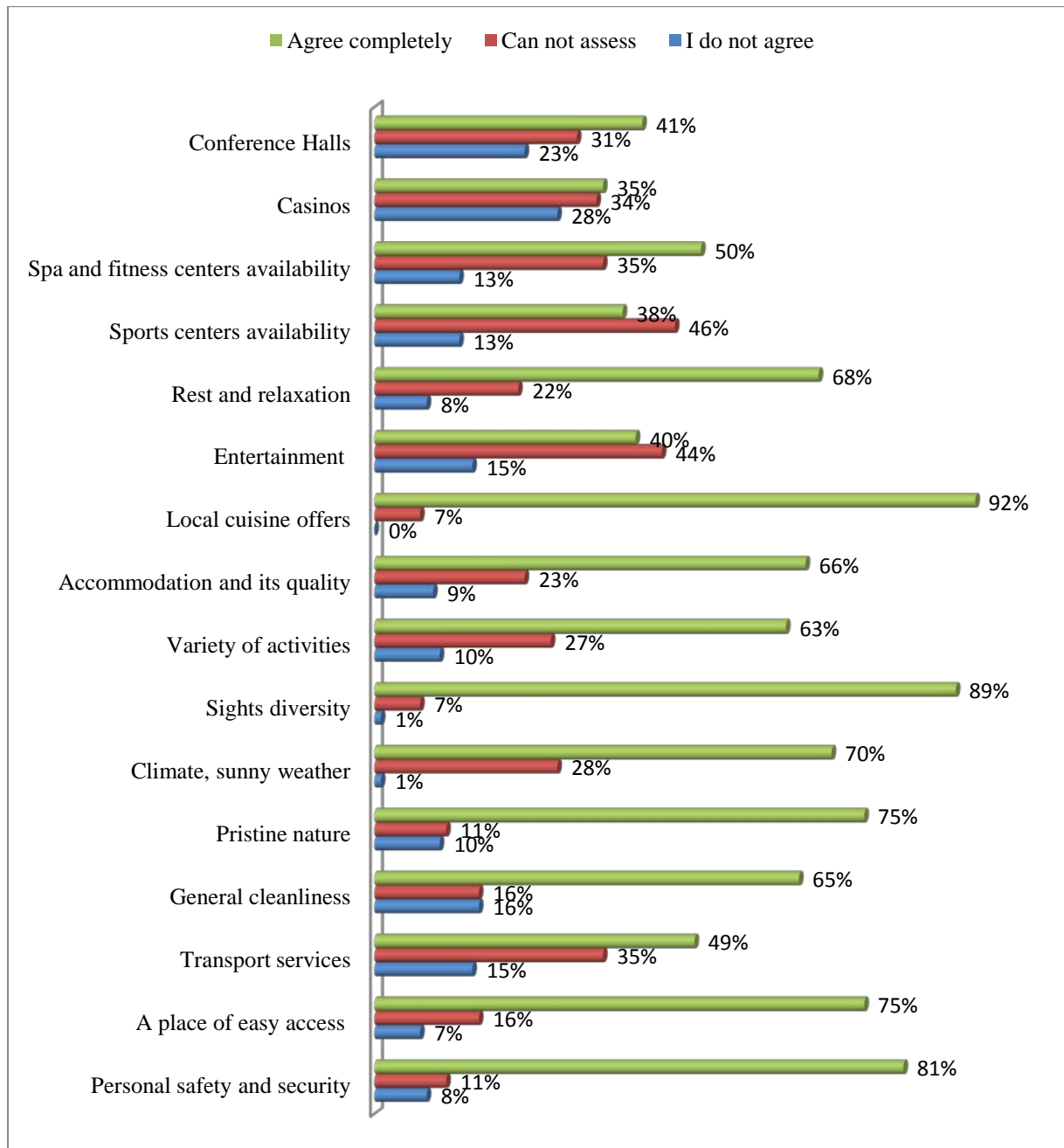


Fig. 8. Degree of tourist's satisfaction

In Modern marketing the most effective advertising is considered to be the recommendations. The best way to determine a real impression of customers is to determine whether they recommend this

product to their acquaintances. Providing from these factors, the percentage of spreading positive information among the respondents who had the second visits was very high:

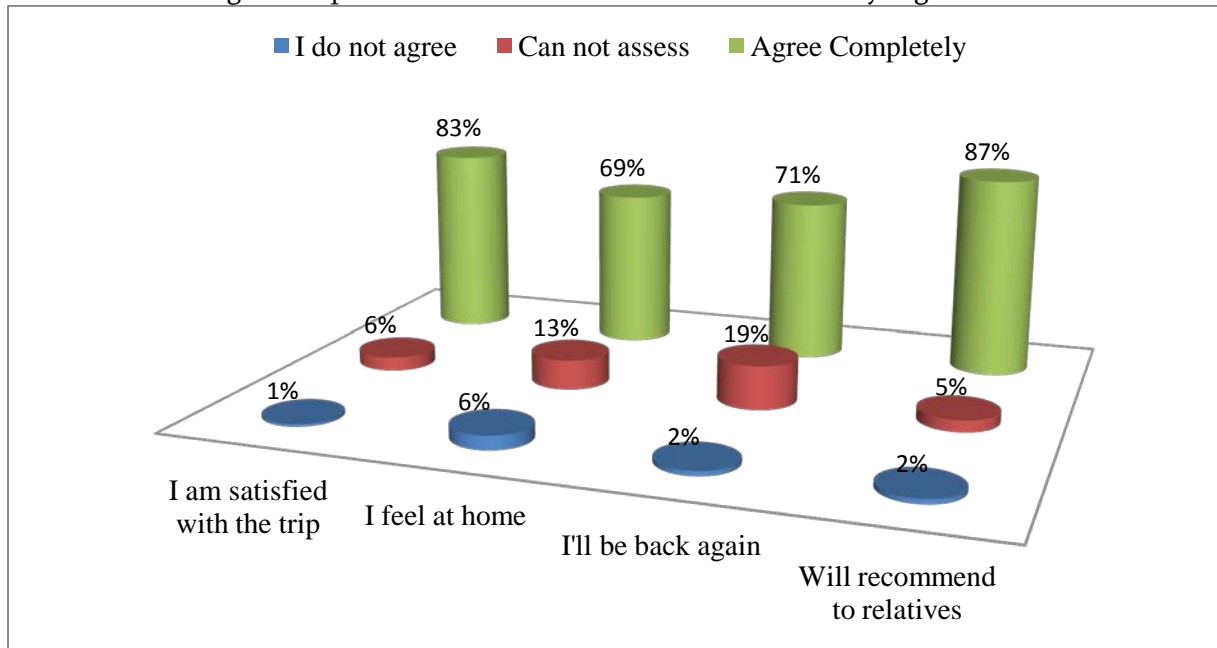


Fig.12. Dissemination of positive information likelihood

Tourist Information Centre Assessment by Tourists

Tourist Information Centers in Georgia are in the development process. They can be found/are available only in the active tourist regions and cities. One of the research directions of their work was to define efficiency and quality of service. 90% of respondents said that they were satisfied with the services provided by the Information Centers:

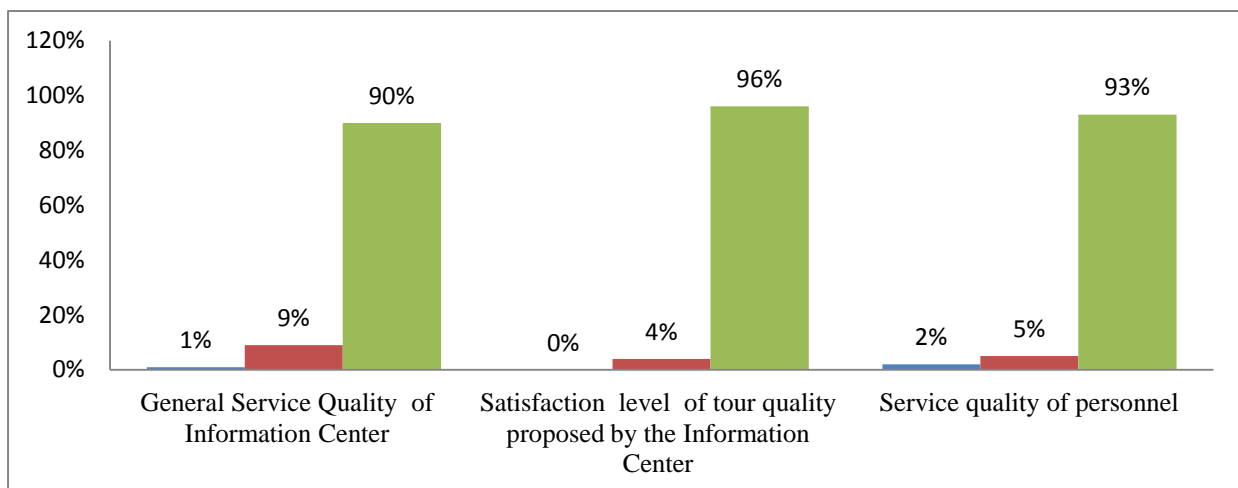


Fig. 13. Information Centers' Service Quality

Travel expenses and assessments

The average travel time and expenses in Georgia are different. It depends on the user's age, employment status, sex and other variables. According to the overall data, the average expenditure per tourist has the rate of 1,023 EUR. Among the most low budget segment of the tourist market are students and the high budget tourist are middle-aged employed women /

men. In accordance with the nationalities, most of the money spent in Georgia falls on Russian, Ukrainian and Western European tourists.

The different needs of the average expenditure are as follows (amounts are in euro currency):

Average transportation costs	€243
Accommodation average flow	€130
Average food spending	€67
Average cost of Cafe, bar, restaurant,	€100
Average cost of souvenirs	€45
average cost of Entertainment (theater / cinema / museum tickets)	€36
The average spending on shopping	€76
Average rate of Other costs	€70
Total average expenditure per tourist	€1,023

72% of visitors said that they did not exceed the costs incurred while traveling to Georgia by the specified amount. 20% of the guests said that the cost was much less than planned. The proportion of consumer respondents who said that the costs exceeded expectations were the students. Overall, tourism expenditure assessment is as follows:

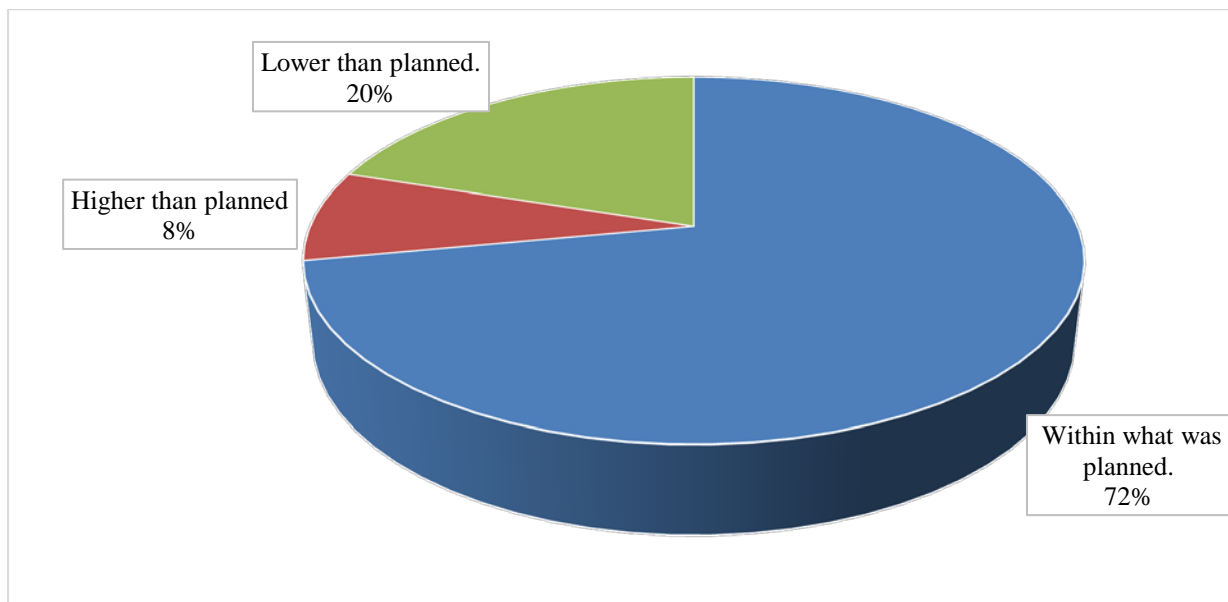


Fig 14. Tourists Trip Cost Estimation

In relation to travel costs 70% said that the service was worth the fee/expenses. 64% of respondents believe that in Georgia prices are reasonable for accommodation and food service.

70% think that the prices of additional services, excursions, spa services, entertainment and other facilities are absolutely acceptable.

Demographic and social characteristics of tourists

The average age of the surveyed tourists was 37 years old, including the youngest - 19 years old, while the oldest is 65 years old. Among the respondents - 44% were women and 56% - men.

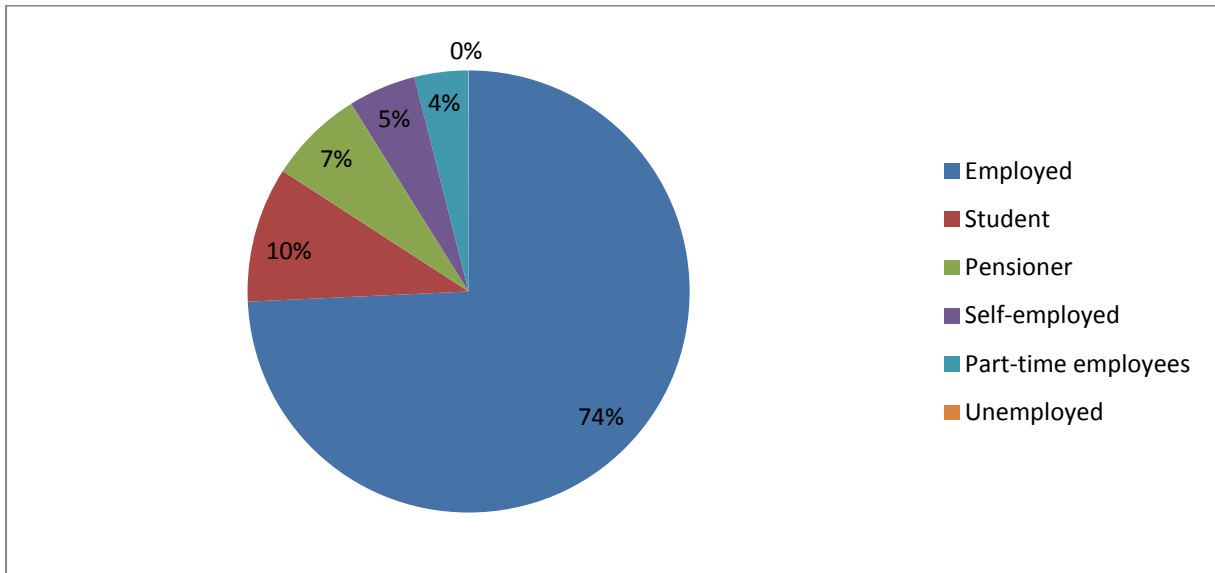


Fig 15. Employment Status

The distribution of tourists interviewed by country of origin are as follows:

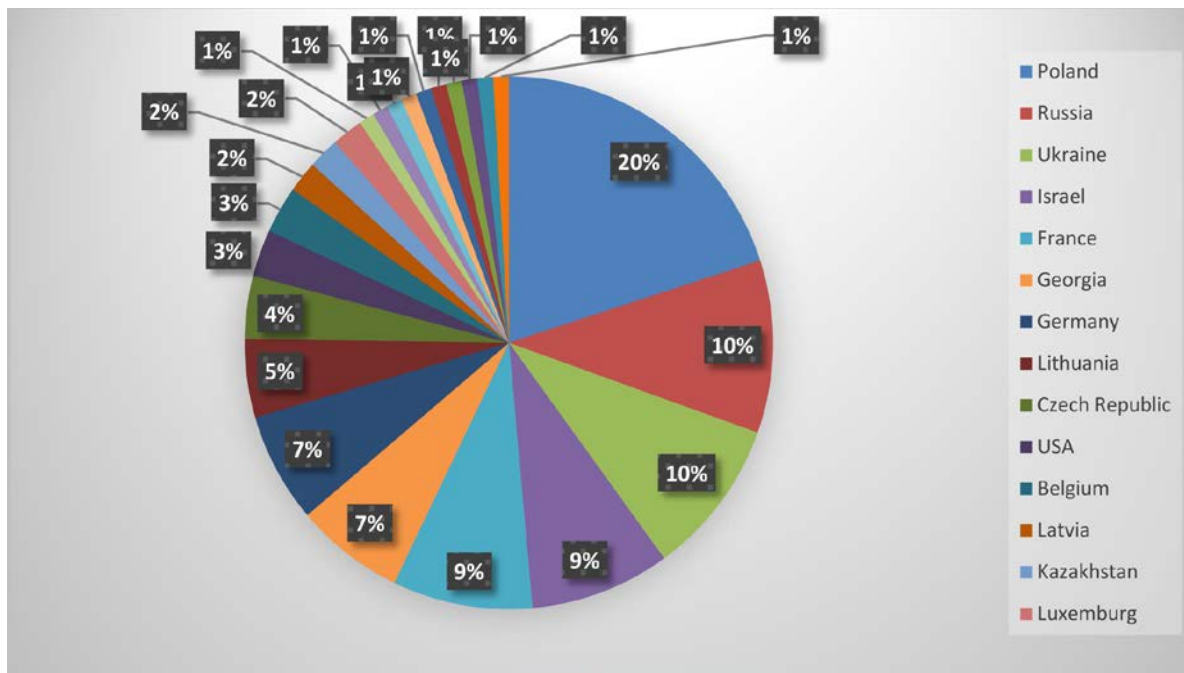


Fig 16. Tourists Interviews by Countries

Poland	20%	Czech Republic	4%	Azerbaijan	1%
Russia	10%	USA	3%	Netherlands	1%
Ukraine	10%	Belgium	3%	Denmark	1%
Israel	9%	Latvia	2%	Sweden	1%
France	9%	Kazakhstan	2%	Finland	1%
Georgia	7%	Luxembourg	2%	Australia	1%
Germany	7%	Turkey	1%	Japan	1%
Lithuania	5%	Armenia	1%	Canada	1%

Research Results of Tourist Information Centres

One of the aims of the research was to share the experience and level of development of tourism in urban and regional information centers throughout the region in order to establish better tourists' characteristics.

As a result of the information obtained, it was possible to compile a profile of the typical tourist, taking advantage of the determination and identification of areas for development.

The information centers were visited by 67% of foreign tourists and 33% of Georgian tourists. Among studied 12 administrative units only one region noted that there was provided a staff training sessions and communicative course of English. In other 11 regions negative answers were received about the trainings sessions in the regions that pointed to the lack of the work done in this direction.

Does your information center conduct a training sessions		Topic of the training	The target audience	The training organizer
Yes	8%	Communication English	The staff, the local people involved in tourism	NGO
No	92%			

Urban and regional information centers occasionally cooperate with local public agencies and private companies involved in the tourism sector. However, a lot of work should be done, because it will encourage the rapid development of tourism at the local level:

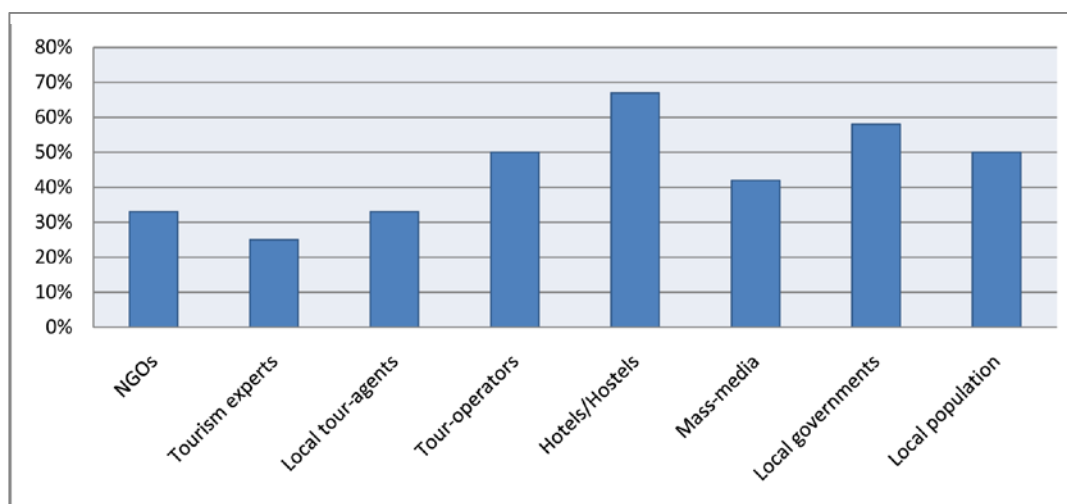


Fig 17. Partners of Regional Tourism Information Centers

92% of Tourist Information Centers stated that they are still working on statistical data collection. See below the tourist characteristics of the regions which were based on the data received from the Tourist Informational Centers after they had filled the questionnaires.

Characteristics of tourists by region:

<p>Ambrolauri</p>	<p>Tourist profile: Mountain Resort. The region's most active tourists: Georgian, Polish, Ukrainian, French and Israelis tourists. Consumers age: 20 to 60 years. The Consumers goal: Vacation - 82%, Cultural Tourism - 45%, Ecotourism - 20%. Interests: 83% of visitors interested in cultural and natural monuments. The type of consumer: 67% of tourists in the region were vacationers with families Duration of stay: 42% of visitors stayed at an average of 10 days The popular means of transport: Due to the lack of transport and poor roads, 50% use a rented car, while 43% use the private cars, and a small portion of the bus.</p>
<p>Akhaltzikhe</p>	<p>Tourist profile: The region is rich of Historical monuments The region's most active tourists: Polish, Russian, Ukrainian and German tourists. Consumers age: 20 to 50 years. The Consumers goal: In this region 68% of the visitors were oriented to the recreation and cultural tours and 31% tourists were wishing to visit relatives and friends. Interests: 80% of visitors were interested in the historical and cultural monuments. The type of consumer: 89% of tourists in the region, are traveling with a partner Duration of stay: 52% of visitors stayed at an average of 7 days The popular means of transport: This region is easily accessible and has comfortable transport facilities. 62% of visitors used a bus / mini-bus to arrive, while 32% used train.</p>
<p>Bolnisi</p>	<p>Tourist profile: Historical and multi-ethnic region The region's most active tourists: Russian, Ukrainian, Azerbaijani and German tourists. Consumers age: 20 to 35 years. The Consumers goal: 45% of visitors to the region were cultural recreation-oriented and 40% of tourists were wishing to visit relatives. Interests: 98% of visitors were interested to view the historical sites The type of consumer: 45% of tourists visited the region with a partner, while 35% of tourists were traveling with their families. Duration of stay: 42% of visitors stayed at an average of 7 days The popular means of transport: Transport facilities are readily available in the region. 58% of visitors to the bus / mini bus travels, while 25% of the rented car.</p>
<p>Borjomi</p>	<p>Tourist profile: Healing / health resort. The region's most active tourists: Georgian, Ukrainian, Russian, Azeri and Kazakh tourists. Consumers age: 25-75years The Consumers goal: The goal of the journey is to restore the health - 65%,</p>

Gori

Ecotourism - 20%, entertainment - 5%.

Interests: Nature monuments, local healing tasting water and rafting.

The type of consumer: The consumer segment of families with children is 85% and the elderly couples - 10%.

Duration of stay: 25% of visitors stayed at an average of 7 days, and 65% stayed for 8–14 days.

The popular means of transport: The public transport facilities connecting the region is well developed. Most of the tourists travel by minibus - 55% and - 20% by train

Tourist profile: The Historical region

The region's most active tourists: Russian, American, German and Polish tourists.

Consumers age: 23-65 years

The Consumers goal: Cultural tourism - 65%, visit to friends and relatives - 25%.

Interests: View historical and cultural sites - 65%.

The type of consumer: Single traveler - 30%, middle-aged and older couples - 55%.

Duration of stay: about 7 days

The popular means of transport: The public transport facilities connecting the region is well developed. The popular transport is a minibus - 45%, rented cars - 34%.

Kvareli

Tourist profile: The Historical region, Wine-producing region.

The region's most active tourists: Georgian, Russian, American and German tourists.

Consumers age: 21–54 years

The Consumers goal: Vacation - 30%, cultural recreation-35% and Entertainment - 32%.

Interests: The local cuisine and wine tasting - 45%, cultural sites - 30%.

The type of consumer: Single travelers - 45%, young and middle-aged couples - 40%

Duration of stay: 7–days – 45%, 8–14 days-30%.

The popular means of transport: Rented cars - 35%, own cars - 32% and minibus - 30%.

Tbilisi

Tourist profile: The capital, administrative and cultural center.

The region's most active tourists: Polish, Jewish, Ukrainian, Russian, German tourists.

Consumers age: 21–75 years

The Consumers goal: Entertainment - 43% , businesses tours - 35% and visit of relatives / friends - 34%.

Interests: Cultural sites - 45% taking part in events - 48% of business meetings - 35%.

The type of consumer: Single travelers - 30%, of families - 33% and of couples - 37%.

Duration of stay: 7 days – 40%, 7–14 days – 36%.

The popular means of transport: The plane - 65%, own cars - 25% and the train - 10%.

Telavi

Tourist profile: The Historical region, Wine-producing region.

The region's most active tourists: Czech, Polish, Belgian, Israeli tourists.

Consumers age: 30–50 years

Mestia

The Consumers goal: Cultural Tourism - 45%, and visit of relatives - 24%.
Interests: Cultural sites - 67%, the local cuisine and wine tasting - 63%.

The type of consumer: Middle-aged couples - 47%, the families - 52%.

Duration of stay: 7days – 52%, 7–14 days – 16%.

The popular means of transport: Rented car – 33%, Minibus – 46%.

Tourist profile: High mountain resort, UNESCO- cultural heritage of the region.

The region's most active tourists: Polish, Jewish, French and American tourists.

Consumers age: 25–50 years

The Consumers goal: Active Leisure - 75%, cultural tourism - 23%.

Interests: Alpinism - 85% , local cultural and natural sites - 85%, Camping - 45%.

The type of consumer: Lonely Tourist - 12% , young and middle-aged couples - 38%, groups - 50%.

Duration of stay: 7–14 days – 65%.

The popular means of transport: Due to the complexity of the road 22% of the travelers used a helicopter ,25%- rented cars and 43% of the tourist groups used mostly buses

Mtskheta

Tourist profile: The Historical region, UNESCO- cultural heritage of the region.

The region's most active tourists: Russian, Jewish, Ukrainian and Polish tourists.

Consumers age: 20–80years

The Consumers goal: Cultural Tourism - 45%, religious tourism - 45%.

Interests: Cultural monuments, pilgrimage.

The type of consumer: Families - 33% , couples of different ages - 45%.

Duration of stay: 7days – 95%.

The popular means of transport: Minibus,rentedcar

Sighnaghi

Tourist profile: The reconstructed Historical region, Tourism brand "City of Love".

The region's most active tourists: Georgian, Ukrainian, German tourists.

Consumers age: 19–49years

The Consumers goal: Entertainment - 45%, Cultural Tourism - 45, the local food and wine tasting - 37%.

Interests: Participation in cultural and other events and sighting the cultural monuments.

The type of consumer: Students– 35%, Young and middle-aged couples– 55%.

Duration of stay: 7–14 days. – 85%.

The popular means of transport: Minibus – 35%,rentedcar– 37%.

Kutaisi

Tourist profile: Administrative City, UNESCO- cultural heritage of the region.

The region's most active tourists: Ukrainian, Polish, Lithuanian tourists.

Consumers age: 30–40years

The Consumers goal: Entertainment - 34%, Cultural Tourism - 42% , Eco-tourism - 34%, and visiting the relatives - 20%.

Interests: Cultural and natural sights, local cuisine tastes

The type of consumer: Single travelers, middle-aged couples, families.

Duration of stay: 7–14 days.

The popular means of transport: Minibus, train, rented car.

The study provided main statistics and data about trip motivation, tourists' activity interests, consumer behavior, tourists' expenditure and experience.

Our research has shown that Georgia has a great potential for tourism development. The Analysis of the received results clearly exposed the problems existing in the country's tourism sector development. It also should be noted the increased interest of visitors to the different regions of Georgia. Based on the foregoing, the State and the government must take into account the results of our research to choose the relevant measures for the development of tourism in the country, as one of the promising business directions which plays an important role in progress of the society in the country.

It is generally accepted that tourism in modern marketing system, is one of the highly profitable direction of business for the state budget, which is very important for improving the socio-economic status of the population, the growth of employment and reduction of migration. Thus, the development of tourism, achievement of high level hospitality standards and their maintenance in the country should be considered as priority activities, which will be supported by results of our research.

Chapter 9. Tourism - As the Principal Sphere for Economy Growth and Intercultural Relations in Georgia

Tourism is the international trend, on which the most part of the country economy depends. Therefore, each research aimed to study the tourism and its problems is very important and prior.

Based on the modern-day challenges the foreign tourists are in search of new tourism destinations, i.e. looking for fresh and different impressions.

From this standpoint Georgia has the potential of becoming a popular destination for tourists, as the country with such a small area as Georgia comprises the features characterized both, for Europe and Asia, due to the crossroads location between the two continents. Georgia – a country no larger than Ireland – ranks in the world's top 12 for geographical diversity. Set in the heart of the Greater Caucasus, it contains the highest mountains in Europe, semi desert, subtropical wetlands with different climatic zones, national parks and forests, healing environment and mineral waters, a rich wine district and the Black Sea coast much with ancient stone towers, the beautiful and untouched nature. Add to this more species of animals and birds than in any European country and you have a walker's paradise (Nasmyth, 2013).

Additionally to above mentioned, Georgia is famous for its ancient history, multiethnic and rich culture, wine and cuisine and the exceptional Georgian hospitality. That's why the

majority of tourists used to visit Georgia not only for a rest, but also for exploring the recreation zones as well as for educational, adventure and cultural reasons. Heritage in Georgia is almost synonymous with religious heritage. Few countries in the world possess such an intensity of built religious patrimony in a small territory as the foundations of their heritage tourism sector as Georgia does. Georgia is already an increasingly popular destination, but owing to its important religious history, a great number of ancient churches and holy relics, and the inseparable mix of religious and natural heritage, the country has the potential to develop further in three areas of heritage tourism: domestic pilgrimage; international pilgrimage among Orthodox Christians from Eastern Europe and countries of the former USSR; and non-religious cultural tourists from all over the world (Metreveli *et al*, 2010).

Rural tourism is an old and a new phenomenon at the same time. The WTO has rated Rural Tourism as one of the fastest growing segments in the tourism industry, with an annual growth of 5 per cent worldwide and representing 6 per cent of the world GDP (Dilys *et al*, 2001).

The problems of agro tourism are: poorly researched field of the tourist industry and the lack of a specific definition of the tourism terms. At present there are many definitions of "agro tourism." It is quite difficult to choose the most suitable definition for Agro tourism because of its broad and multi-growing fields in the tourism industry. Some authors consider agro tourism as one of the fields of eco-tourism (Volkov, 2012; Kundius *et al*, 2011). However, the growth of popularity and rapid development of this type of tourism allows to consider it as an independent segment of the tourism market, which stands out in a separate branch in the world from the end of the last century.

Agro tourism essentially is an environmentally friendly field, but is fundamentally different in its objectives, the specifics of the organization and the nature of the ecotourism, though, in our opinion, both types of tourism motivation are very similar. Therefore, we believe that ecotourism and agro-tourism are the elements of the concept of sustainable development of rural areas, implying a use of natural resources and unlimited long maintenance of their level (Kosenchuk *et al*, 2015).

Successful developing tourism finds its reflection in the development of main spheres of the country or separate regions. To transform the structure of the country economics it is necessary to establish a broad network of tourism industry. It is a well known fact that the mountainous regions are a real treasure of cultural heritage of Mankind, being architectural monuments or models of public life, unique samples of folklore or others. That's why mountainous regions generally and Georgia among them may be considered to be a sphere of a stable development of special kinds of tourism such as: cultural tourism, ecotourism, agro tourism, sustainable rural tourism, youth and adventure tourism, wine tourism, business tourism, medical tourism and other types of tourism also have become very popular among the tourists worldwide.

The most active and busy periods for tourist visits are from late spring to early fall. Traditionally, the number of tourists reaches its peak in August. September is noted as the most active season of the last year. However, the main problem of mountainous - skiing resorts is its seasonal character. They work and get income only for 100 days in a year, when they are have to spend money during the whole year. Georgia has a great opportunity in this direction as the slopes of the mountains are covered with snow from November till April (Gelashvili, 2012).

The focus on tourism development does not only contribute to creation of the infrastructure (roads, health facilities, sports, fitness center) or necessity of preservation of historical, religious and archeological sites, local folklore, traditions, art and cuisine, culture, but also contributes to bringing the Nations closer and developing cooperation between them, as the increase of the number of tourists in the country promotes the establishment of friendly relations between the representatives of different countries and cultures. The example of this is a close cooperation between Georgia and Turkey (Baramidze, 2012).

Nevertheless, the awareness of the world about Georgia as a tourist destination is still low. Georgia is trying to maximize the level of knowledge and the awareness of the world community by means of marketing and PR activities. The country participates in International exhibitions; hosts tour operators and journalists, and also cooperates with such TV Channels as National Geographic, CNN, Travel Channel and others.

National Tourism Agency often organizes Georgian Culture Days abroad.

Proceeding from all of the above said, concerning the current situation in the sphere of Georgian tourism the submitted article offers the results discussed and obtained by the authors.

Research design and methodology

The study was carried out in target cities and municipalities - covering 12 administrative units: Ambrolauri, Tbilisi, Rustavi, Tbilisi, Gori, Kvareli, Batumi, Poti, Mestia, Mtskheta, Telavi, Kutaisi.

About 150 respondents were questioned.

Private Sectors in Tourism Industry

During the survey of the less tourist-active regions the family hotels of the private sector and tourist agents were questioned. The study revealed the problems they had faced in this process and what they mostly needed to promote the further development of tourism in their regions.

Family hotels' owners who have been operating in the market for more than 8 years were interviewed. Despite the vast work experience none of them has been given the opportunity to expand the business that is why they can accommodate only 20 guests at a time. In their business they can employ not more than 2 persons.

They describe their work as small-sized accommodation possibilities which are focused to create a cozy, warm and family atmosphere. Besides the accommodation their services include the provision of excursions in the region and the offer for tourists to involve them in the process of preparing traditional food and wine.

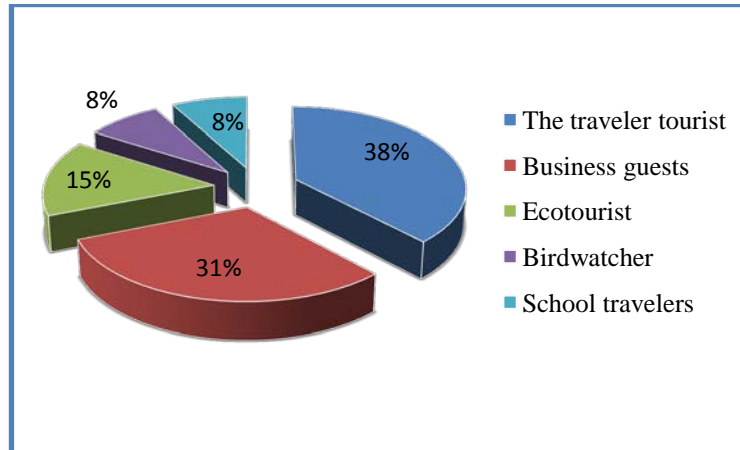


Fig.1. Types of tourists

56% of tourists using guest houses are Georgian tourists, while 44% are the foreign tourists. Among these tourists most are traveler tourists:

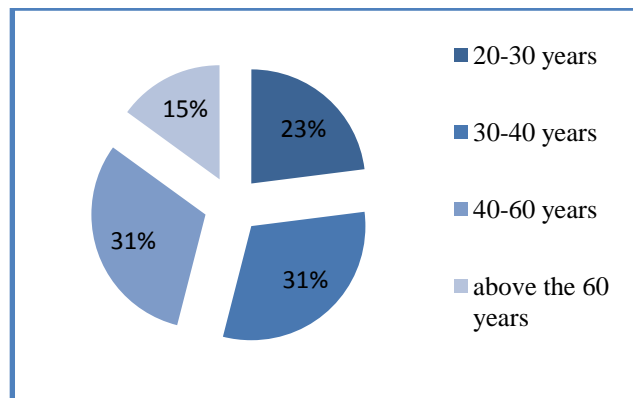


Fig.2. The age structure of tourists

During the survey it was noted that there is a lack of provision with tourist promotional materials for private tourist facilities and their representation on the Internet, which is an integral part of modern tourism activities. The absolute majority of the hotels are not listed on an international reservation portals, which makes it very difficult to find any information about them. In fact, they only exist due to social networking and unexpected tourists. The region preserves its actuality through the amount of the tourists who got some recommendations from their friends and relatives to visit the region.

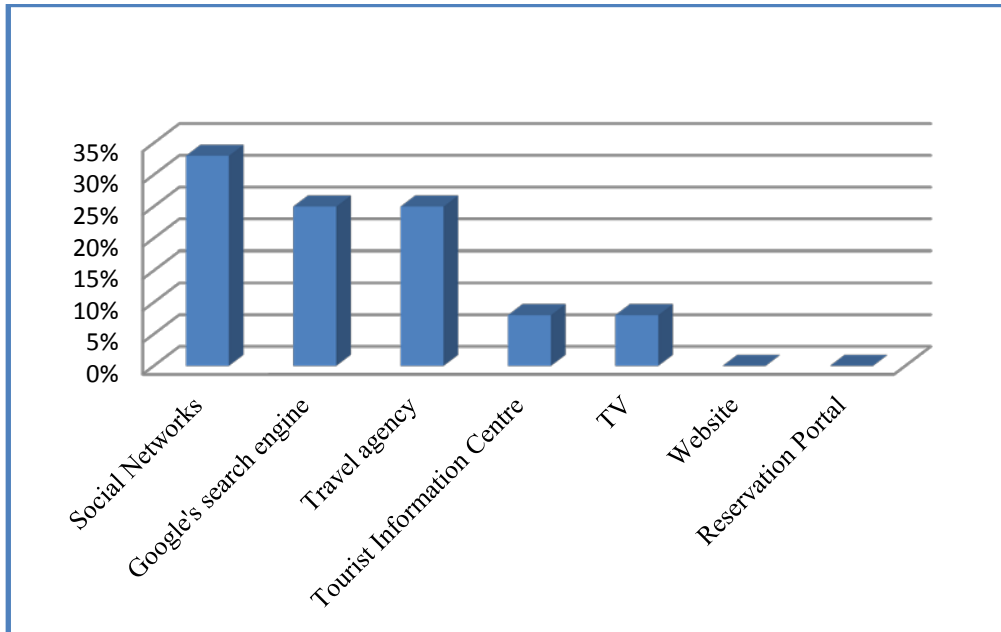


Fig. 3. Information retrieval ways of tourists

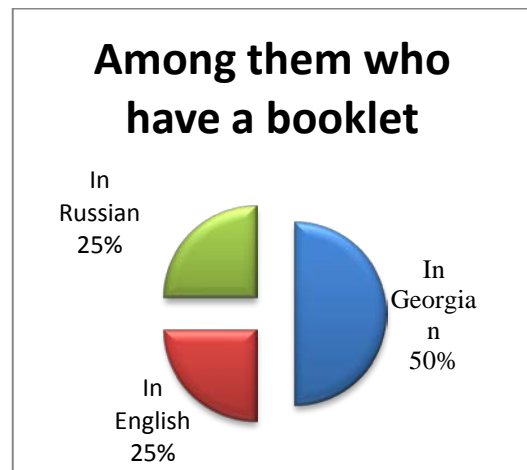
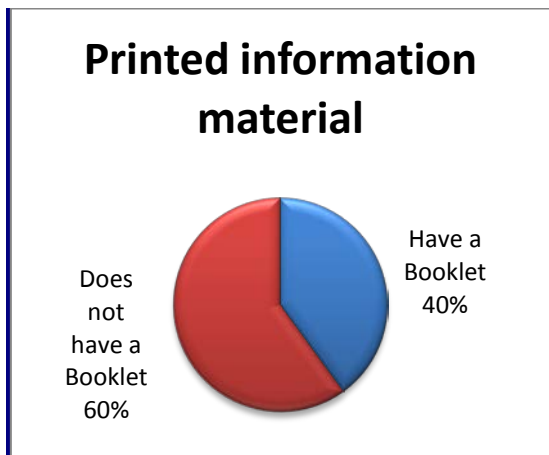


Fig.4. Provision information material for visitors

Travel motivation, in most cases, is a sightseeing tour or business trip. Less share comes on other activities:

Table 1. Family hotel consumers travel motivation

Visits to historical and cultural sights	26%
--	-----

Business trips' purposes or a conference attendance	21%
Rest and relaxation in the countryside	16%
Participation in extreme sports activities	16%
Improvement of health and spa services	5%
Attendance of Entertainment Events	5%
Trade purposes	5%
Visiting of relatives and friends	5%

Visit duration in guest house: The consumer segment consists mainly of Georgian tourists on vacation with a family, who usually stay at a guesthouse more than 2 weeks.

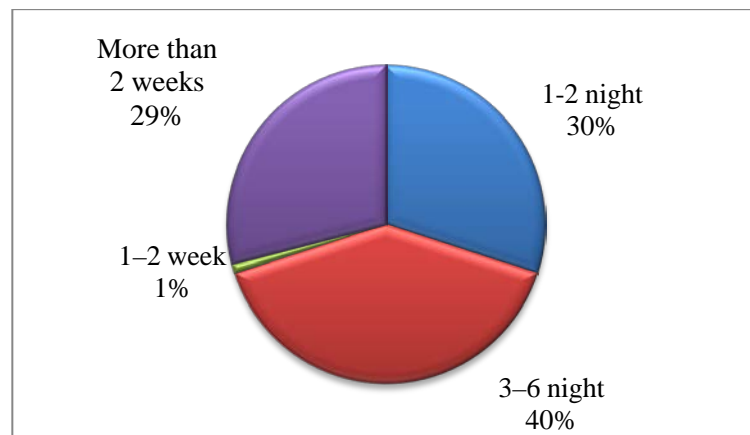


Fig. 5. Tourists visit duration

Family hotel businesses, as well as tourist agencies' services are dependent on seasons. According to the respondents, the main tourist season begins in April and lasts until mid-September. In contrast, tourists' agencies are active due to New Year celebrations. Proceeding from the questionnaire 50% of Family hotel services provide beds and breakfasts, 33% - beds and only 17% provide guests full board/full package.

80% of the surveyed private sector family hotel owners do not provide training courses for their employees. Only 20% of respondents said that they attended the training sessions for managers organized by NGO (non-governmental organizations).

The region's tourism potential assessment of the private sector

Small businesses are aware of the crucial importance to provide satisfactory service to the tourists and the sustainability in everything they do. They say that their guests are mainly permanent customers and amount of other tourists comes to those tourists who got the recommendations from their permanent customers.

One of the most serious problems in the region is the migration of young people from their regions to the cities. The main reason identified was unemployment. Many picturesque resort places rich with natural resources are not rationally examined as the sites for economic

growth and local peoples' engagement. This concerns government and private sectors, both. The respondents believe and hopefully declare that the government will facilitate the development of business in the regions for to assist in returning of migrants.

Special attention should be devoted to Sustainable Rural Tourism as the major part of Georgia belongs to rural areas and the most attractive tourism destinations are accumulated there. According to the respondents' opinions it will be preferable to arrange summer camps for school children and students that would promote the development of local tourism and arise an interest and curiosity in the youth to get acquainted with tourist resources.

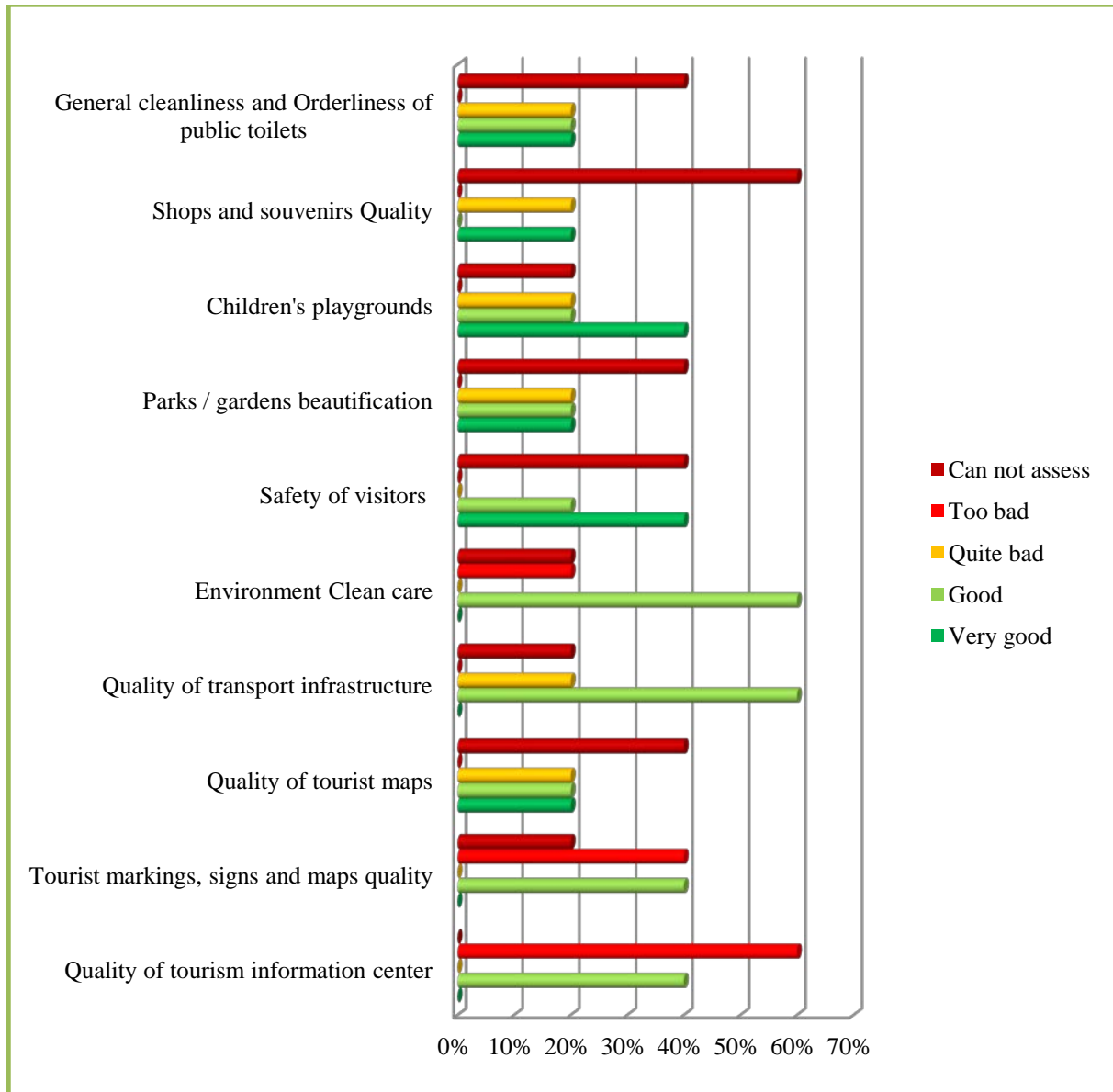


Fig.6. Self-assessment of the infrastructure quality

Conclusion

The representatives working in the private sector express their regret on the lack of attention from the government which does not assist in providing enough tourist information to the regions. They noted that the regions were in need of many things necessary for the development of tourism in their regions. According to their opinion the government supports

many other activities and advertisements on international and local levels, spends a lot of effort and money but they do not pay attention to the work performed by the private sector. They believe that all the regions have the potential for tourism development in Georgia, but only possession of historical and cultural resources is not enough. Attention should be drawn to the below given directions that will provide an extra motivation for local and foreign tourists to travel in different regions of Georgia:

Table 2. Directions for Development

Restoration of historical monuments	80%
Promotion of rural tourism	80%
Organizing of Sports Tournaments	80%
Creation of Wine roads	60%
Promotion of Religious tourism	60%
Organizing of festivals and cultural activities	60%
Arrangement of Mountaineering paths for Climbers	60%
Arrangement of Entertainment	60%
Cycling Development	45%
Organizing of Spa, fitness Centers	40%
Improving of the people's qualification, employed in tourism	40%

Our research has shown that Georgia possesses a great potential for tourism development. The Analysis of the received results clearly revealed the problems existing in the country's tourism sector development. The increased interest of visitors to different regions of Georgia should be especially noted. Based on the foregoing state, the government must take into account the results of our research, i.e. to choose the relevant measures for tourism development as the principal sphere for economy growth and intercultural relations with an external world. Especially maximum of attention should be directed to sustainable rural tourism as the sources of livelihood improvement and the progress of the society development in the country. Rural tourism has the potential to leave a positive impact on the economic environment and development of the study area, through increasing employment opportunities, increasing business diversity and activity, improving sales of goods and services, higher amounts collected in taxes, renovation and maintenance of cultural and historical heritage. This will make the local population to take pride and care of the natural and historical values of the region, the development levels between regions start to equalize. Rural tourism development can play an important role in the diversification of the state tourist supply and in the creation of a more complex and colorful country image. This cardinal change of the situation will relieve the stress, accumulated by the people over a year of intense work in urban areas, who are supposed to get their ration of health and psychological relief (Birjakov, 2000).

On the other hand, rural tourism is not only the end, but the means to stimulate economic growth in the rural areas, to increase the viability of underdeveloped regions, and to improve

the living standards of local populations. If rural tourism is to fulfill all these roles, it has to be developed in a way that ensures the long-term sustainability of the resources and that of the development process itself (Oruonye, 2013). Thus the motivation of rural recreation - unity with nature, clean air, organic food, change of conditions, a smaller number of people, the absence of population density, different lifestyle, schedule and the culture of life, the opportunity to participate in agricultural works and harvesting, animals care and what is most important - a low cost vacation (Birjakov, 2000).

It is generally considered that tourism in modern marketing system is one of the highly profitable direction of business for the state budget. Moreover, it is very important for improving the socio-economic status of the population, the growth of employment and reduction of migration. Thus, the development of tourism, the achievements of high level hospitality standards and their maintenance in the country should be acknowledged as the main activities, which will be supported by the results of our research.

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Chapter 10. Hospitality and Restaurants, Hospitality and Restaurant

Management – an International Prospect

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1. Introduction



Welcome to Georgia

Georgia (Georgian: საქართველო, *Sakartvelo*) is a country in the Caucasus. It lies at the eastern end of the Black Sea, with Turkey and Armenia to the south, Azerbaijan to the east, and Russia to the north, over the Caucasus Mountains.



Country facts

Capital	Tbilisi
Population, 2014 (beginning of the year)	4,490,500
Currency	Georgian Lari (GEL)

Georgia is fast becoming a popular tourist hub. Offering vast mountain ranges with superb walking, skiing and snowboarding opportunities, a magnificent sub-tropical coastline with a temperate climate, immense architectural and archaeological sites and a modern capital displaying contemporary Georgian

culture, there is plenty for the visitor to see and do. Located on the strip of land between the Black and Caspian seas known as the Caucasus, Georgia has been continuously inhabited since the Stone Age. The busiest trade route of the ancient world, the Silk Road, ran through Georgia, bringing many different cultures through its borders and enriching its economy. Because of its transcontinental location the country has been invaded and occupied throughout the centuries by various forces such as the Persians, Romans, Arab Caliphs and Mongols. This is best seen in the country's impressive archaeological ruins, some dating back to the 5th

century BC and in its impressive fortresses and churches.



Gaining independence from the Soviet Union in 1991, the country is embracing its tourist potential. Known for their sincere hospitality, Georgians do their best to make visitors feel welcome. Often guests are invited to dine at residents' homes to partake in the *supra* tradition, where local cuisine can be sampled, an amazing blend of Asian, Middle Eastern, Mediterranean, Persian and European flavors. Such occasions are marked by toasts of wine,

reflecting the 3,000 year-old Georgian viticulture heritage.

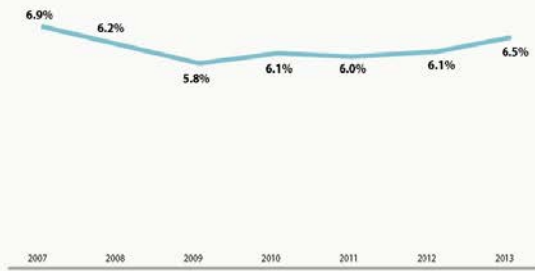


The capital Tbilisi, named after the warm springs found in the area, has a distinct Mediterranean atmosphere. Visitors can wander the winding narrow streets and indulge in the café culture, visit some of the finest museums and art galleries in the region, as well as the theatre and Turkish baths. At the other end of this small country, the warm Black Sea invites travelers to source out its more isolated beaches and visit the many local markets, spilling over with fresh produce from the orange, banana and lemon groves found in the area.

Georgia has been a tourist destination since the Romans ruled it in the third century. Since then, Georgia has been ruled by Persians, Turks, Mongols and the former Soviet Union, but the country has not lost its essential character or its reputation for hospitality. Travelers who make an effort to learn some of the language and interact with the locals as much as possible can construct an exciting and edifying off-the-beaten-path adventure.

Nowadays Tourism is Georgia's third largest industry and revenue source — is projected to be a source of economic growth in the next decade. The hospitality and tourism industries provide many jobs and a large portion of the Georgia's gross domestic product (GDP).

Share of Tourism in GDP



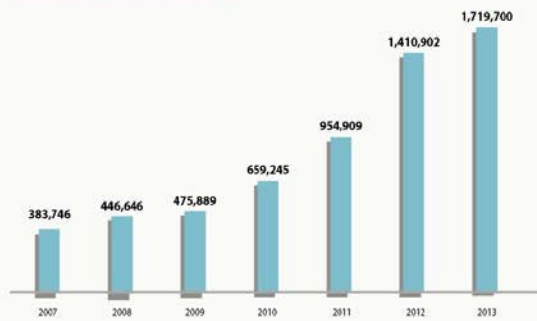
Source: National Statistics Office of Georgia

Foreign Currency Revenues from Incoming Tourism 2006-2013 (Thousand USD)

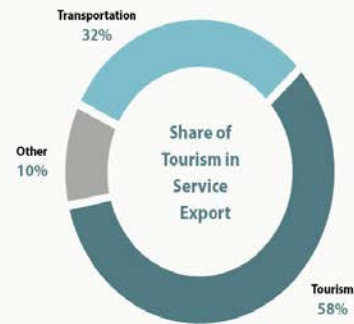
	2006	2007	2008	2009	2010	2011	2012	2013
Total	312570.9	383745.8	446646	475889	659245.3	954908.5	1410901.7	1719699.8
Including								
I.Q	58597.2	63889.6	85434.3	77676.3	100685.8	163989.8	235930.4	302817.7
II. Q	82760.9	90174.2	132430.9	114353.3	136565.1	222249.6	330826.5	426524.5
III.Q	101743	129086.9	125883.1	158388.4	231913.4	326568.5	487721.4	604201.8
IV. Q	69469.8	100595.1	102897.6	125470.9	190081	242100.6	356423.4	386155.8

Source: National Bank of Georgia

International Tourism Receipts



Source: National Bank of Georgia



Source: National Bank of Georgia

HORECA share in total GDP (2014*)

HORECA – Hotel/Restaurant/Catering

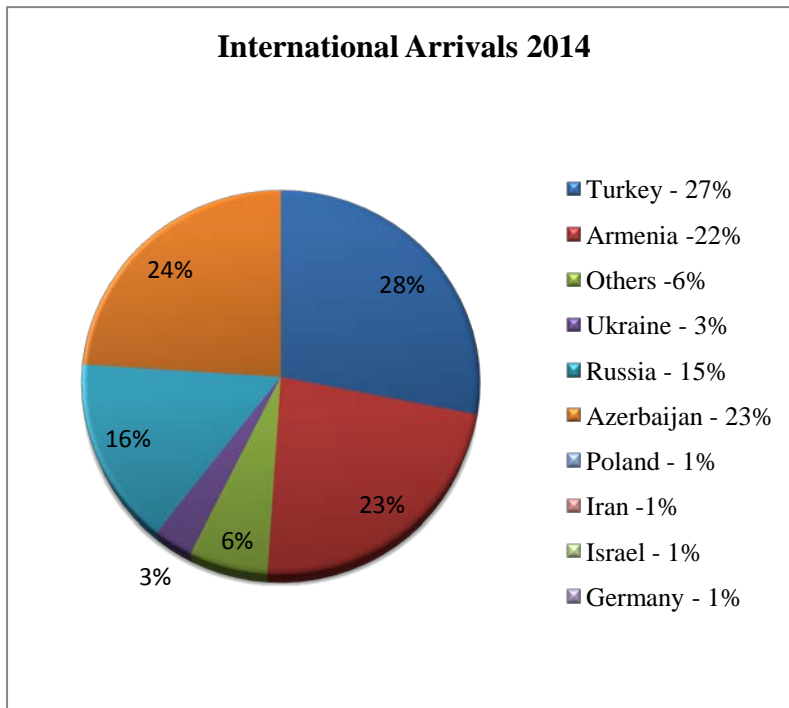
Source: National Statistics Office of Georgia
Data for 2014 is based on the first three quarters of the year



**Nominal GDP contribution
(HORECA) 2%**

**Nominal GDP
(except HORECA) 98%**

2. International Arrivals

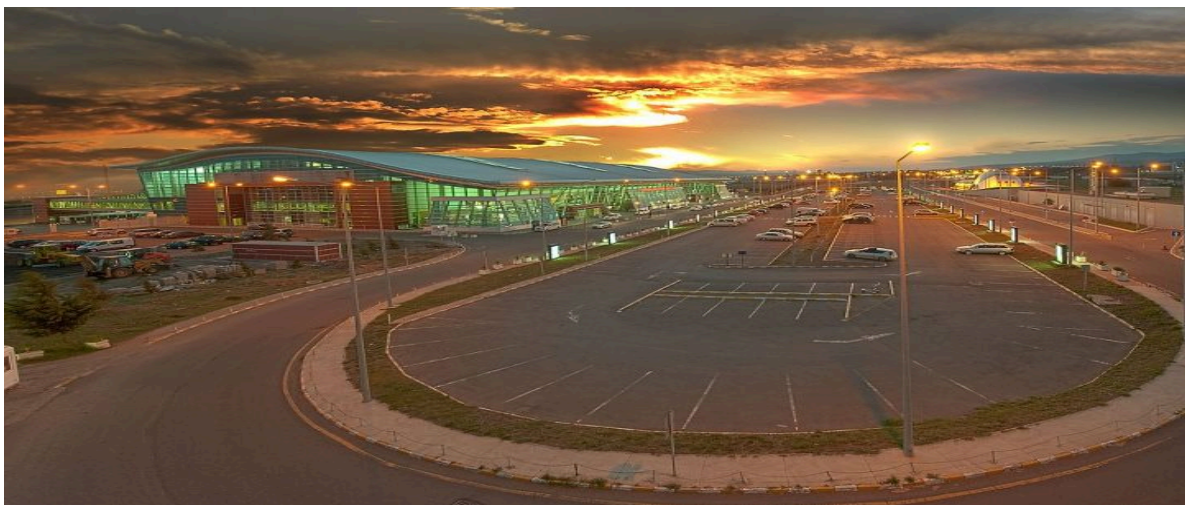


According to the Georgian National Tourism Agency, 65% of foreign visitors to Georgia in 2014 were from a Commonwealth of Independent States (CIS), 32% from the European Region (including Turkey, excluding the CIS countries) and 3% from other countries. The visitors from the CIS countries were predominantly from Armenia (22%), Azerbaijan (23%), and the Russian Federation (15%) and most of the visitors from the European region came from Turkey (27%).

The statistics for the past years

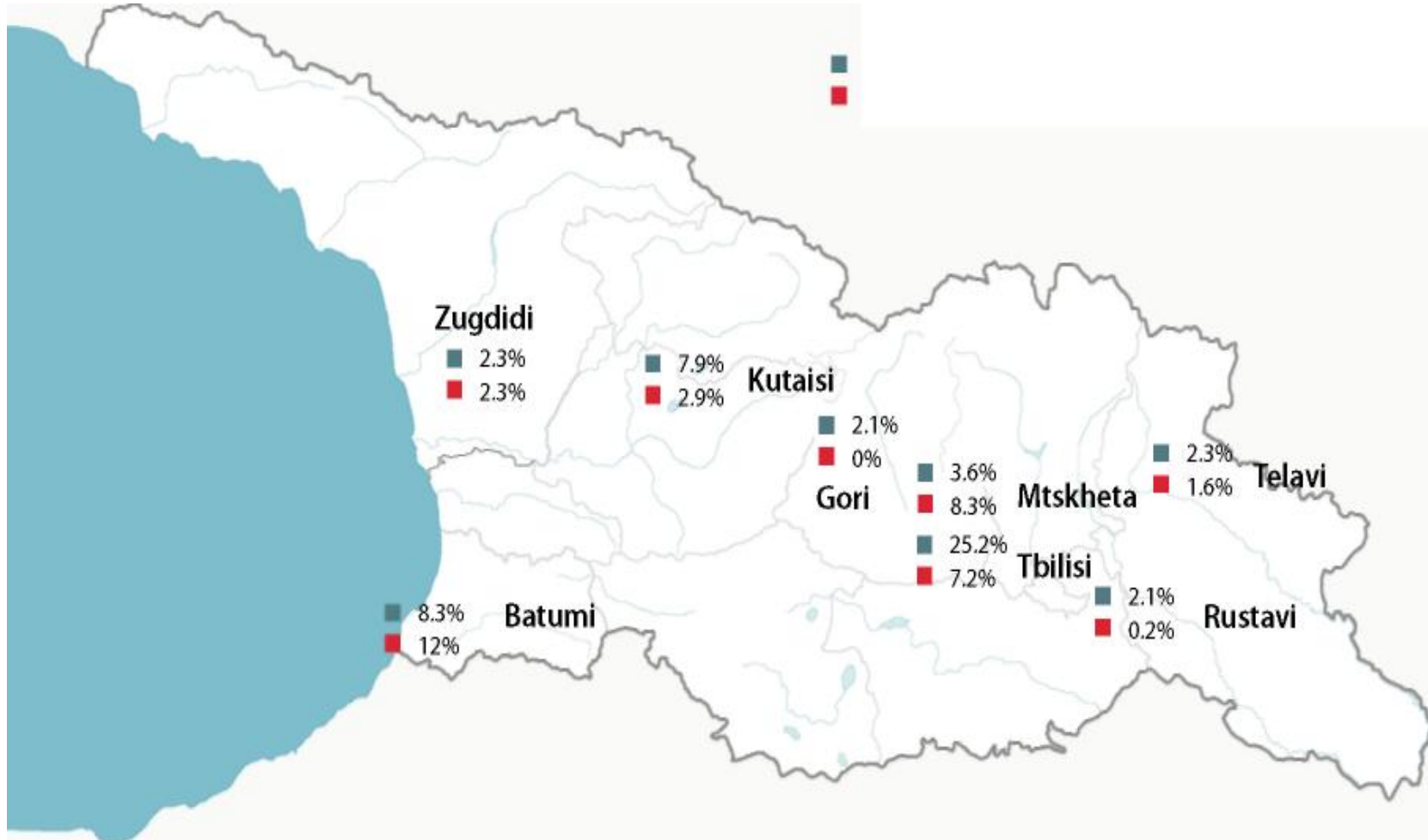
also demonstrate that the most popular season among international travelers is summer, while the busiest months are July, August and September. During this period, in 2014, the number of international arrivals equaled 1,944,233 (July: 670,256; August: 772,216; September: 501,761), which is a 2.21% increase from the same period last year.

A comparison of global growth rates and that of Georgia showed that during the last five years international arrivals in Georgia increased considerably faster than in the rest of the world. The number of tourists traveling internationally throughout the world was growing at a steady rate during recent years. As of 2014 the growth of international arrivals in Georgia has reduced down to the global rate.



Tbilisi International Airport

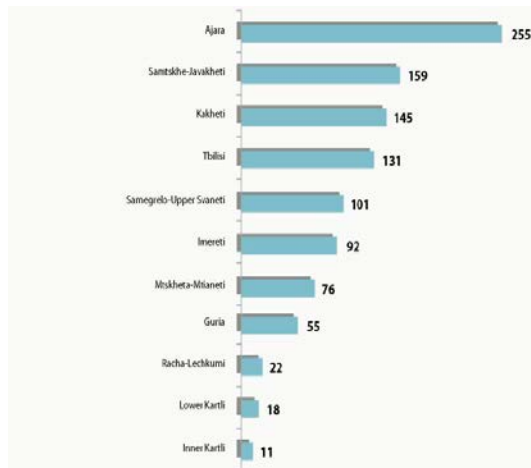
3. Most Visited Destination



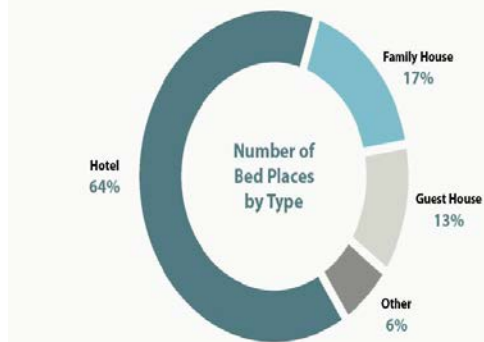
4. Main Purpose of Visit - International Visitors

International visits were mostly undertaken for holiday, leisure or recreation purposes (37%). Other frequently observed purposes included visiting friends or relatives (26%), transit (17%), shopping (9%) and business/professional trips (4%). Only 7% of visits were for other purposes (Education or training, health and medical care, etc).

Number of Accommodation Units

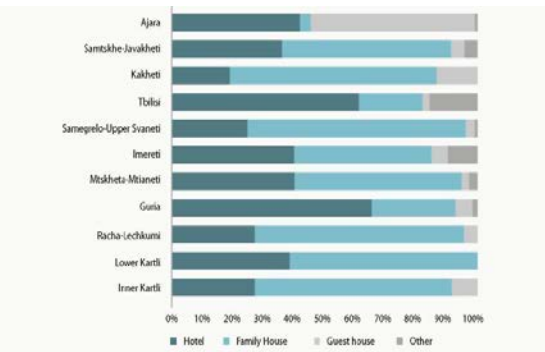


Source: Georgian National Tourism Administration



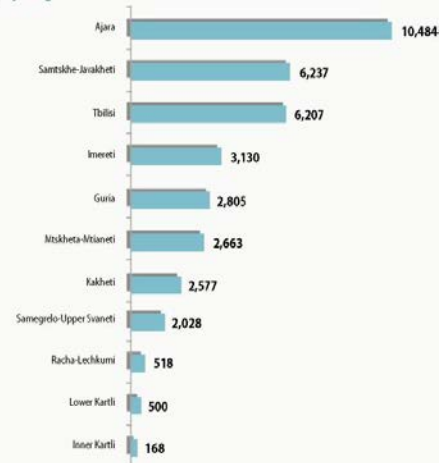
Source: Georgian National Tourism Administration

Accommodation Units by Types and Regions



Source: Georgian National Tourism Administration

Bed Capacity by Regions



Source: Georgian National Tourism Administration

5. Accommodation, International Visitors

In 2013, the most commonly used type of accommodation for the foreigners visiting Georgia was Hotels (64%). More than a third of tourists (34%) resided at a private home of a friend or a relative (17%), 13% stayed in a hostel, 7% rented an apartment. Less common types of accommodation were private home (5%) and campsite or trailer park (3%), and other (6%).

6. Room Availability

As of September 2014 there are 1,146 accommodation units, with a bed capacity of 39,341 beds in Georgia. The highest concentration of accommodation units lies in the Adjara region where Georgia's main sea resorts (Batumi, Anaklia, Kobuleti, etc.) are located. Adjara is followed by the capital, Tbilisi, which maintains its leadership with the highest number of international arrivals in Georgia (including transit and overnight travelers).

7. Main Purpose of travel - Georgian Residential Population

According to the data provided by GNTA, in 2013 domestic travelers' most frequent reasons for travel within Georgia were visiting friends or relatives (45%), followed by holiday, leisure and recreation trips (15%). Less common visiting purposes included shopping (12%), health and medical care (9%), business trips (3%), visiting a second home (4%), and other (12%).

8. Accommodation - Georgian Residential Population

85% of domestic travelers stayed in private homes owned either by them or by friends or relatives. Only 10% have stayed in either guesthouse (4%), hotel (3%), or rented rooms (3%). 5% used other types of accommodations.

Accommodation capacity (2014)			
Region	Number of	Bed capacity	Bed capacity's
Adiara	251	10.380	26.4%
Tbilisi	148	6.916	17.6%
Samtskhe-Javakheti	161	6.224	15.8%
Imereti	129	3.922	10.0%
Guria	55	2.818	7.2%
Mtskheta-Mtianeti	86	2.791	7.1%
Kakheti	151	2.720	6.9%
Samegrelo-Zemo	106	2.140	5.4%
Racha-Lechkumi	30	723	1.8%
Kvemo Kartli	18	539	1.4%
Shida Kartli	11	168	0.4%
Total	1,146	39,341	100.0%

9. Hospitality and Tourism Defined

The hospitality and tourism industries are intertwined facets of the leisure service industry. The hospitality industry is a sector of the tourism industry that deals with guest service including restaurants, hotels, meetings, catering, resorts, clubs, and casinos. Georgia's hotels are an important segment of the state's economy. 9.7 percent of all jobs in the country are directly or indirectly related to the lodging industry, with hotels, motels, resorts, or lodges generating a

substantial amount of money in direct sales. The lodging and food service industries comprise the largest sector of small businesses in Georgia.

Tourism deals with travel away from home and encompasses all service industry and travel-related industries involved from transportation to entertainment, including attractions, food and lodging, marketing, planning, and development.

The hospitality industry reaches far beyond just providing their guests with comfortable rooms or convenient meeting spaces — they are interlinked with many other industries, such as transportation, restaurants, agriculture, manufacturing, and recreation. Georgia's lodging industry employees approximately 10 561 people.

Neither hospitality nor tourism have clear cut definitions used by everyone. In general, hospitality businesses are those that:

- welcome guests and provide exceptional guest service;
- provide services to guests away from home; or
- provide lodging, meals, entertainment, and activities to people while they are away from home.

Tourism occurs when people travel away from home and involves many players and has many forms. The players include the governments and communities that host tourists, the hospitality businesses that provide services, and transportation businesses as well as the natural environment, attractions, and amenities that draw tourists to destinations. These attractions give tourism its many forms; for example, there is sport tourism, ecotourism, agro tourism, mass tourism, theme park tourism, sun and sand tourism, nature-based tourism, adventure tourism, cultural tourism, historical tourism, medical tourism and the list goes on and on. Tourism, whether for business or pleasure, seeks to provide visitors with memorable, enriching experiences such as a roller coaster ride, immersion into a different culture, horse ride, dolphin watching, birding, milking cows and many other entertainments. Figure 1 lists the top domestic activities for Georgian travelers, combining hospitality and tourism.

10. Importance of Hospitality and Tourism to Georgia

Aiming to continue the positive development of the travel and tourism industry in Georgia, a number of actions have been undertaken. The government announced its aim to prioritize the development of infrastructure in the country. Major reconstruction works related to tourism are already underway. In order to improve the travel accommodation category, the government has developed a Hotel Investment initiative, which provides favorable conditions for investors to enter the Georgian market. Further steps have been taken to develop a skilled human resources pool, aiming to improve the quality of customer services in travel and tourism. The Georgian National Tourism Administration is developing large-scale marketing campaigns, targeting new markets and new tourist product development. As this data shows, Georgia's hospitality and tourism industries are integral to the economy. The restaurant, lodging, outdoor activity and tourism industries provide a large percentage of tax revenues, as well as employment (see *Table I*). Despite their integral role, these industries often are overlooked when determining the important economic factors providing sustainability to Georgia.

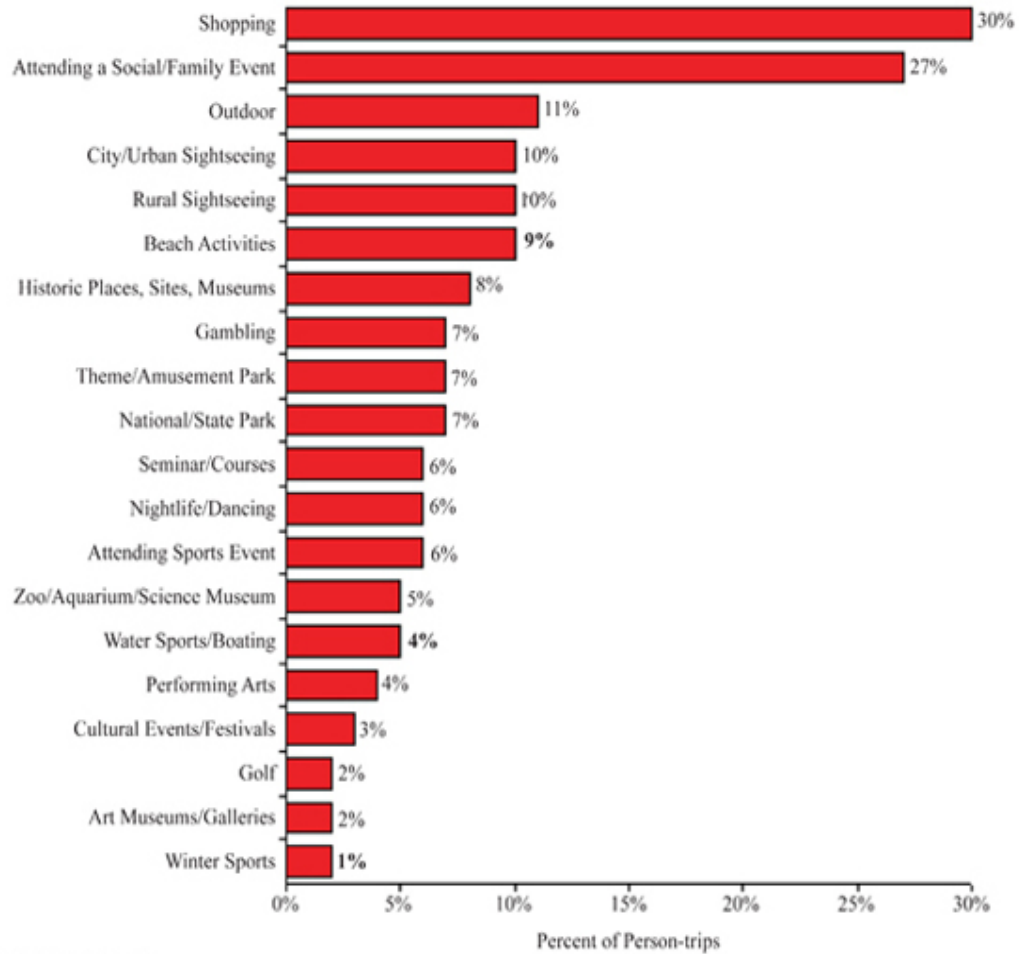


Figure 1. Top domestic travel activities participated in by Georgian residents.

Table I. Georgia long-term occupational projections for selected jobs: 2004-2014
(Source: Georgia Workforce Development Web site: www.georgia.travel)

Occupation Title	Previous 2004 Employment	Estimated 2014 Employment	Percent Change	Total Annual Openings
Meeting and Convention Planners	268	331	23.5	12
Food Service Managers	2444	2730	16.6	68
Recreation Workers	1875	2091	11.5	65
First Line Supervisors/Managers of Food Preparation and Serving Workers	5195	6024	16.0	207
First Line Supervisors/Managers of Housekeeping and Janitorial Workers	1505	1697	12.8	60
Travel Agents	601	534	-11.1	14
Lodging Managers	366	467	27.6	16

Note: Georgia does not list all travel industry/tourism jobs at this time.

11. Hospitality, Tourism, and Recreation Job Outlook

The hospitality industry is comprised of many jobs related to the “service” of guests while they are away from home. The tourism industry includes many interrelated businesses, from lodging and restaurants to airlines, cruise lines, car rental companies, and tour operators. Many of these fields are expected to see an increase in employment. For example, employment for recreation workers is projected to increase by 13 percent between 2015 and 2016, which is approximately as fast as or faster than the average for all occupations. *Table II* show projected and 2006 changes in Georgian demand for hospitality and tourism jobs.

Table 2. Complimentary transportation, tour operator’s activity

Tour-operators	534
Number of the tour agencies	296
Number of registered tour guides	730
Number of people employed in the tourism sector	74 000
Number of employed persons in hotels Among which:	10 561
Women	4375
Men	6186

One of the greatest concerns in the hospitality and tourism industries over the past decade has been the lack of trained managers and employees. In Georgia many jobs are available in these industries. In reviewing Georgia's job projections for 2004-2014, there will be above average growth in demand for many conventional hospitality and tourism jobs.

12. Hospitality and Tourism Series

The hospitality and tourism industries are important to Georgia. The industries are multifaceted and there is much that goes into creating a successful hospitality or tourism business. A small business owner wears many hats and develops many business skills. For example, a successful agro tourism business will need to successfully market and promote the business, including writing press releases and brochures. It will need to educate visitors and create a memorable experience that leads to word-of-mouth advertising and return business.

13. Government Policy Towards Tourism Development

The hotel sector together with tourism is further facilitated by supportive programs and financing from the government of Georgia. Tourism development is one of the top priorities (third out of twelve state budget priorities and programs for 2015) for the Georgian government as seen in its state budget for 2015.

For 2015 the funds assigned in the state budget to the Ministry of economy for the upcoming years are as followed (in GEL):



2015– 126 million
2016– 128 million
2017– 128 million
2018– 134 million

The main capital projects on which the budget will be utilized are in the fields of regional development, infrastructure and tourism: periodic maintenance and rehabilitation of roads, coastline protection works, transit highways, water

infrastructure, sewage systems, cultural heritage protection program, rehabilitation of irrigation systems and equipment purchase, etc.

a. European Youth Olympic Festival 2015

In 2015 Georgia hosted the Youth Olympic Festival 2015, in Tbilisi. The number of athletes participating from 49 European countries exceeded 4,000. Together with spectators the city of Tbilisi hosted more than 10,000 visitors.

Opening of the season will not rely on the weather anymore, which will increase the number of the tourists and boost the resort's revenues. The project budget is up to GEL 25 million, out of which GEL 9 million will be spent during 2014.

According to the Deputy Head of Gudauri Development Agency, Sandro Onoprishvili, the project will result in a 20-25% increase in the number of tourists who visit Georgia's winter resorts annually. Furthermore, the state budget will benefit from the increased revenues generated by the hotels and local residents whose main source of income is generated from hospitality services offered to international and domestic tourists.

b. UEFA Super Cup 2015



In August 2015, Mikheil Meskhi Stadium (Dinamo Arena) in Tbilisi hosted a mega sport event, the UEFA Super Cup. The UEFA Super Cup is an annual football match between the winners of the Champions League and the Europe League. The event is expected to gather football fans from all over the world. The attendance for the prior UEFA Super Cup events in Prague, Czech Republic (2013) and in Cardiff, UK (2014) was 17,686 and 30,854 respectively.

c. EBRD Annual Conference



The European Bank for Reconstruction and Development (EBRD) held its 24th Annual Meeting of the Board of Governors and Business Forum in Tbilisi on 14-15 May 2015. During this event the Bank Officials make key decisions about Bank's strategic development.

d. Artificial snow on Georgian winter resorts

On August 30, 2014 a contract for the production of the artificial snow was signed between Gudauri Development Agency and DEMAKLENKO. According to the contract, geological, geodetic and mapping works will be carried out on the resorts, as well as projection of the artificial water reservoirs and snowing of the first skiing tracks of Gudauri and Didveli.

e. Euro 2016 Qualifying Matches

For the Euro 2016 qualifying matches Georgia will host UEFA Group D members, including Germany, Republic of Ireland, Poland, Scotland, Georgia, and Gibraltar.

Considering the fact that there are only 6,916 bed-places in Tbilisi (including guest houses and family home stays) investment to fill the gap in supply.

14. Upcoming Events and Projects

14.1 New Branded Hotels to be Built in Georgia

One of the most influential websites of hotel business in the world TOPHOTELPROJECTS writes about a new wave of construction of major branded hotels in Georgia. According to the portal, it is connected with the growth of tourism and demand for hotels in the country. According to the site, soon several new large and medium-sized hotels will open in Batumi. Currently 170 hotels meant for 7 000 seats are functioning in Tbilisi and in the next 3 years the hotels with a total capacity of 1 000 seats will be built. In particular, it is planned to build



Rixos, Millennium Hotel, Park Inn, Rooms Hotel Tbilisi, InterContinental and Hilton Garden Inn hotels. Kempinski, Holiday Inn, Hilton, Swiss Hotel, Babylon Tower, Cubic Tower and Gazelli, Turkish association Mersin Tourism Batumi will open in Batumi.

In Tbilisi, the construction of a grand hotel began on the main avenue of Tbilisi, which is carried out by the fund from the UAE Abu Dhabi Group, which invests in the project

about USD 40 million. The hotel will be completed by 2016. In the same year, a 14-storey hotel Hilton Garden Inn will be opened on the investments of the European Bank for Reconstruction and Development and the Georgian development company Redix. Simultaneously, Redix plans to build hotels in three tourist regions of the country. The Adjara Group Hospitality together with InterContinental Hotels Group is reconstructing the publishing house of the Soviet period in the center of Tbilisi, where InterContinental hotel will open in 2016. Batumi Hotel Holiday Inn will open at the end of 2014, Rooms Hotel in Borjomi - in 2015. The International Carlson Rezidor Hotel Group, managing the brands Radisson, Park Plaza and Park Inn, also has big plans in Georgia. According to Area Vice President for Eastern Europe Tom Flanagan, 10 new hotels are planned to open in Georgia in 2017-18. Currently, International Carlson Rezidor Hotel Group owns two hotels in Georgia - Radisson Blu Iveria hotel in Tbilisi and Batumi; in 2015 Park Inn hotel will be also opened in the capital. Turkish company Divan Group plans to build non-branded hotels in Georgia - in particular, in May 2014, it has already opened a hotel consisted of 65 rooms in Batumi. The development company Red-Co plans to build hotel and residential apartments in the ski resorts of Gudauri and Bakuriani.

14.2. Recent Events

a. Increased Room Capacity

Best Western Tbilisi and Rooms Hotel Tbilisi with 48 and 141 room capacities were opened during 2014. Both hotels are managed by Ajara Group.



b. Temporary Closure of Sheraton

Sheraton Metekhi Palace was closed for 1 year in December, 2014. As per Management of “Ras Al Khaima Investment Authority Georgia” the hotel will be fully reconstructed, the capacity will be increased by 80 rooms. The Hotel is in process of full renovation and as of 2016 will be delighted to host you at a city signature hotel. Also, it will be upgraded to 5 star hotel.

c. Hilton Garden Inn



health club.

Hilton Hotels & Resorts, together with local partners, are planning to open two hotels in Georgia starting from 2016. The Project is financed by the European Bank for Reconstruction and Development (EBRD) with the issuance of \$18.7 million loan to the Georgian real estate group Redix.

The first property, the Hilton Garden Inn Tbilisi Chavchavadze, a fourteen story building, will have a capacity of 165 rooms. The second 247-room Hilton Batumi includes plans for retail shopping, a casino and a



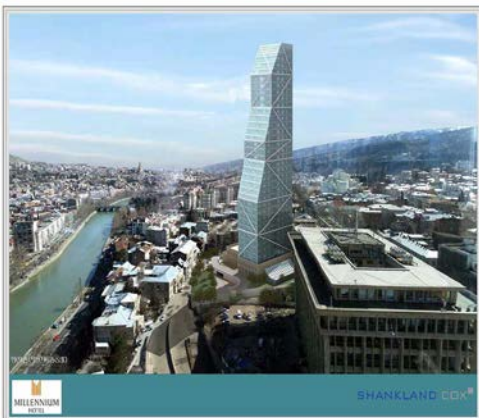
e. InterContinental Hotels Group

InterContinental Hotels Group (IHG) announced the opening of the InterContinental Tbilisi in 2016. The 200-room hotel will operate under a management agreement with the existing owner-partner Adjara Group, a Tbilisi-based hospitality company.

f. The Radisson Blu Resort Tsinandali



Located in Kakheti, the heartland of Georgia's wine region, the new Radisson Blu Resort at Tsinandali bridges the millennia-old tradition of wine making in the Southern Caucasus and current global trends in cultural tourism, creating a unique guest experience. The Radisson Blu Resort will welcome its first guests in the first half of 2016. John Fotiadis Architect PLLC (“JFA”), a New York based architecture firm, was hired by Silk Road Group to re-purpose the historic wine factory at Tsinandali, and design a new 100 room boutique hotel adjacent to wine factory.



g. Millennium

The construction of the hotel is funded by the UAE Abu Dhabi Group, with a total investment of USD 40 million. The opening of the hotel is scheduled for 2016.

h. Park Inn



The mid-market hotel Park Inn, located on Rustaveli Avenue, operated by Rezidor, features 200 rooms scheduled to open at the end of 2015. Besides guest rooms, the hotel will comprise all-day-dining restaurants, a lobby bar and surface car parking. Park Inn by Radisson to be built Tbilisi by 2017.

i. Rixos Residence The famous hotel chain Rixos Residence will open its branch in Tbilisi.



The luxury 5 star Rixos Residence Hotel will be constructed on Gudiashvili Street. This will be an outstanding hotel within the Rixos chain, in terms of architecture and quality. The hotel

will consist of 60 apartments and about 40 shops of famous brands, such as Christian Dior, Hugo Boss and Stella Mc Cartney. The construction of the five star hotel has been financed by Israeli investors since 2010. A spokesman for the Georgian-Israeli Chamber of Commerce has stated that 15 million USD have already been invested into the project, and additional investment is being planned by the Israeli side for the future.



j. 5 Star Hotel on Rustaveli Avenue

In 2017 the opening of 5 star hotel located in the former building of the Ministry of Justice is expected. The initial investment amounts to USD 60 million. The brand name is not declared yet.

k. A 7-star Presidential Hotel to be Opened in Tbilisi

“Commersant” exclusively reports that Dhabi Group plans to open a 7-star presidential hotel behind the so-called Imeli building.

Dhabi Group Executive Director told us that it would be Millennium Biltmore, which is functioning only in the United States, California, and the second hotel will be opened in Tbilisi.



MILLENNIUM
HOTELS AND RESORTS

In an exclusive interview with “Commersant”, Sam Edward says that the opening of the hotel is planned for January 2016. According to him, in addition to the hotel, a trade center will be located in the complex while on the hotel’s 34th floor- a restaurant offering Georgian and the Middle

East cousin.

Edward says that the Presidential Suite will be arranged in the hotel which doesn’t have any hotel in the capital and will serve presidents or VIP persons.

Dhabi Group Executive Director notes that the world’s most modern casino, which is under a joint management of Los Angeles-based casino and China’s Macau casino, will operate in the hotel as well.

Dhabi Group intends to invest \$ 140 million in Millennium Biltmore construction. In the words of Sam Edward, Dhabi Group is holding the negotiations with the Ministry of Economy, Co-Investment Fund to select a project and invest funds in the coming months. Dhabi Group representative adds they wish to support the current government of Georgia by investing in the country.

This ICCT survey is the first in a series devoted to exploring tourism and hospitality topics important to Georgia and the development of a successful service-oriented business. Information about upcoming hotel projects in Georgia is often difficult to obtain and even harder to verify. The information above has been obtained from various media and other sources and may not be completely reliable. Future ICCT survey will include “greening” of the hospitality and tourism industries, creating master plans, marketing plans, promotional and educational materials and programs. Turn to these ICCT survey when it’s time to develop materials for your hospitality and tourism business.

Chapter 11. New Technologies and Their Effect on the Modern Promotion of the Rural and Cultural Tourism Opportunities in Georgia

Georgia, located in the Caucasus region of Eurasia is situated at an important crossroad where Europe meets Asia. Georgia has a beautiful mix of rural charm and city modernity.

With sublime old churches, ancient watchtowers and fairytale castles, having magnificent mountain sceneries, Georgia can be named one of the most beautiful countries on earth. After much internal strife and economic stagnation, Georgia entered a new era and is now developing its tourism potential, making the best of its attractions and luring more and more visitors. Georgia's new approach involves appealing accommodation, high-quality services for all budgets and the opportunity to explore every corner of the country.



The head of tourism department of Georgia, Giorgi Chogovadze says that they intend to promote Georgia's tourism potential on existing and new markets. In 2015 it is planned to carry out a marketing campaign in Armenia, Azerbaijan, Turkey, and Russia, which are our main tourist partners as well as in Hungary, Israel, the Baltic States, Belarus, Ukraine, Poland, and Kazakhstan.

These are data for 2014, obtained from the Georgian National Tourism Administration:

- Number of international travelers: 5 059 832
- The same period last year: 4 999 675
- Increase over the same period last year: 1.2%
- Top 5 countries by the number of arrivals:

Turkey (1 338 397), Armenia (1 177 071), Azerbaijan (1 172 461), Russia (759 239).

TOP five – Country	2013 – Incoming	2014 – Incoming	Percent Change
Turkey	1 501 973	1 338 397	-10.89%
Armenia	1 170 106	1 177 071	0.60%
Azerbaijan	982 175	1 172 461	19.37%
Russia	720 174	759 239	5.42%
Ukraine	117 258	134 529	14.73%
Other	507 989	478 135	-5.88%
<i>Total</i>	<i>4 999 675</i>	<i>5 059 832</i>	<i>1.20%</i>

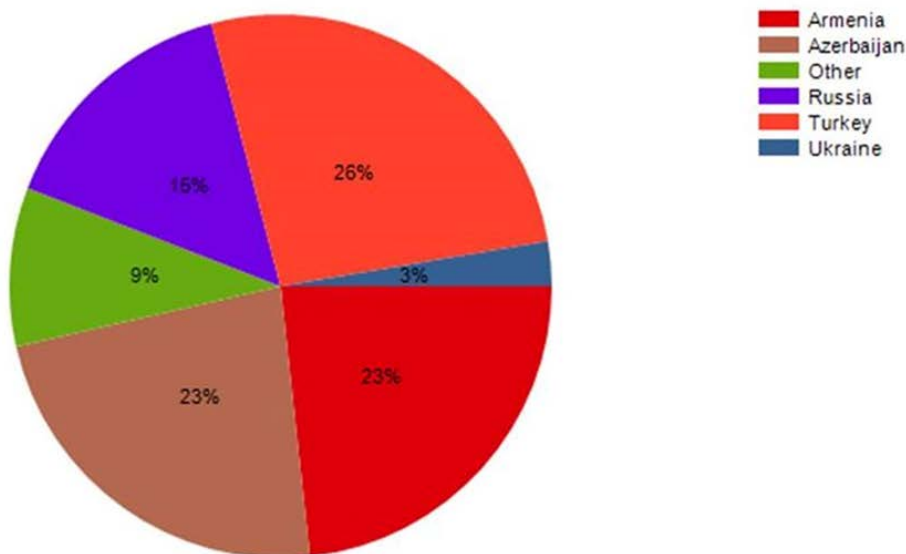


Fig.1. Top Countries by Arrivals

It should be noted that the new visa regulations did not affect the countries supplying the largest number of tourists – it's basically the neighboring and the EU countries. According to data for 11 months in 2014, neighboring countries accounted for 88% of revenues derived from tourists, and the EU citizens - 4%. Overall, 92% of tourists are from the countries with which visa-free travel is maintained even after the introduction of regulations.

However, visa regulations undoubtedly affected the flow of tourists from certain countries. On this basis, the Ministry of Foreign Affairs is currently working on the introduction of electronic visas, which will give the opportunity to fill the application and get a visa in electronic form.

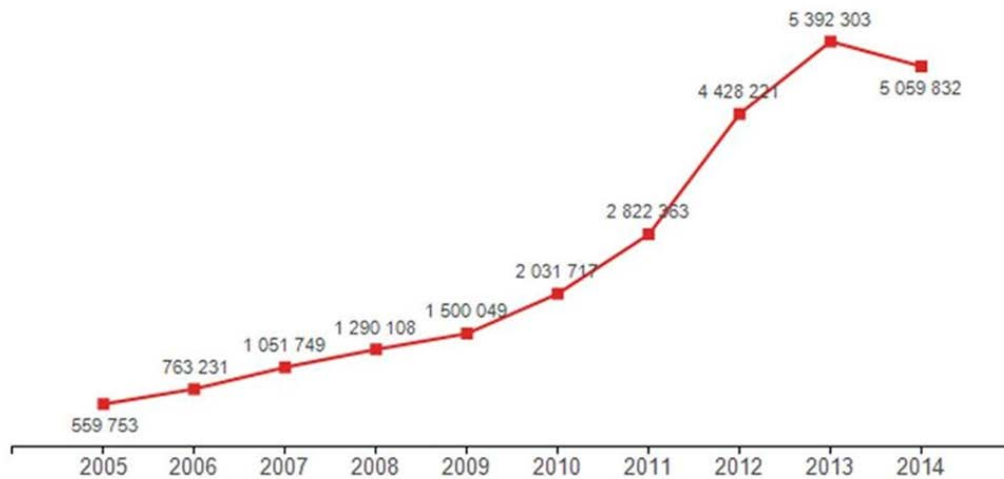


Fig.1. International Arrivals

It is also important that with the support of the state and the World Bank infrastructure and utility rehabilitation has already begun in the two regions of eastern Georgia which have great prospects in terms of tourism development.

In terms of innovation, the most important steps will be aimed at studying the resort potential of various regions of the country. Both state structures of Georgia and foreign experts will be actively involved in it. We are going to interest both local and foreign investors to invest in the construction of hotels and resorts.

We also intend to introduce traditions associated with winemaking, which are one of the main priorities in terms of attracting tourists. We should also increase the interest in Georgia in terms of medical tourism and for this a correct positioning of this trend both within the country and abroad is needed.

Due to various factors, Georgia has a great potential in business tourism, in particular, in holding various conferences and certain steps are planned in this direction in 2015.

We also intend to intensify the ad campaign in social networks – this is very important considering the role of the Internet in our time.

New technologies have gone a long way in influencing growth and development in the tourism sector in very many ways. This is supported by the fact that the expectations of tourists have grown amicably as they expect to get better and well based services. The main goal of the introduction of technology in tourism is to improve service delivery and consequently be able to provide tourists with value for their hard earned cash.

Continuous changes and different ways of doing business have presented us with the urgent need to innovate.

And in this age of technology in which we live, the international tourism industry is rapidly adopting a third "T": "Travel, Tourism and Technology." This is rapidly becoming an era in which technology will serve the needs of travellers, companies and destinations. Thus, we must continue to work on incorporating new technologies in our day management of tourism businesses and destinations; it's clear that there's no turning back. Technologies that help us to improve the operations of our facilities and destinations, allow us to better understand and

manage our clients (before, during and after their stay), also allow us to understand our competition better.

Technology is the foremost management tool for successful performance and competitive advantage in the new business operating environment. Great are the technological influences on the tourism field:

1. Database management systems allow response to individual preferences to stimulate tourism
2. New technologies give tourists more control over how they spend their time and money
3. New technology is improving the speed and comfort and reducing the real cost of travel
4. All aspects of tourism and hospitality organizations in all sectors are being dramatically changed by new technology
5. The tourism industry generally has not taken an active role in developing or adapting new technology
6. Despite the proliferation of new technology, the industry is often reluctant to adopt new methods and tools

Thus, we should note two main areas of technological change that need a special attention. They are: IT and Transport.

In some cases, these trends work at cross-purposes. Each trend will have varying impacts in different regions and countries and will develop an evaluation framework of tourism and local development policy.

The role of rural tourism as a potential economic tool is well recognized. It is estimated that tourism in rural areas makes up 10-20% of all tourism activities and 23% of European holidaymakers choose the countryside as a destination every year. The majority of small and medium size enterprises (SMEs) in Georgia is in tourism and employ less than five people. Many are comprised of two family members. Rural areas provide a special appeal to tourists because of the mystique associated with the rural environment, its distinct culture, history, ethic and geographic characteristics. Rural tourism is a growing sector of the world's fastest growing tourism industry. It offers many benefits to the rural community. It can be developed locally in partnership with other small business, local government and other agencies. Rural tourism is less costly and easier to establish. It works well with existing rural enterprise and can generate important secondary income on farms. While airlines and railways, with their national and international linkages, may provide the best of public transport, and global hotel groups give the highest standards of branded accommodation, it is very often the rural area and its attractions that delivers the bulk of the visitors' experience and defines their perception of the destination.

The sustainable tourism involves integration with the natural and cultural environment and should have the following principles:

- Tourism should consider its direct impact on cultural heritage and traditional activities.
- Tourism strategies should be continuously based on the acknowledgement of traditional activities of each local community and on its identity, culture and interests.
- Tourism should be developed in a way that benefits local communities, strengthens the local economy, employs local workforces and wherever ecologically sustainable, uses local materials, local agricultural products and traditional skills. Tourism activities should respect the

ecological characteristics and capacity of the local environment in which they take place. All efforts should be made to respect traditional lifestyle and cultures.



- Every decision concerning the development of a sustainable tourism should effectively improve the quality of life of host populations and should positively affect the cultural identity.
- The conservation, protection and acknowledgement of our cultural heritage offer an opportunity for co-operation. Such an approach implies that all responsible participants must accept the challenge to innovate both within the professional and cultural domains. Moreover, they must commit themselves to creating integrated planning and management tools.

Sustainable tourism in rural areas directly related to that area's ability should express its environmental diversity, architectural coherence, social and cultural richness, and local heritage. Thus, sustainable tourism is linked to natural ecosystems and to the particular aspects which characterize local communities – expressed in artistic heritage, craftsmanship, gastronomic traditions and, more generally, the 'local culture'.

Partnerships, collaboration and networking strategies

While back-linkages are important for local embedding, partnership and collaboration now represent the conventional wisdom for establishing and sustaining necessary vertical and horizontal linkages across and between localities and development sectors. The growing emphasis on partnership arrangements in tourism development is closely related to recent management and policy theory as well as to changes in the nature of the state. Government tourism organizations, local governments and economic development agencies are encouraged to engage in a greater range of partnerships, networks and collaborative relationships with stakeholders, including each other. Strategic planning now places substantial emphasis on relations with stakeholders while the emergence of theories of collaboration and network development highlights the importance of the links to be made between stakeholders in processes of mediation, promotion and regional development.

However, one of the most significant aspects of networks is that not only do they represent flows of cooperation information, e.g. research and promotion, but, from a tourism perspective, they may also represent flows of tourists on the ground. The economic and social characteristics of networks may parallel the flow of goods and services including tourists. Communicative relationships therefore affect business, community, economic, social and political relationships and need to be much better understood in the process of tourism development.

Good Examples from Modern Promotion of the Rural and Cultural Tourism Opportunities

‘The movement of persons to cultural attractions away from their normal place of residence, with the intention to gather new information and experiences to satisfy their cultural needs’
(Richards, 1996).

The tourism segment that most directly relates to the cultural routes is cultural tourism. Cultural tourism essentially involves visits to cultural attractions and events by culturally motivated people. Cultural tourism is also seen as a desirable market by many countries and regions because it is generally high spending tourism, usually undertaken by highly educated individuals who stimulate cultural activity in the destination. Local residents also seem to appreciate the potential benefits of cultural tourism. The main drivers for developing culture and tourism policies are:

- Valorizing and preserving heritage
- Economic development and employment
- Physical and economic regeneration
- Strengthening and/or diversifying tourism
- Retaining population
- Developing cultural understanding.

Georgia is rich in Cultural tourism (Cultural heritage tourism) resources, not only the big cities but also the municipalities of regions of Western and Eastern Georgia have valuable potential resources that together with rural tourism is inconceivable opportunity for community poverty level reduction, migration elimination in mountainous regions and tourism products branding and positioning within and outside country.

Georgia has always been famous for its rich heritage and ancient culture. Georgia's glorious past and cultural diversity make a potent blend which attracts millions of tourists each year to its heritage tourist attractions. Georgia's rich heritage is amply reflected in the various temples, palaces, monuments, and forts that can be found everywhere in the country.

Georgia is the country of great history and culture. Near town Dmanisi, was found the remainder of the fossil human (*Homo ex gr. erectus*) the age of which is approximately 1,8 million years. Nowadays this is the oldest fossil man in West Eurasia. During the Stone Age human gradually mastered the whole territory of Georgia. Archeological excavations have revealed cultural materials of paleolith, neolith. Hellenistic and Antic periods: castles, burial chambers, gold and ceramic unique artifact. All this confirms the close relationship of Georgia with Greek-Roman as well as Iranian and Asian countries.

In 330 Orthodox Christianity was announced a state religion in Georgia. Since then Christian culture is beginning to flourish in Georgia. The Christian religion influences the whole culture of the middle ages. During the middle ages thousand of churches, cathedrals and monasteries were build in Georgia.

As it is known the historical and cultural heritage is best preserved in the museums. That's why, to prove everything about the past of our country, we recommend you to visit museums in Tbilisi.

Museums

The Giorgi Chitaia Open Air Museum of Ethnography

The Open Air Museum of Ethnography is located 3 km south-west from Tbilisi at the Turtle Lake. It was founded in 1960. As of today, one of the most visited museums in Georgia includes a collection exceeding a hundred exhibits. However, the uniqueness of this museum is that the entire exhibition of the museum represents a kind of a Georgian village where every house and every estate are a reflection of the different eras of Georgian history.



The open air museum is impressive in its beauty and diversity. You can walk for hours, studying the Georgian everyday life of all the eras and regions.

Besides the houses, their interior decoration is also of a particular interest. Inside them, you can see household items and furniture, traditional clothing, embroidery, various home decorations specific to each region. Of huge interest are collections of weapons, the Georgians were famous for in the Middle Ages: knives, swords and daggers, plain and gem-incrusted, sine qua non for any Georgian man.

In addition to the houses, the museum also displays other home facilities: forges, stables, wine cellars, "Merani", barns, cow houses and many other household items. The museum also represents carpets and handmade tapestries, which were exhibited in Paris and received a wide recognition.



Georgian State Museum of Folk and Applied Art description

The museum houses collections of XIX-XX c.c. craft works from Georgia, as well as objects, made by other Caucasian nations. In the museum are displayed gold and silver items, also objects – adornments, belts, weapons, household objects; there are also collections of Caucasian rugs and carpets, silk, leather, heavy cloth, felt objects, Khevsuretian (East Georgia, mountainous region) clothes, embroidery samples, tapestry; collection of local musical instruments; collections of folk craft objects. In the museum are stored works of Latvian artist Yuli Straume (1874-1970) the rich collection of drawings based on the Caucasian ethnographic material—ornament patterns, sketches, etc.



Tbilisi Archaeological Museum



The museum was established in 1988 by the well-known Georgian archaeologist, head of the Tbilisi archaeological expedition, Rostom Abramishvili (1924-1996). The museum houses monuments, discovered by the archaeological excavations in Tbilisi. The chronological frames of the collections are from the V c. B.C. up to the feudal times. In the museum is kept the earliest in the world samples of tinned bronze objects from the Delisi (Tbilisi district) dwelling, dated as 4.000 years old; bronze buckle inlaid with silver decorated with horse rider image; inventory of the Treli royal burials (XII-VIII-VII c.c. B.C.).



Simon Janashia State National Museum of Georgia

Museum operates as a scientific-educational institution that preserves and exhibits a unique collection of natural and human history. The collections of the S. Janashia Museum cover the history of the country, starting from animal remains dated back to 40 million years. One of the most amazing artifacts at the museum is the prehistoric human remains found in Dmanisi. One of the most

important collections of Museum is the Collection of Treasures that contains a big number of unique objects from different historical periods (from the second half of the III millennium BC through XIX century AD). The collection features gold and silver artifacts and jewelry from the pre-Christian period from Kakheti (East Georgia), Vani (West Georgia), Mtskheta, Trialeti Kurgans, Zhinvali, Akhagori, Martkopi, etc. S. Janashia Museum of Georgia has: Department of Archeology of the Middle Ages, Department of Ethnography, Department of Geology, Department of History, Numismatic Department, Department of Zoology.

Kutaisi State Historical-Ethnographical Museum named N. Berdzenishvili (Academician of Georgian Academy of Science) was founded under the auspices of Georgian public figures in 1912. The total amount of the exponents is 150 thousand.



Here are the materials of II-I millennium B.C. Especially we should mention Colchis clasps and axes made of bronze and unique bronze statue made in VIII c. B.C. Archeological division of the museum is rich with the material belonging to antique and Hellenistic epoch. Kutaisi state museum is famous of its exponents of goldsmiths' art. These exponents are golden icons, crosses and small statues. These exponents are chronologically dated V-XVIII cc. A.C. and they are collected

from various Georgian churches and Monasteries, the icons and crosses have inscriptions which give us the details about their history.

Kutaisi state Historical-Ethnographic Museum is one of the most important cultural centers in Georgia.

SVANETI HISTORY AND ETHNOGRAPHY MUSEUM, MESTIA, GEORGIA



The museum is Tbilisi National History Museum branch and consists of three departments located in three buildings: the exhibition hall (in the village of Ushguli), the central building and an estate house with a tower of the XII century.

Svaneti Historic and Ethnography Museum was founded in 1936 and houses historic artifacts from the Svaneti region; engraved art and unique icons; rich collection of manuscripts, medieval weaponry, iron, silver and copper ornaments; jewelry, pottery and collection of textile items; ethnographic artifacts depicting ancient life in Svaneti and etc.

Museum of Michael Khergiani. The ground floor of the museum houses personal items of the famous alpinist – Merited Master of Sport Michael Khergiani (1932-1969). Among the collection, you will find climbing equipment, clothing, photos, awards, gifts – including music records of Vladimir Vysotsky and a song which he dedicated to Khergiani, and many more items.



Most of the treasures of Svaneti are collected in the Historic and Ethnographic Museum of Mestia, which was founded in 1936 on the basis of the collections of the Church of Saint George, in Seti. Among the museum exhibits, highlights include icons from the Middle Ages and ancestral artifacts from the noble family Dadeshkeliani dating back to the Middle Ages.



Here there is also the Svan Estate Museum. It impresses much not only because of the well-preserved interiors of the XII century, but of the rich collection of old household utensils.

On the whole in 2009-2010 about 3 thousands of exhibits were restored, the museum fund was repaired, the modern storage control equipment was installed, a laboratory of the exhibit conservation was created – unique in the South Caucasus.

Signagi National Museum



Signagi Museum was established in 2007. Signagi Museum exhibits Archeology, Ethnography and Medieval expositions. Signagi Museum features diverse ethnographic material: musical instruments, weapons, vestments and items reflecting the lifestyle of this town. Medieval exposition features samples of the 4th-18th cc. city life from the settlements of eastern Iberia such as Beri, Rustavi, Khoranta, Nekresi, Khornabuji, Gavazi, Areshi, Gremi, and Bazari. Special place at the Medieval exposition is granted to archeological finds from David Gareja monastic complex. Signagi Museum exhibits 16

paintings by Niko Piroshmanashvili. Piroshmani was born in Kakheti's village of Mirzaani, therefore early period of his artistic career is affiliated with Kakheti.

Samtskhe-Javakheti Historical Museum



Georgia is the country with great potential for the development of tourism. One can hardly find many places in the whole world that may hold such diverse landscapes within such a small area (69, 7 thousand sq km) – from humid subtropics (in western Georgia) and semi deserts (in eastern part of the country) to perennial snows and glaciers of high mountains. It is remarkable that Georgia is rich both in natural and anthropological recreational resources and it is the best basis for development of different types of tourism, such as cultural, adventure, MICE, medical, gastronomical, ecological, rural, mountaineering, rafting, walking and trekking, caving and skiing as well.

Racha

Spend your holidays in Utsera



Racha is a special, completely unspoiled and beautiful place high in the mountains, boasting a landscape of mountain forests and high alpine meadows. The lowlands are covered with forests of beech, pine and spruce trees.

For visitors to the region, Racha is a giant outdoor playground. With raging rivers, the region is popular with anglers and rafters, as well as mountain bikers and Para gliders. The source of the mighty Rioni

River is full of trout and is a haven for fishing, whitewater rafting and kayaking. But Racha also contains some remarkable cultural treasures, with churches and monasteries dating back to the Middle Ages. No visit to Racha would be complete without sampling the local delicacies. The smoked ham of the region, “Lori”, is famous throughout Georgia and Racha’s most precious export is its rich red wine, Khvanchkara, said to be Stalin’s favorite. This fruity red grows in only one tiny village, making it highly precious, and as it does not travel well, it really has to be tasted close to home.

Let's travel to Racha

Racha (also Rača, Georgian: რაჭა, Rač’a) is a highland area in western Georgia, located in the upper Rioni river valley and hemmed in by the Greater Caucasus mountains. Under Georgia’s current subdivision, Racha is included in the Racha-Lechkhumi and KvemoSvaneti region (mkhare) as the municipalities of Oni and Ambrolauri.

Racha occupies 2,854 km² in the north-eastern corner of western Georgia. Spurs of the Greater Caucasus crest separates Racha from the Georgian historical regions of Svaneti and Lechkhumi on the north-west and from Imereti on the south, while the main Caucasus ridge forms a boundary with Russia’s North Ossetia. On the east, Racha is bordered by breakaway South Ossetia, officially part of Georgia’s ShidaKartli region.

Racha had been part of Colchis and Caucasian Iberia since ancient times and its main town Oni was said to have been founded by King Parnajom of Iberia in the 2nd century BC. Upon creation of the unified Georgian kingdom in the 11th century, Racha became one of the duchies (saeristavo) within it. Rati of the Baghvasi family was the first duke (eristavi) appointed by King Bagrat III. Descendants of Rati and his son Kakhaber, eponymous father of Racha’s ruling dynasty of Kakhaberisdze, governed the province until 1278. In 1278 King David VI

Narin abolished the duchy during his war against the Mongols. In the mid-14th century, the duchy was restored under the rule of the Charelidze family.

The next dynasty of Chkhetidze governed Racha from 1465 to 1769. Vassals of the King of Imereti, they revolted several times against the royal power. The 1678-1679 civil war resulted in the most serious consequences. In this war, Duke Shoshita II of Racha (1661-1684) supported Prince Archil, a rival of the pro-Ottoman Imeretian king Bagrat IV. On the defeat of Archil, Racha was overrun and plundered by an Ottoman punitive force. Under Rostom (1749-1769), the duchy became virtually independent from Imereti. However, towards the end of 1769, King Solomon I of Imereti managed to arrest Rostom and to abolish the duchy. In 1784, King David II of Imereti revived the duchy and gave it to his nephew Anton. Local opposition



attempted to use an Ottoman force to take control of Racha, but the victory of King David at Skhvava (January 26, 1786) temporarily secured his dominance in the area. In 1789, the next Imeretian king Solomon II finally abolished the duchy and subordinated the province directly to the royal administration.

Racha into a royal domain. His successor David II restored the duchy to Rostom's grandson and his own sisterly nephew Anton in 1784. The rival noble clans, especially Tsulukidze and Tsereteli, attempted to counter the move by invoking a force of Ottoman and Dagestan mercenaries, only to be routed by the royal army in 1786. This restoration proved to be short-lived and the next Imeretian king Solomon II finally annexed the duchy in 1789 [2][3].

An old fortress in Racha in the 19th century.

The Duchy of Racha (Georgian: რაჭის საერისთავო, rach'is saerist'avo) was an important fiefdom in medieval and early modern Georgia, located in the western province of Racha, in



the upper Rioni Valley in the foothills of the Greater Caucasus crest, and ruled by a succession of eristavi ("dukes"). The duchy of Racha was founded c. 1050, when a branch of the Liparitid family, subsequently known as Kakhaberidze, was enfeoffed of it by King Bagrat IV of Georgia. Their possessions were further expanded under Queen Tamar of Georgia (r. 1184-1213). The Kakhaberidze

were dispossessed of the duchy in 1278 for having revolted against David VI, but seem to have maintained themselves in Racha into the 15th century. By that time, the duchy of Racha seems to have been restored, under the Charelidze family, whose brief tenure was succeeded by the Chkheidze c. 1488, when Prince Ivane Chkheidze (r. 1488-1497) was invested with Racha by Alexander II, king of Imereti. From c. 1050 until being transferred to the royal crown in 1789.

Over time, these new masters of Racha – henceforth known as the Eristavi of Racha – significantly expanded their possessions, confiscating estates of other noble families and even

those belonging to the crown. They were embroiled in incessant feudal wars that plagued Georgia at that time, frequently changing their side as they sought to achieve more autonomy from the kings of Imereti. The powerful duke Rostom (r. 1750-1769) was able to maintain Racha virtually independent, eventually to be defeated and removed from office by King Solomon I of Imereti, who turned Racha into a royal domain. His successor David II restored the duchy to Rostom's grandson and his own sisterly nephew Anton in 1784. The rival noble clans, especially Tsulukidze and Tsereteli, attempted to counter the move by invoking a force of Ottoman and Dagestan mercenaries, only to be routed by the royal army in 1786. This restoration proved to be short-lived and the next Imeretian king Solomon II finally annexed the duchy in 1789.

Upper Racha District, West Georgia

Utsera - Located 1,050 metres above sea level, the village of Utsera is known for its mineral water, health resort and spa. The village boasts a fine collection of medieval churches, but its 800-year-old "alley of trees" is especially worth a visit.

Resort with unique mineral waters and fresh mountain air.

Catching landscape covered with fir-tree forests, alp zones and juicy grass.

Rapid stream of River Rioni gives the opportunity for rafting and fishing.

Trackers' friendly guides are ready to accompany and show the beauty of the place.

Hospitable hosts stand variety of Racha cuisine": from home-made bread and cheese to wild fowl.





Shovi

Shovi is located in Oni, 230 km from Tbilisi, 1600m above the sea level. The nearby mountain



sides are covered mainly with coniferous woods (fir, silver fir, pine). Climate is of the medium alpine zone (the upper belt). Winter is moderately mild with stable snow cover. Summer is moderately warm. Relative air humidity is 50-60 per cent in summer and about 70 per cent in winter. Sunshine amounts to more than 2000 hr per annum. The air is perfectly clean and fresh. Moderate mountain and valley winds are typical. Besides its medium alpine climate,

the Resort also has a curative factor, mineral waters of numerous springs located in the valleys of the Buba and Chanchakhi-Rivers. They are used as a medical drink.

Resort Shovi, established in 1926, is located 350km west from Tbilisi and 130km from Kutaisi. It's famous for its unique 16 types of mineral waters. Shovi is suited on 1650 meters from Sea level and belongs to semi-alpine resorts. On the north the resort is surrounded by high mountains of the Caucasus with an average height of 4000 meters. On the south, west and east it is bordered by Shoda-Kedela mountain range of the Greater Caucasus mountains with a height of 3,000-3600m. The highest peak is Shoda 3609 and another peak on slopes of which our destination Udzirolake is located is Katitsvera (3300). Shovi is fully protected from northern winds thanks to this ranges. There are many hotels to stay in Shovi, among those, for quiet rest in a wonderful nature, you can visit 4-star hotel sunset Shovi.

From Shovi you need to follow gaps track posted below or get a local guide (total 100 gel for 2 days). You need to bring your camping gear with you. It's possible to do this trip in one day too if you are very experienced hiker and start as early as 5AM in the morning, but I certainly recommend 2-day trip with camping at the lake if it's not late September or early June when it's still lots of snow around. The best season is sunny days of July-August but it's possible to do this trip even in September and June with caution.



Kobuleti

Kobuleti stretches along the Black Sea shore, with stony beach. Vegetation is presented by plantation of ornamental plant, tea and bamboo. Climate is subtropical. Summer is very warm. One can enjoy itself with swimming and active amusement.

Mtsvane Kontskhi (GreenCape)

It is one of the most beautiful resorts in Ajara. It is situated, 72km above the sea level, 9km



from the city of Batumi. The chief attraction of the resort is a fabulous botanic garden. It serves as a research station for the acclimatization and introduction into our country of new subtropical cultures delivered here from all over the world. The climate is subtropical with abundant warmth and humidity. Summer is very warm.

Ureki – a resort of the local status is located in Ozurgeti municipality. It is situated on the Black Sea shore 4 km

south of the Supsa-river mouth and 20 km south of the important seaport of Georgia Poti. The topography of the area is flat country occupying the western part of the Colchis Lowland.

Magnetic sands of Black Sea shore have already been known since the 19th century. The first individuals who experienced the unbelievable properties of the sand were residents of the region who were healed of various chronic diseases. In this respect, the magnetic properties of sand curious doctors, scientists, research associations.

Black sand, which does not have any analogue on the planet, is an all-natural curative factor in osteoarthritis, osteochondrosis, radiculitis, superficial edema and others.



The beach sand contains about 4% of magnetic iron that acts as an additional curative factor. The sand is of dark grey color. These sands treat diseases of musculoskeletal and peripheral bodies and cardiovascular system. The resort operates all the year round. Patients afflicted with heart, nervous and pulmonary (of non-tubercular character) diseases undergo treatment here. Ureku is one of the best children's resorts as the magnetic sand is very useful to secure children's bones. In addition the sea at a great distance is superficial.

Chapter 12. Sustainable Rural Tourism and Environment Preservation: Negative and Positive Impacts

Content

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1. Introduction

Tourism is one of the biggest and fastest growing sectors in the global economy and has significant environmental, cultural, social and economic effects, both positive and negative. Tourism can be a major tool for economic development but, if not properly planned it can have destructive effects on biodiversity and pristine environments, and can result in the misuse of natural resources such as freshwater, forests and marine life. At a number of sites tourism development has resulted in serious water shortage affecting both local communities and industry, forests have been depleted and coral reefs have been damaged.

The adverse impact that tourism can have on the environment both undermines the basic resource for tourism in coastal areas and heavily affects other non-tourist economic activities. To avoid these impacts tourism needs to be planned, managed and undertaken in a way that is environmentally sustainable, socially beneficial and economically viable.

Negative impacts from tourism occur when the level of visitor use is greater than the environment's ability to cope with this use within acceptable limits of change. Uncontrolled conventional tourism poses potential threats to many natural areas around the world. It can put enormous pressure on an area and lead to impacts such as soil erosion, increased pollution, discharges into the sea, natural habitat loss, increased pressure on endangered species and heightened vulnerability to forest fires. It often puts as train on water resources, and it can force local populations to compete for the use of critical resources.

Sustainable tourism development always needs to respect the environment and refer to accepted principles of sustainability. It must be planned to make balanced use of the resources of any site, thus avoiding negative effects, reducing visitor satisfaction, or adversely impacting the local society, economy and culture. Sometimes it may be difficult to quantify limits, but they are essential for sustainable tourism .Thus, if it is to maintain the main elements on which it is based, the tourism sector needs to invest in the maintenance of the natural environment. If properly planned, tourism can become a positive force for conservation and environmental protection, and economic development.



Welcome to Georgia



*"Tourism is like a fire, which can prepare food for you and warm you up,
but at the same time it can burn down your house."*

Jaap Lengkeek

Tourism constitutes a multidimensional phenomenon, which has followed the evolution of man. Nowadays, it constitutes a social necessity or even a social right as this is recorded by the increasing number of tourists. Tourism has played a determinative role in the developmental course of many regions. The contribution of tourism to the development is marked by the fact that a system of activities, products, production unit, enterprises and organization is involved in the tourism net. Any form of tourism that showcases the rural life, art, culture and heritage at rural location, thereby benefiting the local community economically and socially as well as enabling interaction between the tourists and the locals for a more enriching tourism experience be termed as rural tourism. It is multifaceted and may entail agro-tourism, cultural tourism, nature tourism, adventure tourism, and eco-tourism. Rural tourism is a mild form of sustainable tourism development and multi-activity in the rural region. It is a range of activities, services and amenities provided by farmers and rural people to attract tourists to their areas in order to generate extra income for their economic activity. The rural region occupies a largely extended part of the world and they are characterized as vital for economic growth and social cohesion. Agriculture represents activity which occupies large fields of land and primary role in the managing of the rich natural resources and in the formation of the landscape in the rural region, where they constitute an essential part of the natural environment and cultural heritage. Rural development is a crucial tool for the redevelopment of the agricultural sector and the promotion of differentiation and innovation in the rural region. Economic development is a process of economic transition that involves the structural transformation of an economy and a growth of a

real output of an economy over a period of time. The potential of tourism to contribute to development is widely recognized in the industrialized countries, with tourism playing an increasingly important role and receiving government support. Tourism emerges as global phenomena in 1960s and the potential for tourism to generate economic development was widely promoted by national government. They appreciated that tourism generated foreign exchange earnings, created employment and brought economic benefits to the region with limited options for alternative economic development. Tourism development focuses on national and regional master planning.

Rural tourism has become one of the most popular types of tourism during the recent five years in Georgia. However, the poor infrastructure, the strong interest tourists show in protected areas, sensitive biotypes and particular nature attractions and species, can in long-term, negatively affect the mentioned natural values. The analysis of the situation in rural tourism sector reveals a number of significant problems calling for solution.

One of the main goals of this project is to assess the impact of tourism with all its trends and especially rural tourism in the preservation of the environment. On this basis, we offer an overview of our observations on the state of the environment and its dependence on the degree of development of tourism.

The specific objectives were the followings

- a. To see the positive and negative impact of tourism on environment.
- b. To develop a model to minimize the negative impact of tourism on environment.
- c. To determine the direct impact of tourist activities in the respective tourism areas.

2. The impacts of tourism (Positive and Negative) can be categorized into:

2.1. Economic impact

Tourism can bring many economic and social benefits, particularly in rural areas and developing countries, but mass tourism is also associated with negative effects. Tourism can only be sustainable if it is carefully managed so that potential negative effects on the host community and the environment are not permitted to outweigh the financial benefits.

2.1.1 Economic Effects– Positive

Tourism creates jobs, both through direct employment within the tourism industry and indirectly in sectors such as retail and transportation. When these people spend their wages on goods and services, it leads to what is known as the "multiplier effect," creating more jobs. The tourism industry also provides opportunities for small-scale business enterprises, which is especially important in rural communities, and generates extra tax revenues, such as airport and hotel taxes, which can be used for schools, housing and hospitals.

2.1.2 Economic Effects – Negative

Successful tourism relies on establishing a basic infrastructure, such as roads, visitor centers and hotels. The cost of this usually falls on the government, so it has to come out of tax revenues. Jobs created by tourism are often seasonal and poorly paid, yet tourism can push up local property prices and the cost of goods and services. Money generated by tourism does not always benefit the local community, as some of it leaks out to huge international companies, such as hotel chains. Destinations dependent on tourism can be adversely affected by events such as terrorism, natural disasters and economic recession.

2.2. Environmental impact

2.2.1. The environmental impact of ecotourism

Environmental impacts of tourism in sensitive natural areas can be classified using the following main categories:

- ❖ Visitor activities in the destination areas and associated infrastructure (trails, interpretation signs, shelters and picnic areas, etc.);
- ❖ Transportation and access to the destination (roads, vehicles, parking);
- ❖ Activity of service providers (guides, drivers, porters, guesthouse owners);
- ❖ Accommodation, catering and associated infrastructure (construction and operation, waste, sewage, water sources, energy supply, waste disposal);
- ❖ Indirectly induced developments (immigration/migration of labor, vendors, increase of resource consumption).

2.2.2. Environmental Effects – Positive

Tourism -- particularly nature and ecotourism -- helps promote conservation of wildlife and natural resources such as rain forests, as these are now regarded as tourism assets. It also helps generate funding for maintaining animal preserves and marine parks through entrance charges and guide fees. By creating alternative sources of employment, tourism reduces problems such as over-fishing and deforestation in developing nations.

2.2.3. Environmental Effects – Negative

Tourism poses a threat to a region's natural and cultural resources, such as water supply, beaches, coral reefs and heritage sites, through overuse. It also causes increased pollution through traffic emissions, littering, increased sewage production and noise.

The quality of the environment, both natural and man-made, is essential to tourism. However, tourism's relationship with the environment is complex. It involves many activities that can have adverse environmental effects. Many of these impacts are linked with the construction of general infrastructure such as roads and airports, and of tourism facilities, including resorts, hotels, restaurants, shops, golf courses and marinas. The negative impacts of tourism development can gradually destroy the environmental resources on which it depends.

On the other hand, tourism has the potential to create beneficial effects on the environment by contributing to environmental protection and conservation. It is a way to raise awareness of environmental values and it can serve as a tool to finance protection of natural areas and increase their economic importance.

These direct and indirect effects need to be considered at the planning stage. Tourism facilities and associated infrastructure have a huge impact on the environment, and an Environmental Impact Assessment (EIA) needs to be carried out before construction begins of any large or medium sized facility. Strategic Environmental Assessment (SEA) or EIA should be applied both to overall tourism policy and specific tourism development programmes, particularly but not restricted to environmentally sensitive zones. Such EIAs should take on board policy mechanisms for re-consideration of tourism development targets if its environmental impact is in fundamental conflict with conservation objectives.

2.3 Loss of Biological Diversity

Biological diversity is the term given to the variety of life on Earth and the natural patterns it forms.

The effects of loss of biodiversity:

- It threatens our food supplies, opportunities for recreation and tourism, and sources of wood, medicines and energy.
- It interferes with essential ecological functions such as species balance, soil formation, and greenhouse gas absorption.
- It reduces the productivity of ecosystems, thereby shrinking nature's basket of goods and services, from which we constantly draw.
- It destabilizes ecosystems and weakens their ability to deal with natural disasters such as floods, droughts, and hurricanes, and with human-caused stresses, such as pollution and climate change.

Tourism, especially nature tourism, is closely linked to biodiversity and the attractions created by a rich and varied environment. It can also cause loss of biodiversity when land and resources are strained by excessive use, and when impacts on vegetation, wildlife, mountain, marine and coastal environments and water resources exceed the carrying capacity. This loss of biodiversity in fact means loss of tourism potential.

2.4 Depletion of the Ozone Layer

The ozone layer, which is situated in the upper atmosphere (or stratosphere) at an altitude of 12-50 kilometers, protects life on earth by absorbing the harmful wavelengths of the sun's ultraviolet (UV) radiation, which in high doses is dangerous to humans and animals. For instance, one of the reasons scientists have put forward for the global decrease of amphibian populations is increased exposure to UV radiation.

Ozone depleting substances (ODSs) such as CFCs (chlorofluorocarbon) and halons have contributed to the destruction of this layer. The tourism industry may be part of the problem; direct impacts start with the construction of new developments and continue during daily management and operations. Refrigerators, air conditioners and propellants in aerosol spray cans, amongst others, contain ODSs and are widely used in the hotel and tourism industry.

2.5 Climate Change

Climate scientists now generally agree that the Earth's surface temperatures have risen steadily in recent years because of an increase in the so-called greenhouse gases in the atmosphere, which trap heat from the sun. One of the most significant of these gases is carbon dioxide (CO₂), which is generated when fossil fuels, such as coal, oil and natural gas are burned (e.g. in industry, electricity generation, and automobiles) and when there are changes in land use, such as deforestation. In the long run, the accumulation of CO₂ and other greenhouse gases in the atmosphere can cause global climate change - a process that may already be occurring.

Global tourism is closely linked to climate change. Tourism involves the movement of people from their homes to other destinations and accounts for about 50% of traffic movements; rapidly expanding air traffic contributes about 2.5% of the production of CO₂. Tourism is thus

a significant contributor to the increasing concentrations of greenhouse gases in the atmosphere. (Source: Mountain Forum)

Air travel itself is a major contributor to the greenhouse effect. Passenger jets are the fastest growing source of greenhouse gas emissions. The number of international travelers is expected to increase from 594 million in 1996 to 1.6 billion by 2020, adding greatly to the problem unless steps are taken to reduce emissions. (Source: WWF) For more information on the relationship between energy and the environment, see UNEP's Energy Programme, which provides information and publications on energy efficiency and alternative energy sources to reduce the environmental impacts of energy use and of transportation.

3. Social and Cultural Impacts

3.1 Social Effects -- Positive

The improvements to infrastructure and new leisure amenities that result from tourism also benefit the local community. Tourism encourages the preservation of traditional customs, handicrafts and festivals that might otherwise have been allowed to wane, and it creates civic pride. Interchanges between hosts and guests create a better cultural understanding and can also help raise global awareness of issues such as poverty and human rights abuses.

3.2 Social Effects -- Negative

Visitor behavior can have a detrimental effect on the quality of life of the host community. For example, crowding and congestion, drugs and alcohol problems, prostitution and increased crime levels can occur. Tourism can even infringe on human rights, with locals being displaced from their land to make way for new hotels or barred from beaches. Interaction with tourists can also lead to an erosion of traditional cultures and values.

3.3 Negative Socio-Cultural Impacts From Tourism

Change or loss of indigenous identity and values

Tourism can cause change or loss of local identity and values, brought about by several closely related influences:

- **Commodification**

Tourism can turn local cultures into commodities when religious rituals, traditional ethnic rites and festivals are reduced and sanitized to conform to tourist expectations, resulting in what has been called "reconstructed ethnicity." Once a destination is sold as a tourism product, and the tourism demand for souvenirs, arts, entertainment and other commodities begins to exert influence, basic changes in human values may occur. Sacred sites and objects may not be respected when they are perceived as goods to trade.

- **Standardization**

Destinations risk standardization in the process of satisfying tourists' desires for familiar facilities. While landscape, accommodation, food and drinks, etc., must meet the tourists' desire for the new and unfamiliar, they must at the same time not be too new or strange because few tourists are actually looking for completely new things. Tourists often look for recognizable facilities in an unfamiliar environment, like well-known fast-food restaurants and hotel chains.

- **Loss of authenticity and staged authenticity**

Adapting cultural expressions and manifestations to the tastes of tourists or even performing shows as if they were "real life" constitutes "staged authenticity". As long as tourists just want a glimpse of the local atmosphere, a quick glance at local life, without any knowledge or even interest, staging will be inevitable.

- **Adaptation to tourist demands**

Tourists want souvenirs, arts, crafts, and cultural manifestations, and in many tourist destinations, craftsmen have responded to the growing demand, and have made changes in design of their products to bring them more in line with the new customers' tastes. While the interest shown by tourists also contributes to the sense of self-worth of the artists, and helps conserve a cultural tradition, cultural erosion may occur due to the commodification of cultural goods.

- **Culture clashes**

Because tourism involves movement of people to different geographical locations, and establishment of social relations between people who would otherwise not meet, cultural clashes can take place as a result of differences in cultures, ethnic and religious groups, values and lifestyles, languages, and levels of prosperity.

The result can be an overexploitation of the social carrying capacity (limits of acceptable change in the social system inside or around the destination) and cultural carrying capacity (limits of acceptable change in the culture of the host population) of the local community.

The attitude of local residents towards tourism development may unfold through the stages of euphoria, where visitors are very welcome, through apathy, irritation and potentially antagonism, when anti-tourist attitudes begin growing among local people.

Cultural clashes may further arise through:

- **Economic inequality**

Many tourists come from societies with different consumption patterns and lifestyles than what is current at the destination, seeking pleasure, spending large amounts of money and sometimes behaving in ways that even they would not accept at home. One effect is that local people that come in contact with these tourists may develop a sort of copying behavior, as they want to live and behave in the same way. Especially in less developed countries, there is likely to be a growing distinction between the 'haves' and 'have-nots', which may increase social and sometimes ethnic tensions.

4. Physical Impacts

Attractive landscape sites, such as sandy beaches, lakes, riversides, and mountaintops and slopes, are often transitional zones, characterized by species-rich ecosystems. Typical physical impacts include the degradation of such ecosystems. An ecosystem is a geographic area including all the living organisms (people, plants, animals, and microorganisms), their physical surroundings (such as soil, water, and air), and the natural cycles that sustain them. The ecosystems most threatened with degradation are ecologically fragile areas such as alpine regions, rain forests, wetlands, mangroves, coral reefs and sea grass beds. Threats to and

pressures on these ecosystems are often severe because such places are very attractive to both tourists and developers.

Physical impacts are caused not only by tourism-related land clearing and construction, but by continuing tourist activities and long-term changes in local economies and ecologies.

4.1. Physical Impacts of Tourism Development

Construction activities and infrastructure development:

The development of tourism facilities such as accommodation, water supplies, restaurants and recreation facilities can involve sand mining, beach and sand erosion, soil erosion and extensive paving. In addition, road and airport construction can lead to land degradation and loss of wildlife habitats and deterioration of scenery.

Deforestation and intensified or unsustainable use of land: Construction of ski resort accommodation and facilities frequently requires clearing forested land. Coastal wetlands are often drained and filled due to lack of more suitable sites for construction of tourism facilities and infrastructure. These activities can cause severe disturbance and erosion of the local ecosystem, even destruction in the long term.

4.2 Physical Impacts from Tourist Activities

Trampling: Tourists using the same trail over and over again trample the vegetation and soil, eventually causing damage that can lead to loss of biodiversity and other impacts. Such damage can be even more extensive when visitors frequently stray off established trails.

Trampling impacts on vegetation Trampling impacts on soil

- ❖ Breakage and bruising of stems Loss of organic matter
- ❖ Reduced plant vigor Reduction in soil macro porosity
- ❖ Reduced regeneration Decrease in air and water permeability
- ❖ Loss of ground cover Increase in run off
- ❖ Change in species composition Accelerated erosion

(Source: www.unepie.org/tourism/).

Table 1. Negative impacts of human use on the environment

Trail creation (and deterioration)	Boats damaging banks
Camp-sites (and deterioration)	Habitat loss
Litter	Emissions and air pollution
Crowding	Firewood collection
Tracks and recreation vehicles	Visual and noise impacts
Pack stock impacts	Overfishing, undersized fishing
Human waste problems	Impacts on vegetation
Wildlife disturbance, habituation, or impact	Damage to sand dunes/reefs
User conflicts	Soil compaction or erosion

Water pollution (physical or biological)	Increased fire risk
Overdevelopment	Damage to archaeological sites
Weeds, fungi and exotic species	Trampling (human or horse)
Solid and human waste	Changed water courses
Cultural vandalism	Taking souvenirs (flora, fauna, etc)

4.3 Physical influences causing social stress

The physical influences that the increasing tourism flows, and its consequent developments, have on a destination can cause severe social stress as it impacts the local community. Socio-cultural disadvantages evolve from:

- Resource use conflicts, such as competition between tourism and local populations for the use of prime resources like water and energy because of scarce supply. Stress to local communities can also result from environmental degradation and increased infrastructure costs for the local community - for example, higher taxes to pay for improvements to the water supply or sanitation facilities.
- Cultural deterioration. Damage to cultural resources may arise from vandalism, littering, pilferage and illegal removal of cultural heritage items. A common problem at archaeological sites in countries such as Egypt, Colombia, Mexico and Peru is that poorly paid guards supplement their income by selling artifacts to tourists. Furthermore, degradation of cultural sites may occur when historic sites and buildings are unprotected and the traditionally built environment is replaced or virtually disappears.
- Conflicts with traditional land-uses, especially in intensely exploited areas such as coastal zones, which are popular for their beaches and islands. Conflicts arise when the choice has to be made between development of the land for tourist facilities or infrastructure and local traditional land use. The indigenous population of such destinations is frequently the loser in the contest for these resources as the economic value which tourism brings often counts for more.

As an example of how local people can suffer from tourism development, in coastal areas construction of shoreline hotels and tourist facilities often cuts off access for the locals to traditional fishing ground and even recreational use of the areas.

5. Pollution

Tourism can cause the same forms of pollution as any other industry: air emissions, noise, solid waste and littering, releases of sewage, oil and chemicals, even architectural or visual pollution.

5.1 Air pollution and noise

Transport by air, road, and rail is continuously increasing in response to the rising number reported that the number of international air passengers worldwide rose from 88 million in 1972 to 344 million in 1994. One consequence of this increase in air transport is that tourism now accounts for more than 60% of air travel and is therefore responsible for an important share of air emissions. One study estimated that a single transatlantic return flight emits almost half the CO₂ emissions produced by all other sources (lighting, heating, car use, etc.) consumed by an average person yearly (Source: MFOE). Transport emissions and emissions from energy

production and use are linked to acid rain, global warming and photochemical pollution. Air pollution from tourist transportation has impacts on the global level, especially from carbon dioxide (CO₂) emissions related to transportation energy use. And it can contribute to severe local air pollution. Some of these impacts are quite specific to tourist activities. For example, especially in very hot or cold countries, tour buses often leave their motors running for hours while the tourists go out for an excursion because they want to return to a comfortably air-conditioned bus.

Noise pollution from airplanes, cars, and buses, as well as recreational vehicles such as snowmobiles and jet skis, is an ever-growing problem of modern life. In addition to causing annoyance, stress, and even hearing loss for humans, it causes distress to wildlife, especially in sensitive areas. For instance, noise generated by snowmobiles can cause animals to alter their natural activity patterns.

5.2 Solid Waste and Littering



In areas with high concentrations of tourist activities and appealing natural attractions, waste disposal is a serious problem and improper disposal can be a major despoiler of the natural environment - rivers, scenic areas, and roadsides. For example, cruise ships in the Caribbean are estimated to produce more than 70,000 tons of waste each year. Today some cruise lines are actively working to reduce waste-related impacts. Solid waste and littering can degrade the physical appearance of the water and shoreline and cause the death of marine animals. In mountain areas, trekking tourists generate a great deal of waste. Tourists on expedition leave behind their garbage, oxygen cylinders and even camping equipment. Such practices degrade the environment with all the detritus typical of the developed world, in remote areas that have

few garbage collection or disposal facilities. Some trails in the Peruvian Andes and in Nepal frequently visited by tourists have been nicknamed "Coca-Cola trail" and "Toilet paper trail".



5.3 Sewage

Construction of hotels, recreation and other facilities often leads to increased sewage pollution. Wastewater has polluted seas and lakes surrounding tourist attractions, damaging the flora and fauna. Sewage runoff causes serious damage to coral reefs because it stimulates the growth of algae, which cover the filter-feeding corals, hindering their ability to survive. Changes in salinity and siltation can have wide-ranging impacts on coastal environments. And sewage pollution can

threaten the health of humans and animals.

6. Georgia Land and Recourses

Georgia covers an area of about 69,700 sq km (about 26,900 sq mi). It is situated on the east coast of the Black Sea and bounded by Russia on the north and by Azerbaijan, Armenia, and Turkey on the south. Rugged mountain ranges dominate Georgia's landscape, constituting about 85 percent of the total land area. The main ridge of the Caucasus Mountains, or Greater Caucasus, forms most of Georgia's northern border with Russia and contains the country's highest elevations, including Mount Shkhara (5,201 m/17,064 ft), Georgia's highest peak. The highest peak fully contained in the country is Mount Kazbek (5,037 m/16,526 ft), in the central Greater Caucasus. Many other peaks reach heights of 4,500 m (15,000 ft) or greater. The Lesser Caucasus Mountains occupy the southern part of the republic and rarely exceed an elevation of 3,000 m (10,000 ft). These two mountain systems are linked by the centrally



located Surami mountain range, which bisects the country along a northeast-southwest axis. The Surami range includes the Meskheti and Likhi ranges. To the west of this range the relief becomes much lower, and elevations are generally less than 100 m (300 ft) along the river valleys and the coast of the Black Sea. On the eastern side of the Surami Range, a high plateau known as the Kartli Plain extends along the Kura River to the border with Azerbaijan.

The two largest rivers in Georgia, the Kura (Mtkvari) and the Rioni, flow in opposite directions: the Kura, which originates in Turkey, runs generally eastward through Georgia and Azerbaijan into the Caspian Sea, while the Rioni drains into the Black Sea to the west. A delta



region known as the Kolkheti Lowlands encompasses the lower Rioni valley as well as most of the Georgian coast. Along with the Rioni, the Inguri and Kodori rivers flow through this fertile region.

Georgia contains diverse plant and animal life. Land at lower elevations has been extensively reworked for agricultural purposes and contains little of its native wildlife. The gray marmot, ibex, and chamois, however, can be found in alpine areas, and wolves, foxes, roe deer, and badgers populate the forests. Dense forests and brush cover more than one-third of the country, mostly in the western and mountainous regions. In the eastern uplands, which are sparsely wooded, underbrush and grasses predominate.

Georgia's natural resources include abundant mineral deposits, such as manganese, iron ore, coal, gold, marble, and alabaster. The republic's many fast-flowing rivers are an important source of hydroelectricity, and forests provide pulp and timber. Substantial but as yet undeveloped oil deposits are located in the Black Sea shelf near the port cities of Batumi and Poti.

Like other republics of the USSR, Georgia suffered severe environmental degradation during the Soviet period, when economic policies emphasizing heavy industry were implemented with little regard for their environmental consequences. As a legacy of these policies, Georgia now suffers from serious pollution. Air pollution is a problem in the major cities, particularly in Rustavi, which has a giant steelworks and other metallurgical industries. In addition, the Kura River and the Black Sea are heavily polluted with industrial waste. As a result of water pollution and the scarcity of water treatment, the incidence of digestive diseases in Georgia is high. The use of pesticides and fertilizers has increased soil toxicity.

Environmental protection did not become a major concern among Georgians until the mid-1980s, but even then systems to control harmful emissions were not readily available. Georgia's economic problems have hindered the application of recent emission-control technologies. The protection of upland pastures and hill farms from soil erosion is another pressing issue that the government has not addressed owing to lack of economic resources. The government has ratified international environmental agreements pertaining to air pollution, biodiversity, climate change, ozone layer protection, ship pollution, and wetlands.



6. 1. Water Resources

Georgia is rich with water resources. There are 26060 rivers and their total length is about 59 thousand kilometers. In the hydro-geographical network the important part (99%) makes the small rivers (length-less than 25 km).

There are a lot of thermal and mineral water springs in the country. There are many natural and mechanic water reservoirs. Important supplies of ground water are in limestone horizons on the territory of Caucasus.

Water resources are distributed unequally and they are mainly in the west part of the country. Georgian rivers are distributed into two main basins and they are divided by Likhi ridge. There are about 18109 rivers are in the Black Sea basin. This is 70% of total rivers. There are 7951 rivers (30%) in the Caspian Sea basin. 555 rivers of the Black Sea basin and 528 rivers of the Caspian Sea basin are studied hydrologically.

Nearly all rivers of East Georgia make the whole system and flows down into the Caspian Sea and West Georgian rivers join the Black Sea independently. The biggest river of Georgia is Mtkvari. Only its middle part (400 kilometer) is on the territory of Georgia. It begins in Turkey and flows down in the Caspian Sea on the territory of Azerbaijan. The largest river in West Georgia is Rioni. It covers only the territory of Georgia. It begins in Great Caucasus Mountains goes through Kutaisi and Poti into the Black Sea.

There are about 860 lakes in Georgia. Most of them are very small so their water surface area is about 170 km². (It consists of 0.24% of territory if the country). Most of them are fresh waters.

Paravani Lake has the largest area in Georgia. Tabatskuri Lake is the biggest one with its volume and Ritsa is the deepest lake not only in Georgia but in South Caucasus too.

In Georgia wetlands cover 225 thousand ha on Kolkheti Lowlands. West Georgia is bordered by the Black Sea and its coastal zone along Georgian border is 315 kilometer.

43 reservoirs serve to hydroelectric stations and irrigation system. 35 ones among them are in East Georgia. Water reservoirs are very important in economics of Georgia. Nowadays in Georgia more than 75% of electric energy is generated in hydroelectric stations. Irrigation system has vital importance for agriculture in the East Georgia that is drier part of the country.

Natural supply of fresh ground water of the country is about 18000 million cubic meters. The whole prognosticate and exploitation supplies are about 10600 million cubic meters. There are a lot of ground water storage, especially on the lower slope of Great Caucasus and on the plateau of Akhalkalaki and Marneuli. The total debit of these springs is 340 m³ in a second. In total water supply systems provide 600 million cubic meter drinking water a year. 90% of this drinking water is based on ground water and they do not need any special generation besides chlorination.

Now water resource management is on the base of administrative principles in Georgia. It is less effective following the nature of water and reality that 'water does not know any borders'. Administrative model cannot provide planning effective usage of water resources within river basin on the bases of interests of water beneficiaries and also considering environmental purposes.

Georgian rivers are mainly polluted with nitrogen or sometimes with heavy metals (River Mashavera, Bolnisi Region; River Kvirila, near Chiatura and Zestafoni) and rivers of the Black Sea in Adjara Regions are polluted with oil products.

The main sources of polluting surface waters in Georgia are water supply and sewerage system, heat power engineering and industry.

Water pollutants according to the sectors are distributed as follows:

- Water supply and sewerage system - 344, 1 million cubic meter a year (67%)
- Heat power engineering - 163, 8 million cubic meter a year (31%)
- Industry - 9, 6 million cubic meter a year (2%)

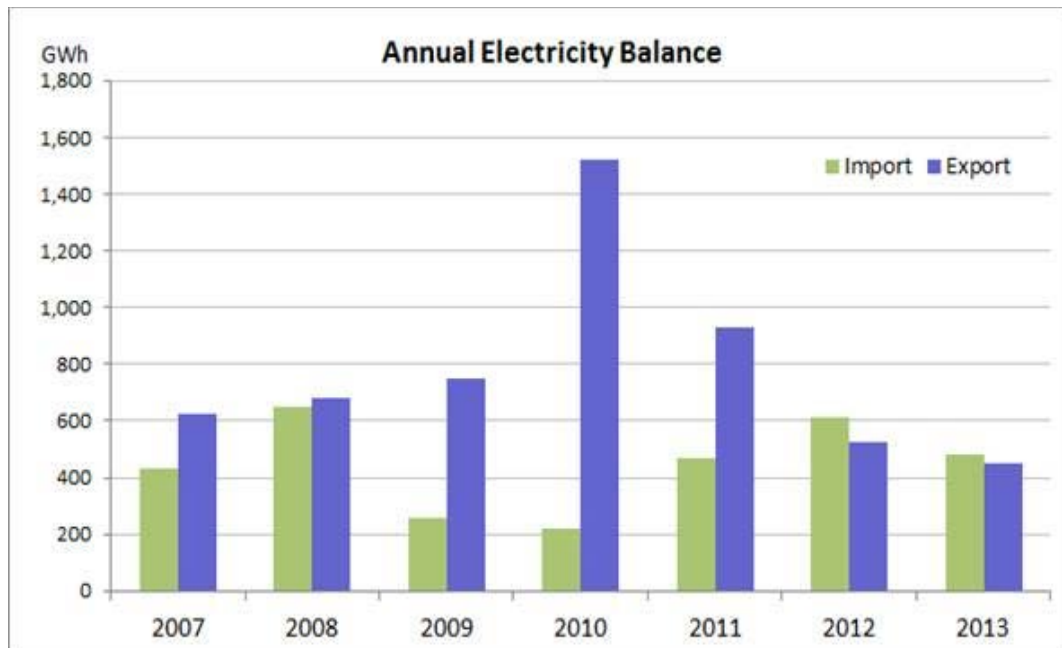
So the main pollutant for surface waters is communal sector (sewerage of towns and populated areas). Now none of the water cleaning structures can provide cleaning according to project quality. Biological cleaning of water is not available in any towns. Primary mechanic cleaning is implemented only on Tbilisi-Rustavi regional cleaning structure. As a result, there is important pollution on water objects.

6.2 Local resources

Tourism can create great pressure on local resources like energy, food, and other raw materials that may already be in short supply. Greater extraction and transport of these resources exacerbates the physical impacts associated with their exploitation. Because of the seasonal

character of the industry, many destinations have ten times more inhabitants in the high season as in the low season. A high demand is placed upon these resources to meet the high expectations tourists often have (proper heating, hot water, etc.).

Almost all rural tourism establishments (97%) register total consumption of *electrical power*, also the consumption of energy per guest is estimated. Still environment friendly alternative forms of energy practically are not used.



It is estimated that Georgia has vast water resources that are not yet fully utilized in electricity production, thus the prospects of the country's energy.

6.3 Climate change

Climate scientists now generally agree that the Earth's surface temperatures have risen steadily in recent years because of an increase in the so-called greenhouse gases in the atmosphere, which trap heat from the sun. One of the most significant of these gases is carbon dioxide (CO₂), which is generated when fossil fuels, such as coal, oil and natural gas are burned (e.g. in industry, electricity generation, and automobiles) and when there are changes in land use, such as deforestation. In the long run, accumulation of CO₂ and other greenhouse gases in the atmosphere can cause global climate change a process that may already be occurring.

Air travel itself is a major contributor to the greenhouse effect. Passenger jets are the fastest growing source of greenhouse gas emissions. The number of international travelers is expected to increase from 594 million in 1996 to 1.6 billion by 2020, adding greatly to the problem unless steps are taken to reduce emissions (WWF, 1992).

7. Protection and Preservation

Sustainable Rural Tourism can significantly contribute to environmental protection, conservation and restoration of biological diversity and sustainable use of natural resources. Because of their attractiveness, pristine sites and natural areas are identified as valuable and the need to keep the attraction alive can lead to creation of national parks and wildlife parks. In

Georgia new laws and regulations have been enacted to preserve the forest and to protect native species. The Black Sea and the marine life that depend on its cleanness (purity) for survival are also protected. The Black Sea has become an international research object on ecological systems, and the promotion and preservation of the Black Sea coast tourism industry was the main motivation for these actions.

Tourism has had a positive effect on wildlife preservation and protection efforts in Georgia, one of them is bird watching.

Bird watching - it's watching after Birds or "birding", or amateur ornithology, which includes the observation and study of birds with the unaided eye or through binoculars. In addition to visual observation this activity also involves listening to birds' singing, as many species of birds are more easily recognized by their vocalization/ phonation.

Bird watching is often considered as a hobby, as these activities pursue more entertaining than a scientific purpose. The most popular bird watching has become in Western Europe and North America.

A number of birdwatchers worldwide are annually growing, and more and more tourists travel to study birds in natural conditions of their habitats.

Most observers of the feathered travel around the world either in small groups of 6-10 people, or individually- for example, a husband and a wife. All the data (where, when and at what time, how many birds, what species) are recorded in field diaries.



Bird watching or birding is the observation of birds as a recreational activity. It can be done with the naked eye, through a visual enhancement device like binoculars and telescopes, or by listening for bird sounds. Birding often involves a significant auditory component, as many bird species are more easily detected and identified by ear

than by eye. Most birdwatchers pursue this activity mainly for recreational or social reasons, unlike ornithologists, who engage in the study of birds using more formal scientific methods.

Thousands of small and large companies worldwide are engaged in service of birdwatchers or real eco tourists. These people are characterized not only by a careful attitude to the birds, but also a special approach to the nature and nature-conservative measures (environmental protective activities). When traveling, in addition to observing the birds, they are also trying to implement their own approach to nature at a meeting with the local population. They show and explain to people how beneficial and profitable is to live in a pristine and primeval environment than in an environment mired by human influence.

8. Positive impacts

Despite its many adverse impacts, tourism can have positive impacts on both natural and artificially constructed environments, as well as on destination communities. In fact, tourism has motivated the preservation of such sensitive ecosystems as Borjomi-Kharagaiuli National Park. Furthermore, tourism that focuses on cultural and historic sites (sometimes referred to as "heritage" tourism) can be the impetus for the preservation and rehabilitation of existing historic sites, buildings, and monuments. For example, historic house in Utsera and historic

buildings has been preserved and transformed for the purpose of tourism into one of the ICCT branches.

Socially tourism has a great influence on the host societies. Tourism can be both a source of international amity, peace and understanding and a destroyer and corrupter of indigenous cultures, a source of ecological destruction, an assault of people's privacy, dignity and authenticity.

Here are possible positive effects of tourism:

- Developing positive attitudes towards each other
- Learning about each other's culture and customs
- Reducing negative perceptions and stereotypes
- Developing friendships
- Developing pride, appreciation, understanding, respect, and tolerance for each other's culture
- Increasing self-esteem of hosts and tourists
- Psychological satisfaction with interaction

So, social contacts between tourists and local people may result in mutual appreciation, understanding, tolerance, awareness, learning, family bonding respect, and liking. Residents are educated about the outside world without leaving their homes, while their visitors significantly learn about a distinctive culture. Local communities are benefited through contribution by tourism to the improvement of the social infrastructure like schools, libraries, health care institutions, internet cafes, and so on. Besides, if local culture is the base for attracting tourists to the region, it helps to preserve the local traditions and handicrafts which maybe were on the link of the extinction.

9. Sources of ecotourism revenue

As a business, ecotourism is aimed at revenue generation. However, PAs and remote nature areas in the South Caucasus are still gaining little from eco-tourism, with a few exceptions, such as Borjomi-Kharagauli National Park in Georgia, where income has risen with increased visitor numbers and better services.

Many private operators and organized tour groups oppose the increase or even the establishment of entrance fees and other non-service charges for PAs. They argue that increases should be accompanied by improved services and greater transparency, in terms of how the money is spent on safeguarding the environment and enhancing the visitor experience. These concerns need to be taken on board by PA administrations when considering entrance fee policy. Thus, tourism can contribute directly to the conservation of sensitive areas and habitat. Revenue from park-entrance fees and similar sources can be allocated specifically to pay for the protection and management of environmentally sensitive areas. Special fees for park operations or conservation activities can be collected from tourists or tour operators.

10. Regulatory Measures

Regulatory measures help offset negative impacts; for instance, controls on the number of tourist activities and movement of visitors within protected areas can limit impacts on the ecosystem and help maintain the integrity and vitality of the site. Such limits can also reduce



the negative impacts on resources. Limits should be established after the analysis of the maximum sustainable visitor capacity.

Environmental problems cannot be resolved quickly. High future remediation costs can be avoided by making the right decisions now. Long-term goals require the successful and timely implementation of short-term activities. Many environmental problems are inter-related and need an integral approach.

Therefore, a comprehensive national plan is an important tool for addressing the most acute environmental problems and setting the national agenda for cost-effective improvement of the environment and meaningful protection of the natural resources of Georgia. This plan is the National Environmental Action Program 2 for 2012-2016 (NEAP-2). Long-term goals, short-term targets and respective activities are presented in NEAP-2 for eleven themes.

Many achievements have been accomplished in this regard, but there are still serious problems and due to low environmental awareness of local population there are still many environmental problems in various regions.

Tourism creates catastrophic effects for the environment all over the world, and this collapse condition can extinguish regional collaboration and communication. Everybody should be conscious about the negative impact of tourism and take the proper steps to lessen the problem specially each government of every country and international authority in regarding of tourism industry. Besides the abovementioned functions, sustainable rural tourism could perform other functions such as giving small-income families the possibility of spending holidays in ecologically clean areas, decreasing unemployment levels, popularization and use of traditional, ecologically sustainable forms of farming and many more.

The future of Georgian rural tourism is inextricably linked to the quality of the environment. Our scenic landscapes, coastline, rivers and lakes, and cultural heritage are the bedrock upon which Irish tourism has been built. The economic viability and competitiveness of the Georgian tourism industry can only be sustained if the quality of these resources is maintained. Now, more than ever, Georgia's tourism industry relies on strong and appropriate environmental policies.

Let us appeal to the public by joint efforts with eco-tourists: **"People! Let us take care of Ecology to preserve the environment for future generations"**.

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Chapter 13. “Education as a guarantee for tourism development”

Content

- 1. Introduction**
- 2. Education system in Georgia**
- 3. Education-tourism correlation**
- 4. Tourism development prerequisites in Georgia**
- 5. Conclusion**

1. Introduction

Nowadays, the tourism industry has become the most attractive direction of business.

Tourism industry with the changes over the last decade coupled with the changes in education have seen the confluence of these two industries with learning becoming an important part of the tourist experience and education facilitating. Therefore education is a very vital option in the development of tourism industry.

Education is designed to guide the society in learning a culture, moulding the behavioural pattern of the society and putting a society on the right direction. With time, society has become more attracted with education and it also began to formulate the overall objective, content, organization and strategies of education. In this manner, education as a district disciple came into being and it is constantly been defined and redefined in various countries to meet the national goals and aspirations.

1.1 Tourism history in Georgia

As in many other countries tourism is one of the fastest growing economic sectors in Georgia – total contributions accounting for 23.5% of Gross Domestic Product (GDP) and 20.1% of total direct and indirect employment in 2015. The sector also currently provides as much as 36.4% of total export earnings. From adventure tourism to discovering the art of wine making, Georgia has something to delight every visitor. Take advantage of the cheapest hill-skiing in Europe, or tour some of the finest medieval architecture in the world, delve into ancient, subterranean cave cities, or relax at world class beach resorts - in Georgia, everything is possible.

In 2014 at the annual meeting UNWTO Secretary General, Taleb Rafai highlighted Georgia as positive international tourism trends and called the country the "rising star."

A land of endless wonders and still retaining its authentic character – Georgia. Once experienced, it will stay with you forever. Exploring Georgia is a constant pleasure. For walkers and hikers the country is sheer heaven, while botanists and bird-watchers will be simply enthralled and archaeologists can't decide which of the numerous ancient findings to visit first.



With the towering Caucasus Mountains forming the border between Europe and Asia, Georgia has long been an important contact zone. In this mystical land you will be captivated by a thrilling blend of eastern enigma and western elegance. The traditions of the East and West meet in Georgia to form a culture unlike any other in the world. Today Georgia is well-known as a touristic country around the world. It has one of the world's richest and oldest histories.

With its favourable geographic location Georgia has always been a connecting link between Europe and Asia, traversed by many routes including the famous Silk Road. This most important pre-modern trade road linking China with the West diverged into northern and southern routes, the northern one passing through Georgia. Nowadays Silk Road still starts functioning and On December 13, 2016 the first transit train from China arrived to a station in Georgia, thus marking the opening of the "Silk Railroad." The train's arrival was met with a celebratory ceremony.

Therefore shows and exhibitions, held in Georgia, are the perfect stage for presentation of advanced goods and best services of our time as well as acquaintance with various products of local and global manufacturers. Annually hundreds of companies from all over the world take part in various international Georgia trade shows leading to the improvement of export and import in the region and to the increase of production efficiency and service sector. In Georgia cities there are a lot of hotels of various service levels, which can accommodate a great number of participants and guests of exhibitions.



1.2 About our organization

Education and tourism development is one of main priorities of **International Center for Caucasus Tourism, ICCT, Georgia**. ICCT is a non-governmental, non-for-profit organization, founded in 2007 by the group of experts working in the spheres of sustainable rural tourism, environmental protection, and nature conservation, vocational and adult education.

Reports and presentation dedicated to all spheres of tourism in Georgia were shared at many international conferences, seminars, workshops held in various countries.

ICCT together with our partners work for raising awareness among the people in our and also in partner countries. Our organization often conducts educational trainings and workshops which are aimed to give education to people for tourism development



3. Education system in Georgia

Georgia has been a leader in education, traditionally showing positive student learning outcomes on par with other countries in the region. This is partly rooted in the fact that, with limited natural resources, the country's economy is highly dependent on its human capital. Recent years in Georgia have marked a decline in school quality and efficiency but also some innovative education reforms that could serve to reverse negative trends.

Georgians have very high standards and expectations for education. Governments have endeavoured to improve the quality and efficiency of the system. To support Georgia in its ongoing efforts, the World Bank recently carried out a comprehensive study of the country's education system and identified a comprehensive set of recommendations that can provide strategic direction going forward.

The education system of Georgia has undergone sweeping modernizing, although controversial, reforms since 2004. Education in Georgia is mandatory for all children aged 6–14. The school system is divided into elementary (6 years; age level 6–12), basic (3 years; age level 12–15), and secondary (3 years; age level 15–18), or alternatively vocational studies (2 years). Students with a secondary school certificate have access to higher education.

Most of these institutions offer three levels of study: a Bachelor's Program (3–4 years); a Master's Program (2 years), and a Doctoral Program (3 years). Education system divided into following parts in Georgia:

- **Primary** (Elementary School)
- **Middle** (Basic Education)
- **Secondary** (Secondary Education, Vocational Education)
- **Post-secondary** (Technical/Vocational Education)
- **Tertiary** (University Education-Bachelor, Master, Doctorate degree)

Several important education reforms have been implemented in Georgia over the past decade, leading to improvements in transparency and efficiency in the sector.

Georgia's prospects to compete in the global economy will largely depend on its ability to produce a highly-skilled workforce via improved teaching and learning. There are more than 20 state higher education institutions in Georgia and many more private ones too. All follow the traditional model of bachelor's, master's and doctorate degrees.

Also the Ministry of Education and Science of Georgia actually implement reforms for developing vocational education in tourism. They have created special strategy for Vocational Tourism development. The Strategy embodies the principles of inclusive education, human and child rights and gender equality. It considers access to education and the opportunities of VET to be a right of all segments of the population, regardless of social or economic grouping, or geographic location within the state of Georgia.

3.1 Tourism Faculties in Georgian Universities

Tourism faculty is one of the most popular faculties in Georgia; therefore here are a lot of activities which are organized by Georgian Universities for the promotion of this sphere.

For example one of the leading university **Ilia State University** offer students a lot of opportunity for their future development. At this university there is functioning Tourism Management Centre which conducts Bachelor's and Master's degree programs in Tourism Management.

In recent years, a lot of interesting projects have been implemented in this direction;

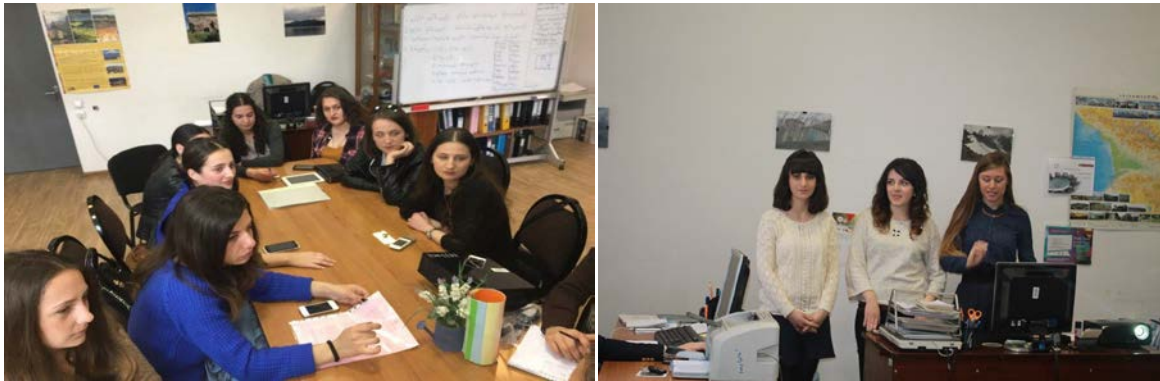
The centre has tight contacts with European universities, with whom they carry student's exchange programs: Vilnius University (VIKO); Poland's Adam Mickiewicz University.

In addition to Bachelor's and Master's degree programs, the Tourism Management Centre offers everyone the open enrolment courses in Cultural resources and heritage tourism, Tour guiding, Hotel and Business travel management.

Also there is functioning student's tourism club where all students can join and implement their ideas. "ISU Tourism Club" is the ISU Business School-based club, which is a significant contribution to student life.

Their main goals are to:

- Activate student life
- Give the students theoretical knowledge and also practice opportunities
- Raise Tourism importance awareness among students
- Develop new innovating directions in Tourism sphere
- Promote Sustainable tourism development



Another leader university which call **University of Georgia (UG)** offers student high quality education and special activities for tourism development, which include outdoor studies and excursions all around the Georgia with qualified lecturers. They have their summer camp where students who have desire can take part in researches and trainings.

University of Georgia (UG) often conducts conferences which are related to tourism. Beside this, they have Tourism Geoinformation Centre which organizes tours abroad.



“Education, Work and Freedom” are the main priorities in **Georgian Agricultural University**. This university gives its students appropriate knowledge and opportunity to work with well-qualified lecturers. One of the main goals of this university is to give their students good quality education and practice in Tourism. Therefore this university often organize field Trips and also they have special campus where they organize meetings with tourism representatives and conduct public lectures and conferences about tourism.



Nowadays almost every university in Georgia offers their students high quality education in every sphere and among them Tourism is one of the leading issue.

3.2 The main obstacles in Georgian tourism education system

Today Georgian tourism education system still has obstacles which are caused by shortage of financial resources and limited institutional capacity. When Georgia's education system is compared with those of the world's leading countries, several weaknesses stand out. The way to resolve this problem is that Georgia's government has to propose ways to address those challenges and outlines overall directions for a concrete action plan – which will be taken into consideration by when planning state budgets for the coming years.

4. Education-tourism correlation

At first glance, it is difficult to rate relationship between two important coordinates socioeconomic measurable in any economy: tourism and education, but it is clear that this relationship is interdependent and proportionate. Changes in the tourism industry facilitate today a type of education, which means learning through direct experience, lifelong learning and the ability to use theoretical procurement practice. In fact, tourism has been awarded an educational role since ancient times by great civilizations. Thus, development of tourism contribute to the provision of tourist destinations that tourists and provide a degree of knowledge areas, settlements, their history, positive models of behavior, patterns of heroes, successful models, etc. The contribution of tourism to increase awareness can be achieved by:

- Contact with new cultures, traditions and customs;
- Avoid conflicts of social / environmental
- Respect for the specificity and local traditions;
- Respect the environment by moving within protected areas;
- Teambuilding's practice;
- Attention, care, volunteering, sensitivity, respect.

Increasing number of tourists in a region increases employment, infrastructure development, the educational offer for the preparation of specialists in this field. Thus, through summer schools, the language courses in educational institutions abroad, in camps and trips or educational tours organizing theme, individuals generally can strengthen knowledge, to develop practical skills and positive attitude, creative and innovative. In some cases, tourism helps increase awareness about the value of local heritage, encourages social involvement and pride of the host population and a resulting interest in its preservation. On the other hand, the educational process as a result of development of society in general, helped develop a new category of tourists made up of young students, professors, diplomats and officials who went to "travel knowledge" of new lands and experiences. In fact, all forms of tourism have developed the desire for knowledge and education manifested over time by various civilizations. Tourists educated are those who create positive effects in that they are aware of the values they encounter in their travels, participates in the development areas, without disturbing or negative change in local life. It is worthy to mention the development of Guides Schools establishment in many cities of Georgia. Apart from special courses the listeners are offered special curriculum of English Language, mostly dealt with commutative skills.

5. Tourism development prerequisites in Georgia

It may be somewhat surprising; therefore, that Georgia has only recently developed a long-term strategy for its tourism industry. For many years, the country had a vision, certainly – but not yet a clear and well-designed strategy that it could implement and monitor.

The country's tourism strategy was developed by the Government of Georgia over the course of one year with support from the World Bank Group to all tourism stakeholders. The entire process involved an extensive consultation process and in-depth dialogue with a wide range of organizations and individuals from national and local governments, tour operators, investors, protected areas and heritage site managers, hotel owners, tourism educators, and citizens representing all walks of life.

Tourism development prerequisites depend on these main strategic objectives in Georgia:

- Respect, enhance, and protect Georgia's natural and cultural heritage
- Create unique and authentic visitor experiences centered on those natural and cultural assets
- Enhance competitiveness, through delivery of world-class visitor services
- Attract higher spending markets, through increased and more effective marketing and promotion
- Expand and enhance Georgia's ability to collect and analyze tourism data and measure industry performance
- Expand public and private sector investment in the tourism sector
- Enhance the business environment, to facilitate increased foreign and domestic investment
- Build partnerships between government, industry, non-governmental organizations, and communities that will be needed to achieve all of the above.

Georgia will be at the forefront of tourism competitiveness, through strategic investments in infrastructure, education, marketing, and the development of unique Georgian visitor experiences that appeal to high-value markets around the globe.

6. Conclusion

In conclusion, through tourism, people make contact with different cultures, civilizations, the desire to learn, know, being reciprocal of the tourists and the host population. According to this theory, as tourism becomes an educational process which helps to maintain peace. Tourism contributes to the preservation and transmission of local traditions, the conservation and sustainable management of natural resources, cultural, historical, representing the chance to protect the local heritage, the revitalization of native cultures, the arts and traditional crafts.

Moreover, education is the main key for tourism development, because this is a factor of social promotion, to improve life conditions and guide for creating handicrafts, for agricultural production, for the development of local lifestyle, is an open mind, is an evolution of mentalities. Thus, tourism through education can be, great chance in the vast process of unification, allowing people to get closer, to know each other, to discover other peers novelty



of life and culture, to save the natural and cultural heritage. Finally, one of the most important issue is to develop sustainability and education is one of the powerful tool for implementation of this process.

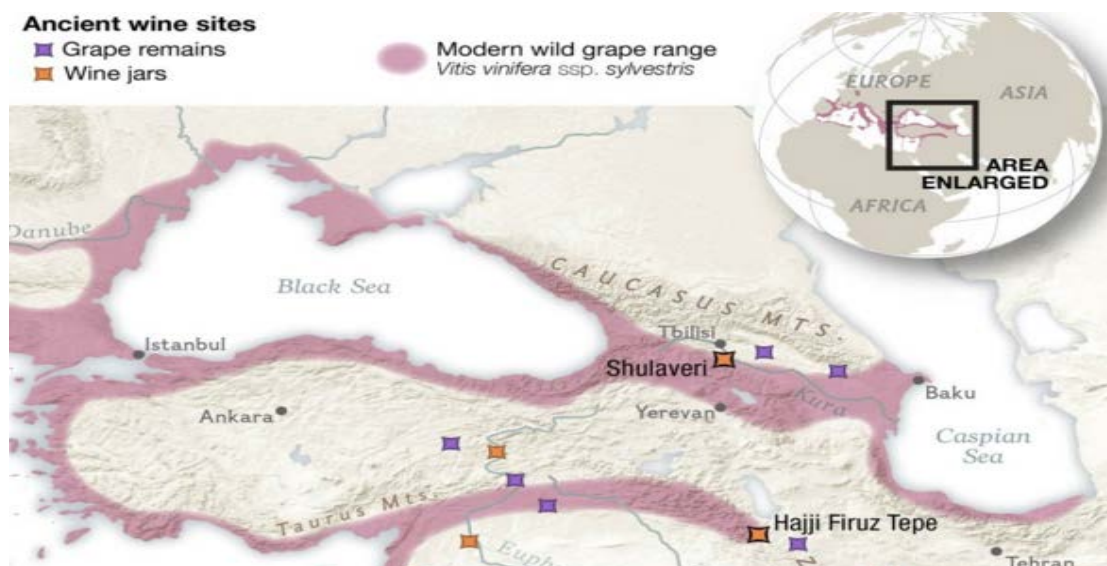
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Chapter 14. The World of Wine: How to Taste & Select a Quality

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2. An Introduction to Georgian Wine
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Georgia is a Cradle of wine

Many believe Georgia is a Cradle of wine and soon it will be scientifically proved.

The first result of models sent into the NASA laboratory showed a wine acid remain was discovered in one model, which is consider as mark of European vine. The second parts of models are already sent and research will finish in December. Declaring Georgia as birthplace of wine will be most important phenomena, which will rise in interests in the world about Georgia.

Several international scientific centers, such as a laboratory of NASA, Pennsylvania State University, University of Montpellier, University of Milan, are also involved in the project. The National Aeronautics and Space Administration of the United States (NASA) is helping Georgia to determine if Georgia is birthplace of wine. Along with NASA several international scientific centers, such as Pennsylvania State University, University of Montpellier, University of Milan, were also involved in the project.

The head of the Viticulture Department of the National Wine Agency, David Magradze said the [final result would be known in 2016](#), although it was initially planned for December 2015.

Magradze explained the first result of models sent into the NASA laboratory showed a wine acid remain was discovered in one model, which was consider as mark of European vine. The second parts of models have been already sent into the NASA laboratory and the results will be published this year.

“Declaring Georgia as birthplace of wine will be most important phenomena, which will rise in interests in the world about Georgia,” Magradze said.

Georgian Government started working on the project in January 2014.

The Georgian side expected a lot of material would prove that grape vine domestication and wine production had started in Georgia.

An Introduction to Georgian Wine



" Rkatsiteli, kisi, saperavi, ojaleshi. You might not have heard of them, but they're already listed on some of the trendiest wine lists in town, from Compass Rose to Red Hen. They're Georgian wines and they're worth seeking out.

Georgia may well be the birthplace of wine. Evidence shows that people living near the Caucasus Mountains have been fermenting grapes into wine for approximately 8,000 years, longer than anywhere else on the planet. Families all over Georgia maintain their own small vineyards and make wine at home, downing hundreds of liters a year at feasts celebrating everything from births and weddings to birthdays and appliance purchases," [Dcist.com](#) reports.

Saperavi grape

"With its mild climate and long history of viticulture, Georgia (along with Moldova) once produced most of the wine consumed in the Soviet Union. Mass production collapsed along with the USSR, but out of its ashes rose a new generation of winemakers using traditional methods to create high-quality wines for a niche market.



They're unusual, fun to say, and good to drink. Here's what you need to know:

The grapes: Georgia is home to more than 500 different native grapes, a fact its winemakers take fierce pride in. Unlike many of their eastern European neighbors, Georgians never bothered planting western European varieties like cabernet or merlot—after all, why would you drink a Georgian cabernet when you could have a French one? Their grapes (and the wines they turn into) run the gamut from light and sweet to bold and meaty.



The technique: Many of the Georgian wines we're seeing in D.C. are made using traditional methods that differ substantially from those used in most European and American wineries.

The grape juice is fermented in huge clay vessels (called qvevri) that are lined with beeswax and buried underground where the temperature is constant. These replace stainless steel tanks and oak barrels (though some Georgian winemakers finish qvevri wines in oak). Winemakers

producing qvevri wines typically rely on wild yeasts found naturally on the grape skins and in the air to jumpstart fermentation.

Kvevri by Alex Imedashvili

The color: There are plenty of Georgian whites and reds, but you'll also see a lot of Georgian wines listed on menus as "orange" or "amber."

The color of a wine comes less from the juice of the grapes than from their skins. Red wine is red not because the grape juice is naturally so dark.

Kakheti among world's top 10 wine regions you should visit

The juice of most red grapes is fairly transparent, in fact, but because it was fermented along



with the reddish skins, which bleed their color into the juice. Rose is red wine that was fermented with a shorter period of "skin contact." In the West, white wine is typically made without any skin contact, so the wine turns out transparent. But if you ferment the juice of white grapes along with their skins, you get orange (also known as amber) wine. In addition to providing color, the grape skins and stems make amber wines tannic, that dry,

grippy quality found in some red wines and in green tea.

Orange (Amber) wine



The taste: It all depends on the grape and the way the wine was produced. Georgian wines run the gamut from light and fruity to blood-red, full bodied powerhouses.

If you like dry, full-bodied reds (like cabernet), try saperavi. If you like a lighter body (like a pinot noir), look for tavkveri.

If you like sweeter reds, try ojaleshi (which can have a nice black pepper kick on the finish) or kindzmarauli. If you like crisp whites, try mtsvane or tsinandali. If you like softer, fruitier whites, try

tsolikouri.

Mtsvane (Green) wine

If you're looking for something out of the ordinary, go with an amber wine. With their savory, wild, farmhouse flavors, they are the most unusual for the western palate. Their tannins give them enough backbone to pair well with foods that would overwhelm most other white wines, like grilled pork and winter stews. They're also a great choice to drink with East Asian dishes.



In honor of Georgian Wine Month in October, Compass Rose (1346 T St. NW) rolled out an amber wine list, featuring six wines fermented in the qvevri style. Maria Bastasch, general manager at Compass

Rose, says these wines excite her for the versatility of food pairings they allow and how much they evolve over the course of the meal. "We encourage people to have a sip, let the wine sit for a while, and then try it halfway through the meal. It's amazing how much they change."

Georgian clay vessel qvevri buried underground



Where to find them: Compass Rose offers at least half a dozen Georgian wines by the glass and by the bottle at any given time. They also make cocktails featuring Georgian sparkling wine and chacha (Georgian grappa). Red Hen (1822 1st St. NW) regularly features Georgian wines in the "orange" section of its list. Iron Gate (1734 N St. NW) recently started offering Georgian selections. You can also pair your Japanese small plates with Georgian tipples at Daikaya (705 6th St. NW).

For Georgian wine to take home, visit Batch 13 wine shop (1724 14th St. NW), this is Georgian-owned and operated. There's also a decent selection of Georgian bottles at Potomac

Wines and Spirits (3100 M St. NW), Rodman's (5100 Wisconsin Ave. NW), and Cleveland Park Wine and Spirits (3423 Connecticut Ave. NW),"the article reads.

Forget Red, White, and Rosé - Orange Wine Is What You Should Be Sipping This Fall



“Five years ago marked the entrance of “orange wine”—an obscure category that has stirred some very vocal proponents and riled some very vocal detractors—into the international wine scene”, **VOGUE** reports.

“Though the style has been produced for quite some time, the “orange” description was purportedly coined in 2004 by a U.K.-based wine importer who encountered a bottle in winemaker Frank Cornelissen’s cellar in Sicily. It refers to certain white wines (yes, they’re made from white grapes) that fall somewhere on the color spectrum of fall foliage. Their flavors also have great autumnal appeal, since many can be downright and broodingly earthy. Orange wine has become somewhat of a derogatory term amongst sommeliers, and some restaurants have taken to listing them as amber, which is a more accurate description of color in many cases. “I prefer skin-fermented,” says Master Sommelier Pascaline Lepeltier of NYC’s soon-to-reopen Rouge Tomate, referring to the method by which the wine is made: fermented on the skins, or “macerated,” the same way a red wine obtains its color and texture.

Think of the wine like tea, with maceration akin to steeping. The longer it macerates, the more character, depth of color, tannins, and bitterness is extracted. It’s the way whites were made in ancient times, before the advent of stainless steel tanks, pumps, and filtration systems. Some producers today are even producing orange wines in clay vessels called amphorae, which are dug into the ground to protect the wine from oxidation, light, and temperature fluctuations. Sure, orange wines can be challenging for those not used to so much texture in their whites, and some may seem like hippie wines: made in strangely rustic ways, showing their bumps, bruises, and the signature of the winemakers who loved them. But the best examples prove that skin contact can amplify flavors where conventional white winemaking would distill them down to their essence. They’re great if you’re in a bind for something to pair with funkier fare—like sweetbreads, chicken liver mousse, or game birds—as well as with the autumnal bounty of your fall dinner table. It’s a tradition that is still very much alive in Eastern Europe, like in Georgia, where Lepeltier recently traveled to study up on the technique, and has slowly but surely migrated west and even into the New World, with several prominent wineries in California now practicing skin-fermentation", the article reads.

Georgian orange wine is already quite popular and is listed among the must-try wines produced in Slovenia, Italy and California.



2013 Iago's Wine Chinuri Kartli, Republic of Georgia; \$19

"Iago Bitarishvili founded his winery in 2003 to realize his dream of making wine in the traditional homespun way of his region. So he crushes his organically grown chinuri grapes in a large, hollowed-out log and empties the resulting juice and skins into earthenware vessels called qvevri, which then remain buried in the ground for six months. It may sound like alchemy, but the result is a fascinating mouthful: pear, autumn honey, buckwheat, and eastern spices, with the structure of a red wine built for aging. Try it with hard cheeses and charcuterie or more substantial vegetarian fare

like bitter greens and eggplant", **VOGUE** reports.

Why should you get to know Georgian wines? Because they're exciting - Washington Post

The Washington Post has just recently published an article on Georgian wines by Dave McIntyre. The article tells the readers why they should get acquainted with Georgian wines. Among the reasons listed by the author, one stands out in particular - they are simply exciting. Here is the article itself:

"We tend to think of the classic vinifera wine grape varieties as European, meaning French, Italian and Spanish. But vinifera's origin lies to the east, in the Caucasus region: where Europe and Asia intersect, where ancient trade routes crisscrossed the mountains between the Black Sea and Persia, and near where the Bible says Noah planted a vineyard after the ark settled on Mount Ararat. This is where the oldest archaeological evidence of wine production, vinifera seeds in clay vessels, was found. Both Georgia and Armenia claim to be wine's homeland, as borders have been fluid between antiquity and now. But let's tip our hats to Georgia as the origin of wine, if only because more of its wines are available now in the United States.



And Georgia's wines are exciting. The country offers everything a modern wine geek could ask for: native vinifera grape varieties grown almost nowhere else; modern-style wines that capture those grapes' fruity flavors; and wines fermented the way Georgians have done it for centuries, offering us a taste of the past. It doesn't hurt that the old style has become trendy. Even better: The wines are not expensive.

"Georgia is a small country with a tiny production but an image and potential that far exceed its size," said Lisa Granik, a master of wine, during a presentation of Georgian wines at Vinexpo, an international trade fair held in Bordeaux, France, in June.

Much of Georgia's image and popularity comes from its ancient practice of fermenting wine in qvevri, clay vessels buried underground. Most modern white wines are made by quickly separating the pressed juice from the grapes' skins, stems and seeds. In the ancient method, the juice, skins, stems and seeds go into the qvevri to ferment together. The result can be deeply colored, oxidized and tannic, with some of the features of red wines. Winemakers often describe this method (whether using clay vessels or not) as "making white wine as if it were red."

Skin-fermented whites are trendy today as "orange wines," although Mamuka Tsereteli, a Georgian native who imports wines from his homeland into the Washington area, prefers to call them "amber wines." They aren't very citrusy, after all.

"Georgia has nearly 500 native grape varieties," Tsereteli explained to me while we tasted some of his imports at Batch 13, a wine store on 14th Street NW owned by George Grigolia, a fellow Georgian. Tsereteli's company, the Georgian Wine House, imports Georgian wines distributed in the District, Maryland, Virginia and five other states.

Georgia's main wine region is Kakheti, in the eastern part of the country, where the Caucasus mountains stretch from northwest to southeast. Although wine is grown throughout most of the country, Tsereteli said, farther west toward the Black Sea the landscape is flatter and sandier, less amenable to high-quality grape growing.

The most common grapes in wines imported to the United States are Rkatsiteli and Mtsvane among whites, and the red Saperavi. (Each letter is pronounced, more or less, so the names are not as difficult as they look.) Made in the modern style, the whites are crisp and fruity; made as amber wines, they tend to be rich and full-bodied.

Reds made in qvevri in the ancient style can be sweet, because in cooler temperatures the fermentation might stop before all the grape sugar is converted to alcohol. Because sweet reds are in vogue nowadays, these wines should find a market. Saperavi can also be quite savory, with tobacco leaf and dark-fruit flavors. In texture and taste, it resembles a cabernet franc from the Loire Valley in France. But a good saperavi, like most Georgian wines, has what wines from anywhere else don't have: a taste that spans centuries of history, and a whiff of ancient origins", reads the article.

Georgian wine listed among 13 best orange wines worldwide

A large variety of Georgian wines has gained worldwide popularity and recognition. This time the so-called Georgian orange wine is in the center of attention. **The Independent** has published a list of 13 best orange wines that include Georgian wine as well.



"Orange wines – so named because of their colour rather than their contents – are white wines made using the same principles and methods as red. The skins are left on, producing tannins and leaving the wine spicier, herbier and drier than most. Made by small, dedicated producers, most of them don't come cheap, but their fame is spreading.

Tbilvino Qvevris 2011: £9, marksandspencer.com

M&S has entered the market with a medium-priced Georgian wine produced by fermenting the grape juice and skins in large clay jars known as Qvevri. Dry, spicy and a good match for a seafood platter, the price tag also makes it a good one to start with.



Ramaz Nikoladze Tsolikouri 2013: £21, winebear.com

This comes from a small vineyard in western Georgia where the vines are up to 100 years old. The grape juice is put into one qvevri (or amphora) for six months to ferment and then racked up in a second for up to a year. A spicy floral finish with hints of dried fruit.



Georgian wine a favorite at Decanter World Wine Awards 2015



Georgian wine has been recognized and praised at the 2015 Decanter World Wine Awards (DWWA), the world's largest and most influential wine competition.

While celebrating the event's 40th anniversary, DWWA judges selected their [favorite wines of 2015](#), among them was the Georgian Tsolikouri wine variety.

Georgian wine was recommended by food, wine and travel writer and photographer Carla Capalbo.

"I love wines that make you question the status quo. This beautiful, amber-coloured white is made – as many of Georgia's best wines are – in a qvevri (large traditional clay vessels buried in the ground)," she wrote.

"Ramaz Nicoladze produces it from 100-year-old Tsolikouri vines in the Imereti hills of central Georgia, with three months of stem-free skin contact.

"The wine's exotic notes of spice, apricots and tea ride with exciting energy to a finely tannic, elegant finale and go just wonderfully with food," Capalbo added.

Italian, Portuguese, South African and Australian wines were also among the favorite wines chosen by the judges.

GEORGIAN WINE



Wine has been produced in what is now called the Republic of Georgia for thousands of years, making it one of the oldest wine-producing countries in the world. It's situated between the Caucasus Mountains and the Black Sea, at the crossroads of Eastern and Western Europe, bordering Russia, Turkey, Armenia, and Azerbaijan. Many native grape varieties existed in the country sides, and were eventually used for wine. In Georgia, a country with rich culture of wine-growing and wine-making, the tradition of using the geographical name of the place of origin as the appellation of a wine has a long history. Although the territory of Georgia is not large, the number of these appellations is nevertheless significant. Each of them is distinguished by special characteristics, high quality and reputation, which is influenced by the unique environmental conditions of Georgia. 9000 year-old archeological findings indicate wine production, and the Georgian word "ghvino" is said to be the root of "vin," "vino," and eventually, "wine." With an unbroken history of over 8,000 vintages, our country is believed to be the cradle of wine: the birthplace of many prominent grape varieties now cultivated around the world. Here, wine is central to life, culture and religious symbolism: the original Georgian Cross is said to be composed of grapevines.

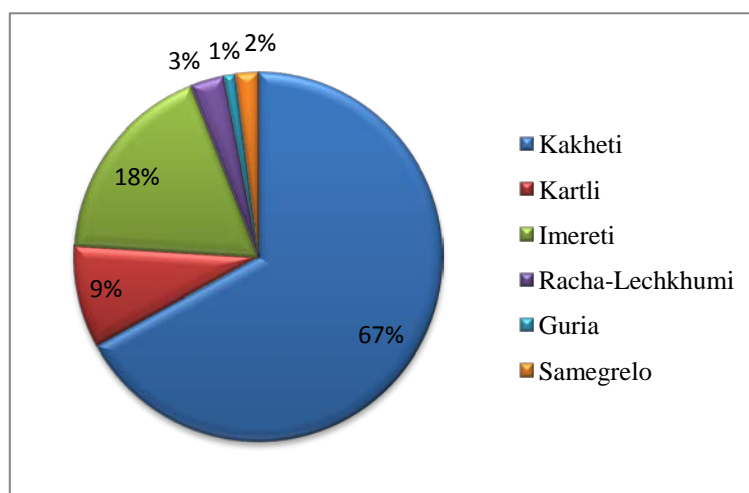


Fig. 1. Distribution of vineyard areas in Georgia

Wine production continued through the centuries as empires grew and nations claimed territories. In the 6th century, the Ikhaltio monastery and academy was founded near Telavi.

With wine production playing an important role in the newly-founded Christian religion, Ikhalto became an important center of viticulture and even established a wine academy. Georgia became a largely Christian nation and as a result, was mostly left alone during the Crusades. During the Ottoman occupation starting in the 11th century, most of this part of the world was sent into prohibition according to Muslim law. But Georgia was able to continue most of its wine production because the rules made allowances for Christian sacramental wines.

Georgian wines abounded until the worldwide *Phylloxera* epidemic, after which it languished for a couple of decades. When it became part of the USSR, wine-making efforts were enforced to supply Russia and the other Soviet nations. Though Georgia officially gained independence in 1991, relations with Russia have been contentious. In 2006, Russia enforced a lasting ban on Georgian wines, which has had a profound effect on the industry. New export markets are continuing to be explored, especially in the US and UK. Georgia already suffered from a poor economy, and commercial wine is often considered too pricey for local consumers, who often prefer to make their own wine. This “backyard wine” is produced by crushing every part of the grape, seeds, skins, and all, and placing this into large earthenware amphorae called “quevri,” then buried up to the neck in soil and sealed with wax. Nothing else is added; the fermentation occurs between the wild grape yeasts and temperatures of the earth the quevri are buried in. They are unsealed and consumed months later.

Despite marketing obstacles, wine is still produced in almost the entire republic, save the areas in the remote highlands. It is broken down into five main viticultural zones: Kakheti, Kartli, Imereti, Racha-Lechkumi, and the Black Sea Coast.

The leading grapes in Georgia are the white Rkatsiteli and red Saperavi. Other popular indigenous grapes are Kakhuri, Alexandrouli, Aladsturi, Keduretuli, Ojaleshi, and Usakhelouri for reds. Whites consist mainly of Chinuri, Mtsvani, Tetra, Tsitska, and Tsolikouri. Popular international varieties such as Cabernet Sauvignon, Merlot, etc. are also cultivated in Georgia, often blended with local grapes.



As interest in natural and artisan wine making increases, a great deal of attention has recently been falling on Georgia's ancient tradition of quevri wine-making. This method of wine-making dates back over 7000 years, and the Georgians are currently seeking to give it special protected heritage status through UNESCO. Quevris are not the same as amphora – firstly, they are much larger, and are buried in the ground up their neck, to preserve a stable temperature. Secondly, the entire wine making process takes place within the quevri – initial fermentation right through to maturation, with the fermenting grape juice often being left on the skins and even grape stems to produce wines of exceptional flavour and complexity. Quevris are used differently in different areas of Georgia, often depending on the climate of the region. As the regions get hotter the more skins and stems tend to be fermented with the grapes – if stems were left in the wine in the cooler regions it would produce wines that were far too “green” and harsh.



Installing Quevri at the winery



Quevri once buried in the ground

One of Georgia's other great wine making traditions, which one cannot help noticing when coming across these wines for the first time, is its semi sweet wines, which appear in both red and white varieties. The Georgian Wine Society stocks a number of these wines, including the famous Kindzmarauli, the less well known but highly regarded varieties of Ojaleshi and Pirosmeni, and the magisterial Khvanchkara, the favourite wine of one of Georgia's most infamous sons, Joseph Stalin.

Traditionally, medium sweet wines were produced in the mountainous areas where, due to climate and soil conditions, late harvest and early winter prevented fermentation and the wine stayed sweet. This type of wine was therefore generally used for local and quick consumption, because in spring, when the temperature rose, the wines tended to re-ferment and spoil. Nowadays, famous Georgian semi-sweet wines such as Kindzmarauli and Khvanchkara tend to be created within temperature controlled fermentation tanks at the winery to preserve their higher sugar content.

FIVE WAYS TO SPOT A GOOD WINE

Everything you need to know to find that perfect bottle



Here's a shocker: Good wine is neither expensive, nor old. So how do you know what makes for a good bottle of vino? Well, for starters, it's deep, complex and stays with you long after you've tasted it. You're saying, "but there are so many. How do I choose?" The general tasting rules of swirl, sniff and sip are a start, but there's more to learn when determining if a wine is worthy of your taste buds and cash. We went to the experts to find out exactly what to look for.

Check Out the Backside



First appearance isn't everything. Front labels can be enticing, but check out the full package before you purchase. Read back labels for more information about a wine. Sometimes there are

some clues about the wine like fruits, flavors, the aging process, importers and region. Keep an eye out for any stamps of approval like awards or reviews—all signs of a good wine. Go ahead and ask for recommendations. Don't be shy! "Ask the wine steward or a friend for a recommendation to help make your selection," says Peter Click, president and founder of The Click Wine Group (Fat Bastard Wines). "If you're on a date, chances are the woman across the table will appreciate your humility, vulnerability and security to ask for help from a trusted expert."

Scent of Attraction



Swirl and sniff. Here's where two rules of tasting 101 come into play. Does it have nice legs? You know those slender lines of liquid that slowly drip down the sides of the glass. Legs mean little when it comes to a good wine, but it can clue you in on its alcohol content. Sniff. What do you smell? Honey? Peppers? Apple? Oak? Chances are, the more you smell, the better the wine may taste. "Juicy impressions of three types of fruit or aromas of three things (that you like) the nose knows," says wine industry veteran Tim McDonald. "I am a big believer of sniffing and swirling; the taste is confirming what you sense. Good [wine] is the combo of all of it, the sum of the parts. If you think it's bad, it probably is."

Use Your Tongue



Sound sexy? Well it is, but focus. Once you've swirled and sniffed your way around the glass, go in for the sip. Let the liquid move around your tongue. Do you taste dark cherries, grapefruit? Use your taste buds to figure out how many different flavors you can pick up on. Hint: as long as it's in balance and isn't putrid-smelling, the more you can taste the more complex the wine. When all of the flavors stay on your tongue for some time, even better! "If the wine's fruit flavors (think plums, blackberry, cherry, raspberry, citrus, melon, peach) dance across your tongue and the finish lingers you know you've got a complex and balanced wine," says Click.

Get its Digits



Good vintage. If you do some homework and know your years and some favorite regions, you'll know if climate and weather conditions produced a perfectly ripe harvest—and good wines. Extreme heat or cold or too much rain can take a toll on the quality of some grapes. Do some research before you buy, particularly if you're trying a new region, and don't be fooled by age. "Older wines aren't necessarily better," says Click. "Many wines under \$15 are intended to be enjoyed young. In general you can drink whites one to two years and reds two to three years after bottling. Higher-end wines have more staying power and can last three to 10 years or more."

Embrace What You Really Like



If you purchase the wine again, chances are you like it. When you find one you like, stick to it. It's simple, but be mindful of the grapes varietals in the wines you prefer. If you like Pinot Noir from Oregon, you just might dig a Burgundy from France. Then again, a Syrah from the Rhône region may be slightly different from a South African or Australian Shiraz. Explore the world of wine. "Taste is subjective, which means the best wine is the one you like," says Click. "Take time to try new varietals from regions all around the world and find your own personal style."

Wine Tip: Screw It!

"Don't be afraid to try wine with a screw cap closure," says Click. "A screw cap doesn't mean the wine is cheap, it means the winery is committed to quality. Approximately 8 percent of wine bottled under cork is cork-tainted or undrinkable."

Bottle of Wine

Tourism is crucial for many countries due to increased opportunities for employment and large monetary gains for local businesses. Different countries have various strategies and approaches toward tourism development, some approaches are propelled by poverty alleviation but at the same time lack of the strategic tourism plan and wrong approaches toward tourism development that can cause problems and have negative impacts on local environment. It is crucial to bear in mind that tourism development cannot be only alternative way for the development of rural and mountain regions and tourism cannot be seen from only positive side. It will be more rational to make long-term plans for tourism development, to bear in mind dark side of the tourism and manage the ways to avoid it.

First of all, long-term strategic tourism development plans at national, as well as at the regional level should be developed and adopted with close consultation of all interested stakeholder

groups. It is important that high participation of local companies and communities are ensured in the development of regional tourism plans.

Secondly, before starting promotion of any type of tourism in the mountainous or rural regions, the research should be undertaken regarding the tourism potential and local people's expectations.

Thirdly, to avoid negative impacts on the environment and local communities, Environmental Impact Assessment must be mandatory for the large-scale tourism development projects.

Finally, when long-term strategic tourism plans are developed, it is important that they are respected and followed by the governmental agencies in the first place.

Getting Started with Wine Tasting



Nowadays the one of the popular word is a **Sommelier** or **wine steward**, is a trained and knowledgeable wine professional, normally working in fine restaurants, who specializes in all aspects of wine service as well as wine and food pairing. The role is much more specialized and informed than that of a wine waiter: in fine dining today, it has been opined that, the role is strategically on a par with that of the executive chef or chef de cuisine. This modern word is a French, deriving from Middle French where it referred to a court official charged with transportation of supplies. This use of the term dates to a period when pack animals would be used to transport supplies. The Middle French probably finds its origin in Old Provençal where a *saumalier* was a pack animal driver. *Sauma* referred to a pack animal or the load of a pack animal. In Late Latin, *sagma* referred to a packsaddle. Learning to **taste wine** is no different than learning to really appreciate music or art in that the pleasure you receive is proportionate to the effort you make. The more you fine-tune your sensory abilities, the better you're able to understand and enjoy the nuances and details that great wines express. The time and effort invested in palate training is rewarding—and very, very fun.

How to Taste Wine



The ability to sniff out and untangle the subtle threads that weave into complex wine aromas is essential for tasting. Try holding your nose while you swallow a mouthful of wine; you will find that most of the flavor is muted. Your nose is the key to your palate. Once you learn how to **give wine a good sniff**, you'll begin to develop the ability to isolate flavors—to notice the way they unfold and interact—and, to some degree, assign language to describe them.



This is exactly what wine professionals—those who make, sell, buy, and write about wine—are able to do. For any wine enthusiast, it's the pay-off for all the effort.

While there is no one right or wrong way to learn how to taste, some “rules” do apply.

First and foremost, you need to be methodical and focused. Find your own approach and consistently follow it. Not every single glass or bottle of wine must be analyzed in this way, of course. But if you really want to learn about wine, a certain amount of dedication is required. Whenever you have a glass of wine in your hand, make it a habit to take a minute to stop all conversation, shut out all distraction and focus your attention on the wine's appearance, scents, flavors and finish.

You can run through this mental checklist in a minute or less, and it will quickly help you to plot out the compass points of your palate. Of course, sipping a chilled rosé from a paper cup at

a garden party doesn't require the same effort as diving into a well-aged Bordeaux served from a Riedel Sommelier Series glass. But those are the extreme ends of the spectrum. Just about everything you are likely to encounter falls somewhere in between.

How to become a sommelier detailed in 3 steps. This article includes advice from seasoned pros. Learn the real details on what you can do to prepare yourself for a life in the wine business.

****Depends on business, location and your skill level. Pay can be based on % of wine sales.***

How to become a Sommelier:

- **Step 1:** Self-Directed Wine Education
- **Step 2:** Start Working in the Industry
- **Step 3:** Get a Sommelier Certificate



The Georgian Sommelier Association has today become a full member of the International Sommelier Association (ASI).

Georgia joined the international organization's General Assembly in the French city of Reims, in the Champagne region.

Georgian Sommelier Association president and honorary Ambassador of Georgian wine Shalva Khetsuriani took part in the assembly. He addressed attendees and spoke about the successful methods being implemented to raise awareness and popularity of Georgian wine and the sommelier profession.

One of the important issues discussed at the ASI assembly was how to implement standards of sommelier activity and developing this profession throughout the world.

Within the assembly, Khetsuriani met with Sommelier Association presidents and negotiated the sale of Georgian wine in different countries including China, Japan, Sweden, Norway, Denmark, Canada, Finland, England and Poland.

Georgian wine exports

More Georgian wine is continuing to be exported to foreign countries and enjoyed by people all over the world.

Monthly export figures released today revealed more than half a million more bottles of wine was exported in April 2015 compared to March, while this figure was double what was exported in January and February.

In April 2015, Georgia exported 2,878,565 bottles of wine, while 2,198,535 bottles were exported in March, 1,558,631 in February and 1,343,018 in January, said Georgia's National Wine Agency.

In total, from January to April, Georgia exported 7,978,749 bottles of wine (0.75 litre), valued at \$23 million USD to 26 countries across the world.

In the first four months of 2015 Georgian wine exports had dropped 58 percent less than in the same period of 2014. The Agency believed this was due to a reduction in imports from Georgia's two largest wine importers – Russia (-76 percent) and Ukraine (-57 percent).

In recent times Georgia has worked hard to diversify its wine import markets, and this was evident in the Agency's latest data.

Export of Georgian wine had increased to "strategically important markets" like China, Eastern European countries and Canada, said the Agency.

Canada recorded the largest percentage increase in terms of the volume of Georgian wine the country imported. The latest data showed exports of Georgian wine to Canada increased by 250 percent in the first part of this year.

From January to April 2015, China also experienced an 87 percent increase in its import of Georgian wine, claimed the Agency. In recent times Georgia has made an effort to penetrate the Asian wine market, and results were now becoming evident, said the Agency. This could further be backed up as exports of Georgian wine increased by 9 percent to Japan so far this year.

Similarly, more wine was also being imported in Europe. Data showed the UK was the top European importer of Georgian wine, and had experienced a 79 % increase in import figures. Wine exports to Germany also increased by 6 %, said the Agency.

Furthermore, data showed Georgian wine exports had increased in Belarus (by 27 %), Estonia (by 16 %), Poland (by 7 %), the United States (by 6%) and other countries this year.

Meanwhile, Russia was traditionally the largest importer of Georgian wine. Despite its reduction in importing Georgian wine, it still topped the list of countries where the biggest portion of Georgian wine was exported.

About three million bottles of wine was exported in Russia in the first four months of 2015. Kazakhstan imported 1,529, 688 bottles of Georgian wine, 873,516 bottles were exported to Ukraine, 519,576 to Poland and 494,478 bottles to China.

Meanwhile, Georgia exported 1,495,500 bottles of brand (0.5 liters) valued at \$4,468,997 USD in January-April 2015.

Russia (882,032 bottles) and Ukraine (400,560 bottles) topped the list of Georgian brand importer countries, said Georgia's National Wine Agency.

How to Select a Bottle of Wine

Have you ever stood in a supermarket aisle staring at row after row of wine, wondering which bottle you should purchase?

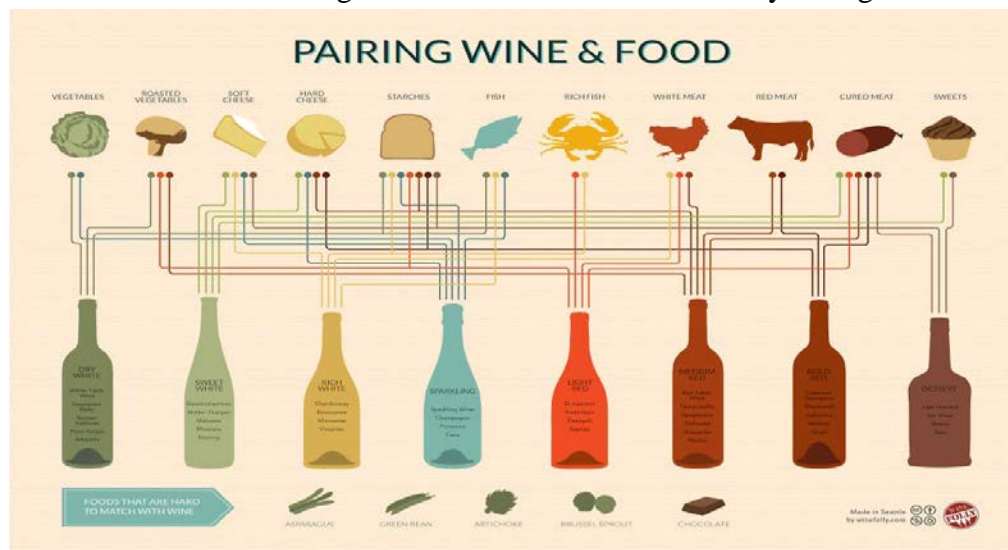
Steps

1. Know that the old adage of serving: white wine with white meat and red with red meat is too simplistic. In general, enjoy your favorite wine with your favorite food but the key is to select wine based on the "weight" and texture of the meal. Heavier meals and sauces require bigger wine to match their weight and lighter meals and sauces will require lighter and more subtle wines.

Here are some Tips

- Weight-wise meals from heavy to light will be Red meat with heavy sauces, game meats (and Turkey) with heavy sauce, pasta with Alfredo sauce, things with lots of butter or gravy, lighter sauces, chicken or meat lightly sautéed to seafood in lighter sauces to lobster or shrimp in light sauces.
- To match wines in the same order (from heavy weight to light) you can select from Zinfandel, Cabernet Sauvignon, Piedmont (northern Italians), Bordeaux blends, Tuscan wines like Chianti (from Italy), Merlot, Pinot Noir, Burgundy wines, California chardonnay, white French wines, sauvignon blancs.
- Spicy foods go better with slightly sweeter wines like Sancerre (France), Sauvignon Blanc (especially good from New Zealand), Gewuertztraminer (Germany and California), and Pinot Grigio (Italy and California).
- Despite what people have you believe--e.g., that a port wine or coffee is require--chocolate may pair wonderfully with dry Cabernets.
- Champagne tastes much better if you pay at least \$20 for it and it goes well with delicate and subtle textured foods.

2. Do your homework. If you want a bottle of wine for a special occasion, there are websites where you can research the type of wine you are looking for. Winespectator.com is one good source. Read the reviews and ratings to see if a wine stands out that you might want to try.



Some words of advice

- One should select a wine to go with food as one would choose spices: just as one knows that savoury spices go well with red beans, one should also know which wine would go well with such a dish.
- The flavour of a wine is largely based upon the following three basic elements: acidity, sweetness and tannin content. Very acidic wines can deal with fatty foods, and very often share a common language with spicy sauces. Sugar can soften and round off the flavour of a dish, whereas a wine with lots of tannins goes well with dishes high in protein, which is why strong red wines should be served with dishes such as meat, beans or mushrooms.
- It is a well-known fact that dry red wines do not go well with fish, because fish gives such wines a metallic taste (fish cooked in red wine and served with a light red wine, however, is a very interesting combination).
- If a wine is bitter or is very young, its bitterness can be neutralized by pairing it with a sour or salty dish, and acidic wines actually go very well with salty dishes. This is why white wines with high acidity or dry sparkling wines go well with fish and seafood.
- Tough meats which need to be chewed for a long time – beef steaks, especially – soften the flavour of tannins, which is why red wine is best served with red meat whereas white wine goes best with fish and white meats.
- Simple dishes with mutton, lamb, beef or game without complicated sauces are best accompanied by special, aged red wines (which also go well with roast turkey or pork).
- White wine goes well with most dishes made from fish or containing eggs, whereas light reds should be served with dishes made from pulses.
- The rule for choosing wine is very simple: serve aromatic, thick and strong wines with fatty and nutritious foods; slightly lighter wines with slightly less fatty dishes; and light wines with light dishes. Fatty and nutritious food can also go very well with a light wine if the flavour of the latter would make for an interesting contrast. A dish should match the acidity of the wine with which it is served, or else the wine may seem bland. A goose prepared with oranges, for example, should be accompanied by a distinctly acidic wine, whereas one cooked with olives would not necessarily require such a wine. The acidity of a white wine can improve the flavour of a dish, as it has the same effect as adding several drops of lemon juice.
- Should one ever be given the opportunity to try a very old, rich, complex wine, one should never have it with a peppery dish, for this spice would kill all the wine's interesting and mysterious nuances. The opposite, however, is true of simple wines: pepper added to a food enriches the aroma of such wines and gives them new meaning.
- Sweet dishes do not go well with dry wines, but many sweet and semi-sweet wines are an excellent accompaniment to strong flavours. Examples of well-known pairings are *Sauternes* with *foie gras* or with *Roquefort cheese*.
- One should remember that if one intends to serve different wines during a meal, one should begin by serving the lighter ones. It would be pointless to start with heavy Saperavi, for example, for one would then be unable to appreciate the flavour of any other wine served later. As a rule, one should start with sparkling or light classic European-style white wines, then move on to rosé wines, which could then be followed by Kakhetian qvevri wines, finishing

with red wines in order of fullness of body and strength. Dry wines should always be served before semi-dry, semi-sweet, sweet or fortified wines. The final note of a dinner might consist of a strong drink such as cognac, Georgian brandy or high-quality *chacha*, etc.



As for the scales of wine production, Georgia belongs to the category of small-scale producers. The following companies have been studied for the wine market research: Akhasheni, D. Sarajishvili & Eniseli, Vaziani, Enisel i-Bagrationsi, Manavi Wine Cellar, Teliani Valley, Tbilvino, Chateau Mukhrani, Twins Wine House in Napareuli, Biowine, Darchiashvili Bio Wine, and GWS [3].



Tips & Warnings

- Don't worry about vintage until you know a lot. Even in Bad years good wines are made, and even in great years terrible wines are made. Always ask questions.
- Don't be too stressed that the wine needs to be perfect. Experimenting is fun and much more interesting than drinking the same wine day after day.
- Always try a wine you don't recognize. Unless you like the same food every night, it doesn't make sense to have the same wine every night. Wine is fun and there a literally millions of different wines to choose from. Use wine as a tool to explore the world!
- Most people select a wine because they like the label; which, of course, has absolutely nothing to do with the quality or taste of the wine.
- Realize that in this age of modern wine-making technology, there are many more good wines than bad wines on retail shelves.
- Do not consume too much wine in one go. Wine, however delicious it may be, is still alcoholic and may be dangerous if too much is drunk.
- Never mix alcohol with drugs.

3. Keep track of good wines you drink. Write down the name of the winery, varietal and Country of Origin. If sampling wine at the tasting room of a winery, they will usually let you have a copy of the wines you are tasting and their descriptions. Make note of your favorites

4. Get assistance. The employee of a shop specializing in wine is usually knowledgeable about the wine they stock. Describe what kind of wine you want and you should get a reliable recommendation

5. Select a wine by its rating. Stores will often post the rating of wines that are highly rated. Everyone has different taste in wines, but at least you know that someone enjoyed the wine if it has a high rating. A rating of 90 or more is excellent. Wine Spectator and Wine Advocate are two of the more common rating services. Be aware that most wines are never entered in competitions so you do miss some great wines if you only purchase wines based on their ratings.

The analysis of domestic and export demand for Georgian wine showed that there are two main principles to be taken into consideration – 1. Strengthening of fair competition in the domestic market; and 2. Meeting the requirements of international market.

Based on the analysis, some authors have developed the following recommendations:

- It's advisable to replace the vineyards with lower quality grape varieties with higher quality varieties;
- It's necessary to develop an action plan for the development of export markets;
- It's important to make "Georgian wine" a brand and to make professional advertisements describing Georgian wine, viticulture regions and grape varieties;
- Well-founded strategies for wine market diversification should be developed;
- More information should be obtained and analyzed about priority markets;
- Optimal balance should be maintained between the vineyard areas covered with white and red grape varieties in accordance with demand conditions in international market;

- It's preferable that annually, governmental agencies determine the level of competitiveness of Georgian wine in cooperation with scientific and research centers based on approved methodology;
- Wine tourism should be encouraged and promoted;
- It's important for Georgian wine to participate in international festivals, expositions, conferences and other events;
- Production of bio wine should be encouraged. Georgia has goods perspectives in wine export in this field;
- The Law of Georgia "on Vine and Wine" needs to be improved; a new law (on farms, etc.) should be adopted.

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Chapter 15. Nine Reasons to Visit Georgia

Out on the fringes of Europe, the former Soviet Republic of Georgia is a country shrouded in mystery.

Sandwiched between the Caucasus Mountains to the north, the Black Sea to the west and dry deserts to the south, this small country, which borders Russia, Azerbaijan, Armenia and Turkey, is not only a crossroad of cultures, but has a wealth of spectacular landscapes. Until recently, many would have struggled to place the country of Georgia on the map (or at least mistake it for the U.S. state of the same name), but it's quickly becoming one of Europe's hottest new destinations.

Here are nine reasons to visit Georgia now:

1. Tbilisi: An eclectic melting pot

From the hanging balconies in the crumbling Old Tbilisi district and the Persian-style sulfur baths clad in turquoise mosaics, to unique art nouveau buildings falling into disrepair sitting side by side with futuristic glass structures, Tbilisi is a city that inspires. The Georgian capital lies on the banks of the Mtkvari River and is surrounded by mountains on all three sides.

Archeologists trace the first settlement in today's Tbilisi to the 4th millennium B.C. Its position on the old Silk Road turned it into a multicultural hub, reflected today in the city's ethnic diversity and eclectic architecture.

The baths in Abanotubani follow the Persian tradition, only the thermal water bubbles up naturally from the ground below.

Tbilisi gets its name from the Old Georgian word "tbili," meaning warm, due to its hot, sulfurous water.

Moving away from Abanotubani, a walk into the Old Town reveals old Georgian and Armenian churches, mosques and synagogues and even the ruins of the most northern Zoroastrian fire temple.

Tbilisi's multicultural atmosphere is on full display this fall at the Tbilisi International Festival of Theatre, which runs from September 25 to October 8.

2. Ushguli: the highest village of Europe

Way up in the Caucasus Mountains around 2 200 meters above sea level, this small village is Europe's highest continuously inhabited settlement. Sitting at the foot of Mount Shkhara, Georgia's highest point, Ushguli is famous for the medieval defensive towers connected to each house.

It's deep in the Svaneti region, known for its unique culture that was once cut off from the rest of the country. The main town of Mestia is on its way to becoming the Georgian equivalent of a Swiss resort but Ushguli has been saved by its poor transport routes, which have helped preserve the village's timeless feel.

Young men gallop through the dirt tracks on horseback between the crumbling towers, dodging the livestock in the street. Ushguli and the region of Upper Svaneti are classified as UNESCO World Heritage Sites.

3. The birthplace of wine

When we think of the origin of wine we tend to think of France, Italy, Greece or Persia, but Georgia is in fact one of the world's oldest wine regions. In 2003 archaeologists found evidence that Stone Age people were producing wine here up to 8,000 years ago. Since then, wine has played a core part in Georgia's national identity. The country's ancient tradition of fermenting grape juice in clay vessels, known as kvevris, has made it onto UNESCO's Intangible Cultural Heritage list. There are hundreds of indigenous grape varieties and Georgian wine is slowly gaining recognition globally. While some of the homemade varieties aren't particularly palatable, there are some excellent vineyards in Georgia producing premium wines.

A good place to start is with a red wine aged in oak barrels made from the Saperavi grape from Mukuzani in the wine region of Kakheti, such as those from Teliani Valley, or a white Tsinandali, made from a blend of Rkatsiteli and Mtsvane grapes. Soviet dictator and Georgian native Joseph Stalin was a fan of Khvanchkara, a sweet red wine from the Racha mountain region in the Caucasus.

4. Mysterious cave cities

Georgia is home to some of the most unusual cave cities in Europe. By themselves, they're reason alone to visit the country.

The oldest is Uplistsikhe, an ancient settlement that resembles a lunar landscape. Others include Davit Gareja, a vast monastic complex carved into the rock of Mount Gareja, and Vardzia, a spectacular underground city that once housed 2,000 monks.

5. Supra: A traditional Georgian feast

If there is something that makes me love or not loves a country, it is of course the price of the beer. If it's cheap, I stay. If it's cheap and good I will probably settle there...hehe. In a normal trendy downtown bar you will get a pint for just two dollars and you'll love it. Georgian beer is as pure as it can be and it is really delicious. Just imagine you can get drunk for just 10 dollars. "Gaumajos" - that's how you say cheers in Georgia!

One of the best ways to get to know the country is through its food. In fact, if you haven't tried a Georgian "supra," or feast, you haven't experienced Georgia. The cuisine in Georgia is very unique, with both European and Middle Eastern influences. The local cheese bread is called "khachapuri," the most famous being the Adjara variety. It's a baked bread boat filled with gooey, melted, tangy "sulguni" cheese, a whole egg yolk and some slivers of butter. Yes, it's heart stopping, but so delicious. "Khinkhali" dumplings come with a spiced meat filling that releases its juices when cooked, so you have to suck out the stock before eating. It's usually filled with spiced meat such as pork, beef or sometimes lamb. This mouth watering dish is really something you can't get around here. Now the interesting part, with your first bite you also have to suck the juice out of it, in order to prevent the dumpling from bursting. Then there are delectable walnut dressing salads, bean stews cooked with fragrant cilantro and "mtsvadi," tender marinated meat cooked on a kebab skewer. They're best enjoyed, of course, with some excellent Georgian wine.

6. Remote mountain villages

The remote regions of Khevsureti and Tusheti in the Caucasus Mountains are home to spectacular medieval villages with small communities that still retain their ancient pagan traditions.

The roads going up here are an adrenaline rush in themselves. The ruined fortress of Mutso and the settlement of Shatili in Khevsureti look like something described by J.R.R. Tolkien. Set dramatically against the mountains, they're so close to Chechnya you can see the border guards walking up and down the ridge.

Tusheti is a cluster of communities, kind of like a Georgian Shangri La, full of old towers, churches, villages and spectacular mountain scenery with wild flowers and trees with leaves that almost look golden. Tusheti has numerous hiking trails and the locals are known for their generous mountain hospitality.

7. Europe's most surreal museum

To learn about the life of Old Joe, visit Stalin's hometown, Gori, and the bizarre Joseph Stalin Museum.

You might know Stalin as a dictator responsible for millions of deaths, but in this hometown attraction there is a sense of pride about the "local boy made good." There aren't any references to his purges beyond a small backroom that doesn't feature on the tour, but there are pictures aplenty of Stalin, including one of the leaders voting for him. There are also various statues, his death mask, carpets and frescoes featuring the dear leader's face, his personal green railway carriage and — the star attraction — his one-bedroom childhood home preserved in perfect condition. The museum has been criticized for being a "falsification of history" and an example of "Soviet propaganda." There were plans to transform the museum into a museum of Russian aggression, but so far this is limited to a little room hidden beside the entrance.

The museum is worth visiting as it captures the essence of Stalin, including his own self-glorification and propaganda, even if that was not its intended purpose.

8. Beautiful and ancient churches

Georgia adopted Christianity back in 324 AD and the country is full of spectacular churches and cathedrals in incredible locations. Whether it's the UNESCO World Heritage Sites of Mtskheta's Svetitskhoveli Cathedral or Kutaisi's Bagrati Cathedral or the dramatic hill top position of the church in Kazbegi, Georgia's churches never fail to paint a pretty picture. Kazbegi is also home to one of the world's most spectacular marathon routes. You can cheer on runners in this year's Kazbegi Trail Marathon on September 5, 2015.

9. The people and Georgian hospitality

Some Georgians might appear a serious bunch at first, but most of them are kind and welcoming.

For Georgians, a guest is a sacred thing and they will often go out of their way to help you. Their generosity and hospitality will often take the form of lots of food and even more drink. As they say in Georgia, "Gaumarjos!" (Cheers!).

Conclusion and recommendations Tourism is crucial for many countries due to increased opportunities for employment and large monetary gains for local businesses. Different countries have various strategies and approaches toward tourism development, some approaches are propelled by poverty alleviation but at the same time lack of the strategic tourism plan and wrong approaches toward tourism development that can cause problems and have negative impacts on local environment. It is crucial to bear in mind that tourism development cannot be only alternative way for the development of rural and mountain regions and tourism cannot be seen from only positive side. It will be more rational to make long-term plans for tourism development, to bear in mind dark side of the tourism and manage the ways to avoid it. First of all, long-term strategic tourism development plans at national, as well as at the regional level should be developed and adopted with close consultation of all interested stakeholder groups. It is important that high participation of local companies and communities are ensured in the development of regional tourism plans. Secondly, before starting promotion of any type of tourism in the mountainous or rural regions, the research should be undertaken regarding the tourism potential and local people's expectations. Thirdly, to avoid negative impacts on the environment and local communities, Environmental Impact Assessment must be mandatory for the large-scale tourism development projects. Finally, when long-term strategic tourism plans are developed, it is important that they are respected and followed by the governmental agencies in the first place.

At last we want to say, Georgia is one of the most unique tourist countries in the world. We aim to help visitors discover its diversity and richness, leaving them with a lasting desire to return.

Developing Georgia's brand and positioning its tourism industry on the international market; increasing Georgia's competitiveness with similar tourist markets; market share growth; infrastructure development; improvement of the service sphere; education quality enhancement; attracting investors; and promoting the local private sector through effective partnership and cooperative development.

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