



CULTURAL TOURISM VALUE CHAIN IN MARNEULI, BOLNISI AND DMANISI MUNICIPALITIES

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1. Introduction

The USAID Unity through Diversity Program, implemented by UNA-Georgia, is a five-year initiative supported by USAID. Its core objective is to serve as a central catalyst for the integration of ethnic and religious minorities into various facets of Georgian society, encompassing the social, political, and economic spheres. As a subcontractor of UNA-Georgia, PMCG (Policy and Management Consulting Group) actively contributes to the expansion and fortification of socio-economic connections between majority and minority communities, with the aim of fostering mutually beneficial business relationships.

Within the framework of this program, a critical component is the assessment of value chains in designated ethnic and religious minority municipalities. These evaluations entail the meticulous mapping and examination of selected high-priority value chains, notably cultural tourism in Marneuli, Bolnisi, and Dmanisi municipalities. The cultural tourism sector, within the broader context of the tourism industry, plays a pivotal role in economic advancement and job creation, offering distinctive experiences to both visitors and local residents. This analysis seeks to discern the dynamics of cultural tourism in these municipalities, with a specific focus on identifying avenues for sustainable expansion.

Utilizing a blend of desk research and on-site investigations, this analysis comprehensively covers various stages, actors, and relationships involved in delivering tourism-related products and services. It aims to pinpoint obstacles that hinder municipalities from fully harnessing their rich cultural heritage sites, captivating natural landscapes, and untapped tourism potential. Additionally, this analysis endeavors to propose viable solutions to address these challenges.

The report commences by outlining the methodology employed for the assessment. Section 3 presents a chart and a brief overview of the key actors within the cultural tourism value chain. Section 4 inspects essential statistical indicators obtained from official sources, while Section 5 explores the existing cultural, historical, and natural sites within the municipalities of interest.

Subsequent sections, 6 through 11, delve into the roles, current challenges, and opportunities for various stakeholders in the cultural tourism industry. These include actors such as accommodation providers, food and beverage services, tour operators, guides, museums, and souvenir producers. Section 12 underscores the significance of pivotal stakeholders in the area. The culmination of this analysis is an extensive SWOT analysis of the municipalities in Section 13, leading to conclusive recommendations in Section 14.

This analysis endeavors to offer valuable insights and actionable suggestions that can play a vital role in fostering sustainable tourism, specifically cultural tourism, in Marneuli, Bolnisi, and Dmanisi municipalities. By addressing obstacles, seizing opportunities, and promoting collaboration, this report aims to unlock the latent potential of these regions, spurring economic growth and creating a positive impact for both visitors and local communities.

2. Methodology

The value chain analysis was preceded by an assessment of priority zones within the tourism services specific to the targeted municipalities. The study aimed to determine the current developmental status of the sector and identify areas with the greatest growth potential. This evaluation considered five key factors: natural resources, cultural resources, tourism infrastructure, general infrastructure, and regional tourism appeal. Qualitative and quantitative data were combined to assign points to each category to identify municipalities with significant tourism development potential.

In the subsequent phase of prioritization, extensive desk research and validation workshops were conducted. These activities ensured that the selected offerings displayed robust potential in terms of competitiveness, systemic impact (including job creation, connections with national supply chains, and the capacity to integrate ethnic minorities into the value chain), and feasibility (aligned with national, regional, and municipal priorities).

The initial prioritization revealed that cultural tourism was a pronounced asset and opportunity across three municipalities: Marneuli, Bolnisi, and Dmanisi. Consequently, the subsequent value chain analysis of the tourism sector places primary emphasis on cultural tourism while also encompassing other key aspects of the tourism industry.

2.1 Desk Research

The desk research phase sought to offer a comprehensive overview of the national and regional tourism sector using available statistical data. Principal information sources encompassed governmental bodies like Georgia's National Statistics Office (Geostat), the Georgian National Tourism Administration, and the Municipal governments. Additionally, diverse open sources and online platforms, including tourism-related websites, industry reports, and regional tourism portals, were consulted.

Particular attention was dedicated to data from open sources and the Geostat database. The Geostat information furnished essential tourism metrics, encompassing overall sector statistics, international and domestic visitor numbers, trends over recent years, average length of stay, and more.

This extensive desk research helped pinpoint the central tourism strengths of the target municipalities. The analysis entailed the mapping of service providers in the tourism sector, comprising of existing lodgings, dining establishments, cultural tourism offerings, transport choices, entertainment sites, and souvenir creation. Furthermore, the study identified vital external players like municipal tourism centers, public entities, international partner/donor organizations, and financial institutions.

In summary, the combination of open sources, Geostat data, and input from municipalities and relevant entities provided a comprehensive understanding of the tourism sector within the target municipalities. This understanding significantly contributed to ensuing stages of the value chain analysis.

2.2 Field Research

Following the desk research phase, a comprehensive questionnaire was developed to gather detailed insights into existing services, visitor profiles, challenges, and opportunities in the targeted municipalities. The questionnaire was tailored with specific inquiries for distinct types of tourism service providers: accommodation, dining establishments, tour agencies, guides, and cultural tourism facilitators. General queries were also incorporated to garner data on visitor categories, workforce, income derived from tourism activities, associations with local suppliers and other tourism service providers, transportation, infrastructure, funding sources, and managerial competencies. Designed with sensitivity to diversity, the questionnaire captured nuances, relations, division of roles, functions, and pragmatic needs of diverse

groups like ethnic minorities, women, and youth. It delved into facets of access, authority, and resource distribution.

Respondents were chosen from a contact list sourced from the Georgian Tourism Administration (GNTA) and the Administration of the State Governor in Kvemo Kartli, ensuring a holistic representation of available resources. Alongside private sector participants, interviews were conducted with Government Office representatives of the Kvemo Kartli Municipality to gain further insights. Field visits were organized to all three municipalities of interest. In each municipality, 5 respondents were interviewed.

Table 1 encapsulates the categories of local representatives engaged in the analysis.

Table 1: List of conducted interviews

Tourism direction	Number of interviewed respondents engaged in respective tourism directions
Accommodation providers	8
Food service providers	3
Cultural tourism service providers (museums)	5
Other Stakeholders (Government and Public Sector Representatives)	1
Total	17

Founded on the amassed qualitative data, the report offers an elaborate depiction of the tourism service process, accentuating varied value chain participants, tourism allures, the labor force, marketing tactics, and external stakeholders. The SWOT analysis encapsulates the identified primary strengths, weaknesses, opportunities, and threats. The ensuing recommendations segment of the report homes in on value chain development, with a distinct focus on incorporating minorities and exploring the potential integration of the regional value chain within the national context.

2.3 Research Limitations

The primary constraint faced in the research for this report was the absence of complete statistical data: Adequate comprehensive statistical information at the municipal and community levels in Georgia remains restricted. Specifically, the data pertaining to accommodation statistics, including the occupancy of accommodation units, was notably absent, making it challenging to assess the exact state of the tourism sector at these local levels. This was further compounded by the fact that many accommodation units were not officially registered, leading to a situation where the number of accommodation units was simply out of the data.

Furthermore, the inability to analyze international visitors on a municipality level persisted both before and beyond the COVID-19 period, depriving researchers of valuable data necessary for assessing the impact of international tourism on local economies and communities consistently. The COVID-19 pandemic, which significantly disrupted tourism activities, had a profound impact on the availability of such data. The discontinuation of the international visitor survey in early 2020 and its prolonged inactivity until the end of 2021 further widened the data gap, preventing researchers from understanding the pandemic's specific effects on tourism in these regions.

In addition, information regarding the purpose of the visit among international visitors to the region and municipality was also not available. This absence of data represents a further challenge, as understanding the types of visitors and their motivations for visiting the target municipalities is crucial for tailoring tourism strategies and offerings effectively. These ongoing limitations, exacerbated by the COVID-19 pandemic,

underscore the urgent need for more robust and consistent data collection and reporting mechanisms to support comprehensive tourism sector analysis and planning at the municipal and community levels in Georgia, regardless of external factors like the pandemic.

3. Value Chain Actors and Map

Tourism's transformative influence on socio-economic growth is undeniable, as it fosters job creation, financial inflow, and the preservation of cultural and environmental heritage. In the Kvemo Kartli region of Georgia, the Bolnisi, Dmanisi, and Marneuli municipalities exemplify this potential, offering a tapestry of attractions and harboring untapped opportunities for tourism expansion. However, each municipality follows a distinctive trajectory within this narrative.

Dmanisi emerges as a potential epicenter for archaeological tourism, inviting travelers to delve into its historical depth. Ancient relics and historical narratives entrenched within Dmanisi's archaeological sites create immersive cultural experiences. These archaeological treasures contribute significantly to cultural tourism, appealing not only to history enthusiasts but also offering diverse experiences for varied audiences.

Meanwhile, Bolnisi showcases a harmonious blend of natural beauty and cultural heritage, forming an enchanting backdrop for travelers. The municipality's picturesque landscapes provide the canvas for a plethora of cultural monuments, including venerable churches and castles. Bolnisi Sioni, Tsughrughasheni, Vanati, and Kveshi Castle stand as testaments to the richness of its history, seamlessly merging nature and heritage.

In contrast, Marneuli is poised as a hub for potential growth in cultural tourism, despite not being rich in cultural resources like its counterparts. Marneuli's unique charm lies in its vibrant mix of ethnic diversity and cultural coexistence. Nurturing an environment that celebrates this multicultural identity positions Marneuli to carve a distinctive niche in the cultural tourism landscape. Collaborative efforts among community members, governmental bodies, and local organizations become pivotal in unveiling Marneuli's untapped potential for cultural richness. Also, Marneuli is conveniently located as a transit city as it connects Tbilisi with the Armenian border. Travelers from Armenia passing through the Sadakhlo border point also have to pass Marneuli on their way to Batumi, a popular summer destination for many.

The crafting of cultural tourism products should seamlessly align with each municipality's unique cultural and natural assets. This intricate process involves identifying potential cultural attractions, designing immersive experiences, and executing strategies to ensure visitor satisfaction and safety. The foundational infrastructure and amenities, including transportation networks, accommodation options, and facilities, provide the essential framework for supporting and nurturing cultural tourism.

Sustainability remains integral, aiming to minimize ecological impact and encourage responsible practices. These endeavors safeguard the natural environment and ensure the long-term viability of tourism. Similarly, preserving and celebrating local customs, traditions, and heritage enrich the cultural tourism experience, forging genuine connections with the locale.

Collaboration and partnerships among stakeholders are pivotal, fostering an ecosystem that nurtures product development, marketing strategies, and sustainable growth.

Within Bolnisi, Dmanisi, and Marneuli, a diverse range of stakeholders shapes and delivers tourism experiences:

Accommodation providers, from hotels to guesthouses, cater to cultural tourists' lodging needs. Ensuring comfort and convenience is paramount. Small guesthouses, offering immersive cultural experiences and authentic culinary delights, are especially notable. Addressing capacity constraints is vital to accommodate varying group sizes. As the field and desk research has shown, unfortunately, the municipalities do not boast a wide selection of accommodation providers.

Food and beverage providers play a crucial role in offering authentic culinary experiences to cultural tourists. Food and beverage providers are integral in showcasing the region's multicultural culinary heritage,

encompassing Georgian, Azerbaijani, Armenian, and other regional cuisines. Collaborating with local restaurants, cafes, and eateries can enhance the overall visitor experience and promote local cuisine. Strengthening partnerships with these providers can help showcase the diverse culinary offerings of the region.

Tour operators specialize in curating comprehensive tourism packages and experiences. Collaborating with local service providers, they create seamless cultural tourism offerings. Expanding and strengthening the network of partner tour operators is a priority, particularly in overcoming challenges related to tour operator dynamics. Tour operators and guides are also scarce in the selected municipalities.

Cultural tourism providers significantly contribute by curating various experiences, from guided heritage tours to interactive craft workshops. There is ample room for expansion to diversify offerings. The main cultural tourism activity providers in the municipalities are museums.

Transportation providers facilitate movement within and between municipalities. While transportation services are generally satisfactory, bolstering options can enhance convenience for visitors. Municipal transport, according to the respondents, works everywhere, yet none of them report using it. The study finds that tourists generally never use public transport to get around the municipalities.

Government agencies play a crucial role in formulating policies and guidelines. Collaborating with stakeholders, they ensure safety, sustainable practices, and holistic growth. Establishing a Destination Management Organization (DMO) is essential for effective tourism development. In the region, the function of the DMO is covered by the NNLE Kvemo Kartli Regional Development Agency.

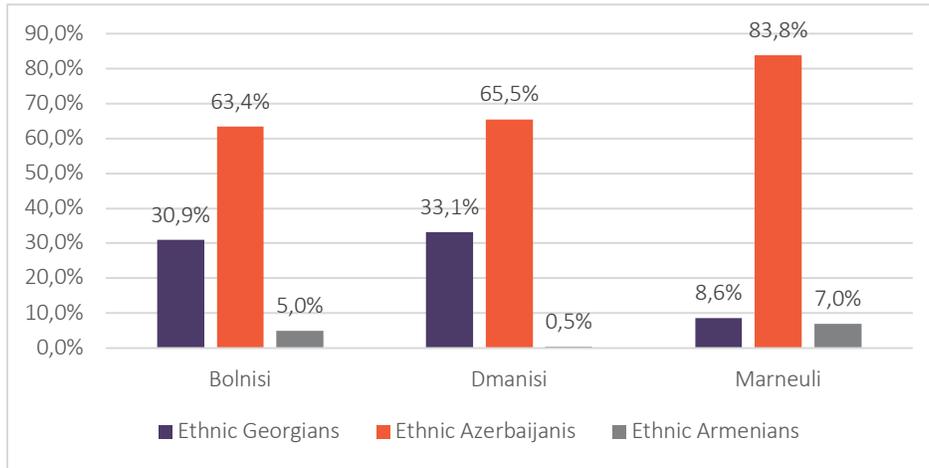
International partners provide valuable local support, collaborating with local bodies for optimal resource allocation.

Additional stakeholders, including **VET institutions** and **financial establishments**, contribute resources to reinforce the value chain.

These stakeholders create a thriving ecosystem through dynamic interactions, which is essential for fostering a vibrant tourism landscape. Collaborations pave the way for creating unique and immersive cultural experiences, preserving local heritage, and economic prosperity within the municipalities. Challenges, like Marneuli's limited cultural resources, can be transformed into opportunities by leveraging its strategic location for curated cultural visits. Incorporating nearby attractions like the Mikheil Javakhishvili Museum enhances the appeal of Marneuli as a stopping point for local cultural visitors, enriching the broader cultural tourism experience.

Before delving into the specific roles of each value chain actor, it is important to acknowledge and consider the demographic composition of the municipalities of interest. According to the 2014 population census conducted by GeoStat, all three have a majority population of ethnic Azerbaijanis. Bolnisi and Dmanisi populations have similar ethnic distribution, with approximately a third ethnic Georgians (30.9% and 33.1% respectively) and two-thirds ethnic Azerbaijanis (63.4% and 65.5% respectively). Bolnisi also has a small portion of residents of Armenian descent (5% of the total). In Marneuli, more than 80% of the population was of Azerbaijani descent. Marneuli also has ethnic Georgian and Armenian residents, amounting to 8.6% and 7% of the total population, respectively (figure 1). However, the interviews conducted indicate that ethnic differences do not significantly impact the daily life of the region. Several respondents stated that the language is the biggest barrier for ethnic minorities who do not speak the Georgian language. However, it was also noted that knowing the Azerbaijani language is considered a strong advantage in Marneuli for jobs in the service sector.

Figure 1: Ethnic composition of the municipalities of interest, 2014 data



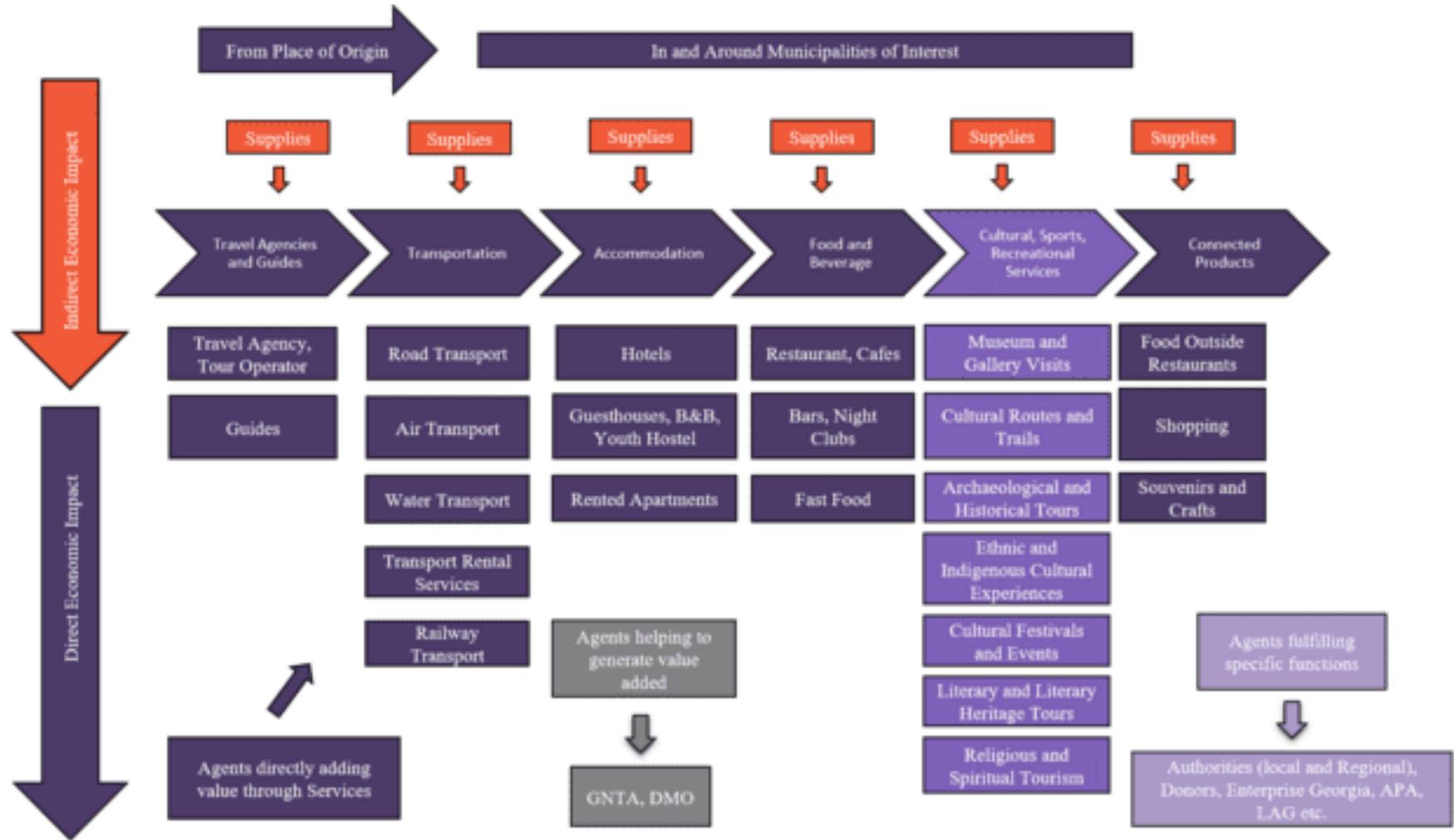
Source: National Statistics Office of Georgia, 2014 census data (GeoStat)

Moreover, the interviews also revealed that the majority of the younger population in the region already speak Georgian or are actively engaged in intensive language courses. However, the language remains a challenge among the older population.

In the subsequent sections, we will delve deeper into each stakeholder's specific role, contributions, challenges, and opportunities, allowing for a comprehensive exploration of the cultural tourism value chain in the municipalities of Bolnisi, Dmanisi, and Marneuli.

The figure below (Figure 2) shows the map of players involved in the value chain of tourism.

Figure 2: Tourism Value Chain Model¹



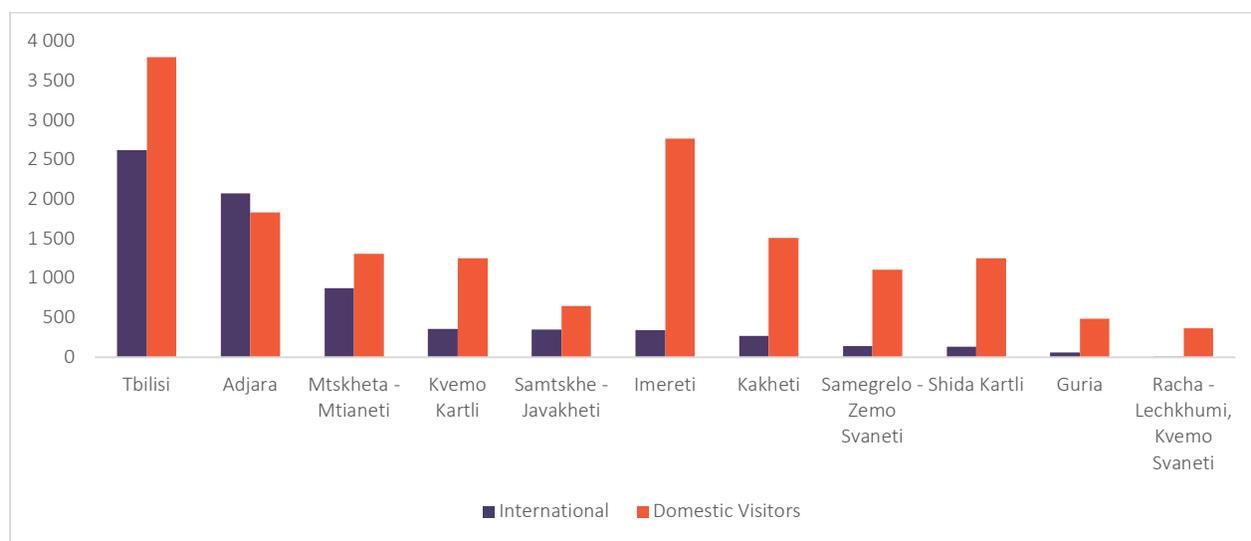
¹ Table produced by the Author based on Reports - Sustainable Tourism for Development, (UNWTO 2013); Tourism Value Chain: Analysis and Practical Approaches for Development Cooperation Projects (GIZ, 2020), Tourism Satellite Account of Georgia, (Geostat 2019).

4. Visitors in the Target Areas

In 2022, Kvemo Kartli welcomed approximately 1.6 million international and domestic visitors. International visitors, 363,500 individuals, were responsible for 23% of the total internal visits.² This number represents 7.9% of all international visitors to the country. Excluding Tbilisi, Kvemo Kartli ranks third among the ten regions in terms of the number of international visitors. As for the domestic visits, Kvemo Kartli received 1,251,000 visitors, accounting for 7.7% of the domestic visits. Among the regions, it ranks sixth in the number of domestic visits.

It is important to note that there is a distinction in the types of visits between international and domestic visitors. While more than half (51%) of international visitors were tourists (overnight visitors), this share equals to only 37% for domestic visitors.

Figure 3: International and domestic visits in thousands, 2022



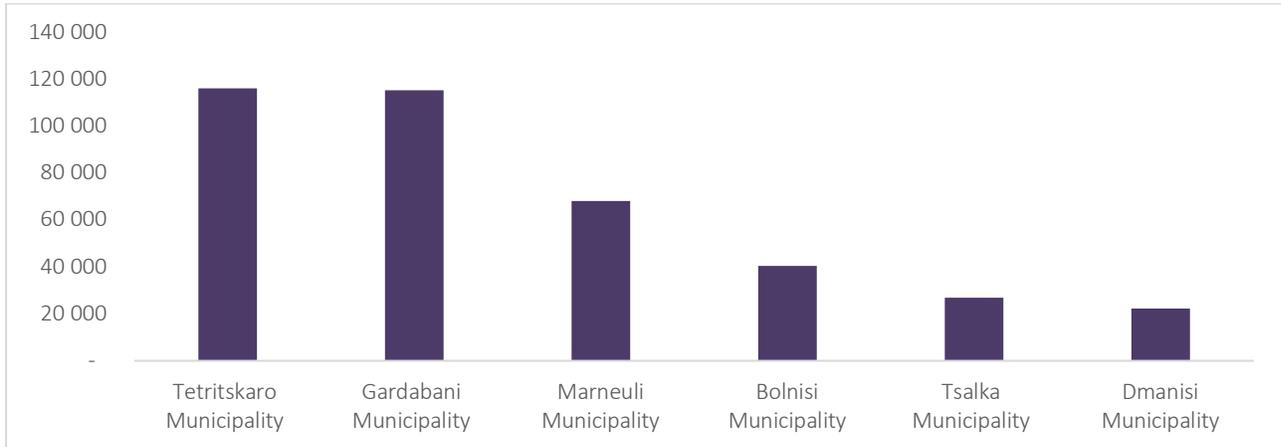
Source: National Statistics Office of Georgia (GeoStat)

Unfortunately, there is currently no data available regarding international visitors at the municipality level. Instead, the international visitor methodology allows for measuring them at specific places within the Kvemo Kartli region. In 2022, the city of Marneuli attracted 272,946 international visitors. Similarly, the city of Rustavi hosted 60,128 international visitors. Other places in the region had comparably fewer international visitors Bolnisi (Bolnisis Sioni Church, etc.) 18,261 international visitors, Gardabani (Martkopi Monastery) 8,736 and Dmanisi (Dmanisi Museum, Archeological monument, etc.) 4,243 international visitors.

When it comes to domestic visitors, municipal-level data is available and there are notable differences among the municipalities within Kvemo Kartli. In 2022, among the three municipalities of interest, Marneuli counted the highest number of domestic visits at 68,114. Bolnisi Municipality followed with 40,588 visits, and Dmanisi Municipality had 22,244 visits. As for the other municipalities in the regions - Gardabani Municipality hosted 115,417, Tetrtskaro Municipality - 116,399, and Tsalka Municipality hosted 26,981 visits.

² Internal visits is the sum of domestic and international visits

Figure 4: Domestic Visits in Municipalities of Kvemo Kartli, 2022

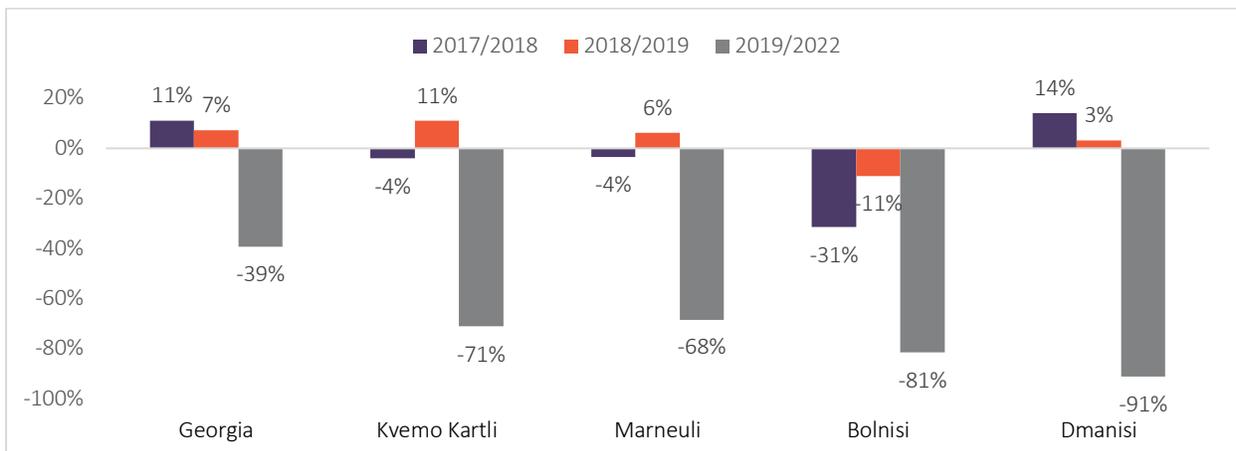


Source: National Statistics Office of Georgia (GeoStat)

The large number of visitors in Marneuli allows for deeper statistical analysis. Out of total number of international visitors 42% were tourist (overnight) visits, while the same metric for domestic visitors was only 26%. Marneuli's high visitor numbers are due to its strategic location along major transportation highways, proximity to border crossings, and access to popular Georgian tourist destinations, making it a natural transit point for travelers. Additionally, the presence of diverse ethnic communities attracts VFR (Visiting Friends and Relatives) visitors, and strong economic and business ties with their home countries further contribute to the region's popularity among travelers.

An interesting trend emerges when comparing the growth rates of international visitors to the Kvemo Kartli region with national statistics (figure 5). The number of international visits in Georgia demonstrated consistent growth over two consecutive years, rising from 6.5 million in 2017 to 7.7 million in 2019. In 2022, the number of international visits rebounded to 61% of the 2019 figures. The Kvemo Kartli region, however, exhibited mixed results during this period. It experienced a decrease in the number of international visitors in 2017 but showed an increase the following year. Moreover, the impact of Covid-19 was particularly significant for Kvemo Kartli, as it managed to recover only by 29%. The city of Dmanisi was the hardest-hit, with a mere 9% recovery rate, followed by Bolnisi at 19% and Marneuli at 32%.

Figure 5: The dynamics of international visitors, 2018-2022



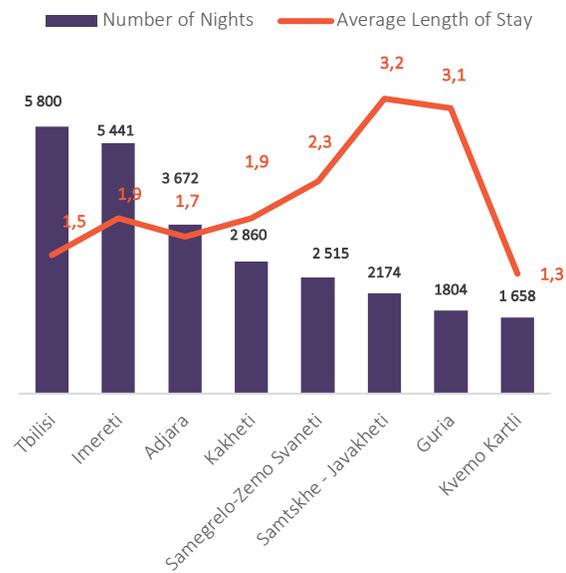
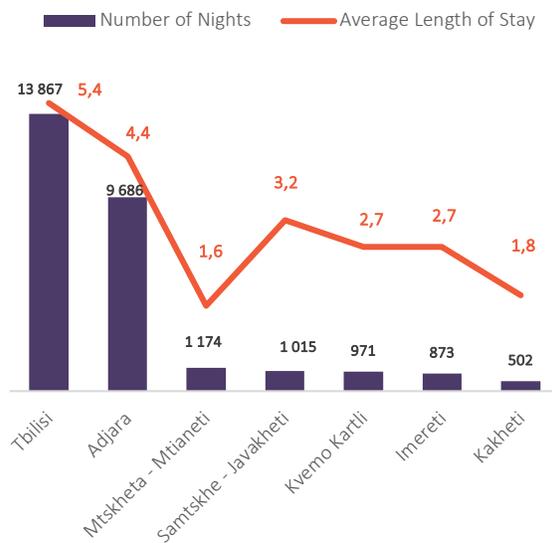
Source: National Statistics Office of Georgia (GeoStat)

In relation to the number of visits, it is also worth considering the average duration of stay in Kvemo Kartli. In 2022, international visitors spent a total of 971 thousand nights in the region, accounting for only 3% of the total nights spent in Georgia. The average length of stay for international visitors was 2.7 nights (Figure 6). Conversely, domestic visitors contributed significantly to the region's overnight stays, with a total of 1.7 million nights spent in Kvemo Kartli, representing 5% of the overall domestic overnight stays. Similarly, the average length of stay for domestic visitors was 1.3 nights (Figure 7).

The number of total nights spent in the city of Marneuli amounted to 1 million nights, with more than half (52%) being spent by domestic visitors. The average length of stay for domestic visitors was 2 nights, while for international visitors, it was 1.8 nights.

Figure 6: Number of nights spent by international visitors and their average length of stay, 2022

Figure 7: Number of nights spent by domestic visitors and their average length of stay, 2022



Source: National Statistics Office of Georgia (GeoStat)

Among the three municipalities of interest (Marneuli, Bolnisi, and Dmanisi), Marneuli has the highest number of visitors, followed by Bolnisi, and then Dmanisi. The presence of diverse ethnic communities in the region, particularly in Marneuli, contributes to its popularity among travelers. This suggests that leveraging cultural and ethnic attractions can be a key strategy for further tourism development in the area.

5. Tourist Locations and Assets

Located within the picturesque Kvemo Kartli region of Georgia, the municipalities of Marneuli, Bolnisi, and Dmanisi attract travelers with a selection of cultural, historical, and natural treasures. These municipalities offer a unique blend of attractions, each with its own distinct charm.

Marneuli, a vibrant hub of ethnic diversity, stands as a testament to harmonious coexistence. Its multicultural identity enriches the cultural landscape, creating a welcoming atmosphere for visitors. Bolnisi, on the other hand, captivates with its seamless fusion of natural beauty and historical heritage. Majestic churches and ancient castles adorn its quaint landscapes. Meanwhile, Dmanisi unveils the depths of history through its archaeological wonders, inviting travelers to explore the relics of bygone eras.

Together, these municipalities paint a vivid portrait of Georgia's cultural and historical tapestry. In the following subsections, we will delve into the specific historical and religious sites that make these municipalities an enticing destination for cultural tourism.³

Marneuli Municipality:

The multicultural identity of Marneuli Municipality enriches the cultural landscape, creating an inviting atmosphere for visitors. Marneuli offers a unique blend of attractions, including historical sites and a remarkable archaeological discovery that places Georgia on the world map of viticulture. Listed below are some of the notable sites for tourists to visit:

Tsopi Castle – a medieval, round, two-story tower in Sadakhlo. While visitors may not find grand museums or elaborate exhibits here, the Tsopi Tower offers a glimpse into the past and the architectural traditions of the region, making it a noteworthy stop for history enthusiasts exploring Marneuli's cultural tapestry.

Goruli Nakalakari – the remnants of a city complex including a tower and two churches. While not a bustling tourist hotspot, the site offers a tranquil retreat away from the city noise.

The Dangreuli Hill (Slit/Cut Hill) - a unique archaeological site in Marneuli, holds a remarkable place in the history of winemaking. According to historical records, this site is where humanity first planted wild vines and pressed grapes to create wine, making it a pivotal location in the world's viticultural heritage. This Neolithic-age site dates back to the 6th millennium BC. The excavations unearthed a wealth of artifacts, including residential structures, tools, pottery, and agricultural pits, shedding light on ancient agricultural practices. Notably, traces of ancient wine found on the slopes of Imiri village's Slit Hill gained global recognition, earning a place among the top ten archaeological discoveries worldwide in 2017, as recognized by the prestigious international scientific journal "Archaeology" of the Institute of American Archaeology. This recognition highlights the site's importance in the history of winemaking and its significance as a cultural and historical treasure in Marneuli. This discovery is why Georgia is recognized by UNESCO as the Cradle of Wine.⁴

As for Museums, the municipality only has a few to offer:

Alexander Melik Pashaev House-Museum⁵ is a notable memorial museum located in Shaumiani village. Established in 1988, it operates under the legal status of the Marneuli Municipality Culture Center. This museum is dedicated to commemorating the legacy of the renowned Armenian director, Alexander Melik-

³ The source of all historic information in this section, unless otherwise indicated, is the online portal of cultural heritage – www.memkvirdreoba.gov.ge;

⁴ Wine Route Guide Book, Georgian National Tourism Administration, 2019, web.

⁵ Georgian Museums, ICOM National Committee in Georgia, Georgia Association of Museums, Culturological Research Association, web, www.georgianmuseums.ge.

Pashaev (1905-1964), who served as the chief conductor of the Moscow Bolshoi Theater. The museum houses a diverse collection of 383 exhibits, including valuable materials connected to Alexander Melik-Pashaev's work at the Bolshoi Theater. Visitors can explore a range of artifacts such as keyboards, posters, various documents, manuscripts, and personal items like his conductor's jacket, tailcoat, household utensils, and rugs, among others.

The Mikheil Javakhishvili House-Museum⁶, located in the village of Tserakvi within Marneuli Municipality, stands as a testament to the life and literary legacy of the renowned Georgian writer, Mikheil Javakhishvili (1880-1937). Established in 1987, this memorial museum preserves a rich collection of artifacts (2117 items total), offering a glimpse into the world of this prolific author. Visitors can explore Javakhishvili's personal belongings, photographs, a comprehensive library, posters, and an array of historical documents. These artifacts collectively paint a vivid picture of the writer's life, capturing the challenges and triumphs of his creative journey. Mikheil Javakhishvili's tragic fate, marked by his execution during Stalin's Great Purge in 1937, adds a poignant dimension to the museum's narrative, making it a must-see destination for those interested in Georgian literature and history.

While listing the cultural offerings of the Municipality, **the festival *One Caucasus*** must be mentioned.⁷ One Caucasus is a remarkable interdisciplinary festival and borderland program that has been held in Georgia since 2014. Since then, more than 21,000 visitors have attended the Festival. Located at the crossroads of Armenia and Azerbaijan, this event stands out for several compelling reasons:

- **Unique Location:** The festival takes place in a region known for its historical coexistence of diverse ethnic and religious groups, providing a rare haven of peace in the conflict-prone Caucasus. The Festival attracts participants from around the world, including musicians, artists, architects, educators, and volunteers. It fosters collaboration among professionals and youth from the Caucasus and beyond.
- **Multifaceted Program:** The festival boasts a rich program that includes joint international music projects, the creation of a multifunctional One Caucasus Town through collaboration between national and international architects, architecture students, volunteers, and locals, and a visual arts program that integrates contemporary artists into local village life. The program has generated Collaboration among 570 musicians from at least 21 countries, resulting in 46 new international music projects.
- **Social Impact:** Beyond its festival setting, One Caucasus has a broader societal impact. It supports the establishment of the first-ever participatory budget in the Caucasus, where local residents have a say in budget spending decisions. The festival has also led to infrastructure improvements, such as road repairs, benefitting nearby villages.
- **Informal Education:** One Caucasus conducts an all-year Informal Educational Program for Marneuli's villages, providing valuable educational opportunities to local youth.
- **International Volunteer Program:** It offers an international volunteer program, allowing individuals from diverse backgrounds to contribute to the festival's creation. Over the years, the program has amassed 420 volunteers from 40 countries.
- **Community Engagement:** The festival features art projects developed by local youth from Kvemo-Kartli villages as part of its educational program. Over the years, educators from 30 countries have conducted 105 workshops, benefiting over 1,580 individuals, particularly children and youth.

⁶ Ibid.

⁷ The information about the festival is taken from its official website – www.onecaucasus.org;

This festival's exceptional ability to foster cross-cultural collaboration, promote diversity, and make a tangible impact on local communities makes it a notable and vital cultural event in the Caucasus region.

Bolnisi Municipality:

Bolnisi municipality, featuring ancient churches and well-preserved castles, captures the essence of Georgia's rich history and architectural heritage. Listed below are several of the tourist sites located in the area:

Katarinenfeld⁸ - refers to a district in Bolnisi, which is a historically significant settlement founded in 1818 by German immigrants. This charming part of the town offers a glimpse into its rich past and architectural heritage. The original layout of Katarinenfeld remains remarkably preserved, with over 400 residential houses reflecting the German influence. Visitors can explore the former Evangelical-Lutheran Church, the Collective wine factory of the "Union" farm, the public park "Lüstgarten," two water mills, and the 1920s Military Commissariat building. Although the German cemetery no longer exists, a memorial to World War II casualties stands on St. Nino Street. Katarinenfeld invites travelers to step back in time and discover its unique history, making it a must-visit destination for those interested in cultural heritage and architectural treasures.

Bolnisi Sioni – a remarkable 5th-century basilica known for its historical significance and unique features. This ancient church is renowned for its inscriptions in Asomtavruli, one of the Georgian scripts, and captivating reliefs. Encircled by a massive fence, Bolnisi Sioni also houses a distinctive three-story bell tower within its premises. This architectural gem invites visitors to delve into its rich history and explore the intricate details that make it a cultural treasure. Whether you're interested in ancient script, religious heritage, or architectural marvels, Bolnisi Sioni offers a fascinating journey through time and culture.

Tsughrughasheni Church – dating back to the 13th century, stands out with its distinctive features that set it apart from traditional Georgian churches. One of its most striking characteristics is its exceptionally high dome, a rarity in Georgian church architecture. The façade of Tsughrughasheni Church boasts captivating and intricate decorations that tell a story of artistic craftsmanship. Ornamentation abounds, adding to the church's allure and historical significance. This unique architectural gem offers visitors a chance to marvel at its unconventional design, rich ornamentation, and the spiritual and artistic legacy it represents.

Bolnisi boasts a number of more notable cultural sites for tourists, including Bedriki Castle, St. Peter and Paul Church, Tchapala Castle, Buchukuni Castle, Kveshi Castle to name several.

The Municipality also has some interesting exhibitions on display in the following museums:

The Bolnisi Museum⁹, established in 1951, offers its visitors a rich and diverse collection that spans across millennia, encompassing the entire spectrum of human history in the region. Its archaeological treasures, discovered through the excavations in Bolnisi, offer a unique glimpse into the past, ranging from the New Stone Age (VI-V millennium BC) to the late middle ages. Visitors can explore an array of artifacts, including earthen tools, stone sculptures, bronze-age gloves, belts, exquisite jewelry, and distinctively shaped household pottery from the Neolithic period.

⁸ Katarinenfeld, Bolnisi, GIZ, Georgian National Tourism Administration, web.

⁹ Georgian Museums, ICOM National Committee in Georgia, Georgia Association of Museums, Culturological Research Association, web, www.georgianmuseums.ge.

The Sul Khan-Saba Orbeliani Literature Museum¹⁰, nestled in village Tandzia within the picturesque landscapes of Bolnisi Municipality, is a testament to the rich literary heritage of Georgia. Established in 1984, this museum pays homage to the esteemed Georgian writer and diplomat Sul Khan-Saba Orbeliani and his enduring works. The museum houses an impressive array of paintings and graphic works by Georgian artists, all inspired by the life and writings of Sul Khan-Saba Orbeliani. Visitors can explore captivating photographs, historical documents, and various editions of Sul Khan-Saba's literary masterpieces, spanning different eras.

Dmanisi Municipality:

Dmanisi Municipality, known for its fortified castle-city and an active archaeological site, is where groundbreaking discoveries about human evolution have been made. This subsection lists some of the sites that help this area attract history, culture, and anthropology enthusiasts from around the world.

Dmanisi¹¹ city complex – the fortified castle-city of Dmanisi stands as a testament to medieval architectural prowess, recognized as one of the most formidable strongholds of its time. This expansive complex includes a castle, citadel, winery, bathhouse, halls, prison facilities, and residential structures, offering a multifaceted glimpse into the past. The core of the castle dates back to the 9th century, steeped in rich history and heritage. Moreover, Dmanisi is an active archaeological site where revolutionary discoveries have been made. Notably, in 1991, the ancient remains of Zezva and Mzia, believed to be among the first European Humanoids, were unearthed here. This remarkable site holds immense potential to captivate history, culture, and anthropology enthusiasts from around the world, inviting them to explore the depths of our shared human heritage.

Gomareti - a treasure trove of historical and cultural heritage, boasting five ancient churches dating from the 9th to the 13th centuries. Among these architectural gems, the small church dedicated to St. George, constructed in the 9th to 10th centuries, holds a unique charm. Its courtyard is adorned with fascinating tombstones that offer a glimpse into the lives of the departed. These tombstones bear intricate depictions of the deceased's professions, providing insights into the occupations of the time. From shepherds to bricklayers, blacksmiths, carpenters, and more, these tombstones tell a story of the village's rich history and the skills and trades that once thrived within its community.

Tnusi – the village Tnusi and its surroundings are steeped in history, with several remarkable historical monuments that offer a window into the past:

- Tnus "Shveli" Church and Bell Tower dating back to 1688.
- Tnus Malkhazi's Church, dating back to the 10th century, is a historical gem that carries centuries of spiritual significance.
- Tnus Tekeni Monastery, rooted in the late middle centuries.

As for museums, the Dmanisi visitors must visit the **Dmanisi Historical Architectural Museum-Reserve¹²**, located in the Patara Dmanisi village, is a remarkable testament to Georgia's rich historical and archaeological heritage. The museum holds an impressive amount of 2,345 historical artifacts. Established in 1983, the Dmanisi Museum-Reserve represents a vivid medieval village where ongoing archaeological excavations continue to unveil hidden treasures. The site boasts a diverse array of well-preserved structures,

¹⁰ Ibid.

¹¹ Kvemo Kartli Tourist Map, Georgian National Tourism Administration, 2017, web.

¹² Georgian Museums, ICOM National Committee in Georgia, Georgia Association of Museums, Culturological Research Association, web, www.georgianmuseums.ge.

including an inner castle, secular edifices, and religious buildings from the medieval era. These structures provide a captivating peak into the daily lives, architecture, and culture of this bygone age.

However, what truly sets the Dmanisi Museum-Reserve apart on the global stage is its groundbreaking geological layer dating back an astonishing 1.8 million years. This layer has yielded an abundance of early hominid remains and fossilized animals, shedding new light on our understanding of human evolution. Since 1991, the site has yielded five hominid skulls, a remarkable find not replicated anywhere else in the world. These discoveries have revolutionized the international scientific community's perspective on the migration of hominids from Africa.

In conclusion, the municipalities of Marneuli, Bolnisi, and Dmanisi offer a tapestry of cultural, historical, and natural wonders that can invite travelers to explore the heart of Georgia's rich heritage. Marneuli's vibrant multicultural identity, Bolnisi's fusion of natural beauty and historical landmarks, and Dmanisi's archaeological revelations all contribute to the unique allure of each of these destinations.

6. Accommodation

6.1 Overview of Regional Accommodation Statistics

According to 2022 Geostat data, there were a total of 2,213 hotels in Georgia, offering 97,834 beds. Among the regions, Adjara had the most beds, comprising 29% of the total (28,484 beds), followed by Tbilisi with 28,042 beds (29% of the share) as depicted in figures 7 and 8. Kvemo Kartli ranked ninth in bed count, with 1,397 beds, representing merely 1% of the total.

In Kvemo Kartli, 50% of the lodging options consisted of hotels with more than ten rooms, while another 40% were hotels with less than ten rooms. Cottages accounted for only 10% of the registered accommodations. When we look at room types, the majority (54%) were double rooms, followed by single rooms at 20%. Triple rooms made up 16% of the total, and luxury rooms comprised 10%. These percentages provide insights into the diverse range of accommodations available in Kvemo Kartli.

Figure 8: Number of hotels by regions, 2022

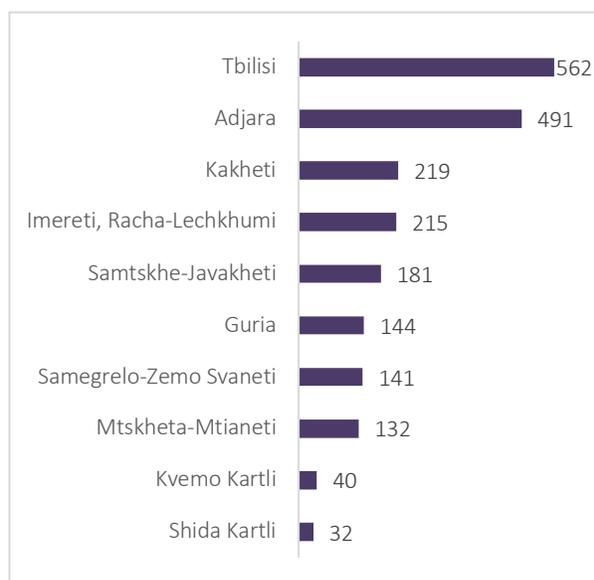
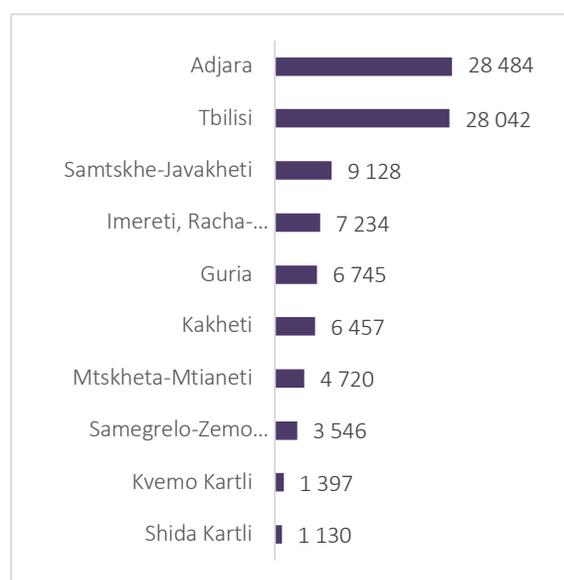


Figure 9: Bed capacity by regions, 2022



Source: National Statistics Office of Georgia (GeoStat)

In 2022, approximately 70,275 guests stayed in accommodation units in Kvemo-Kartli, with around 42,463 of them being foreigners, constituting 60% of the total. Among the regions, the most visited accommodations were located in Tbilisi (43%), Adjara (27%), and Kakheti (8%). Kvemo Kartli ranked ninth in terms of the total number of guests, accounting for a 1% share (figures 10).

Among foreign visitors, Tbilisi attracted the highest number with 1.6 million visitors (53%), followed by Adjara with 1.3 million visitors (28%), and Mtskheta-Mtianeti with 277 thousand visitors (5%). Kvemo Kartli ranked seventh in terms of foreign guests, with 42,000 visitors, representing a 1% share. Foreign guests made up the majority of visitors in Tbilisi hotels (75%), while in Kvemo Kartli, they accounted for 60% (figure 11). In 2022, the largest group among foreign visitors to Kvemo Kartli was from Asia (52%), followed by visitors from Ukraine (20%) and Azerbaijan (15%).

Figure 10: Number of guests in accommodation units by regions, 2022

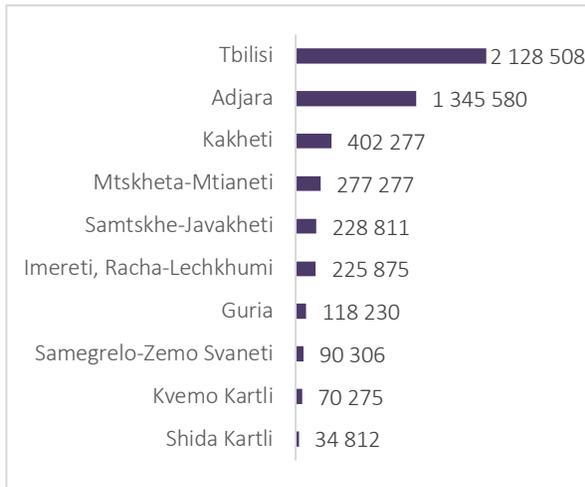
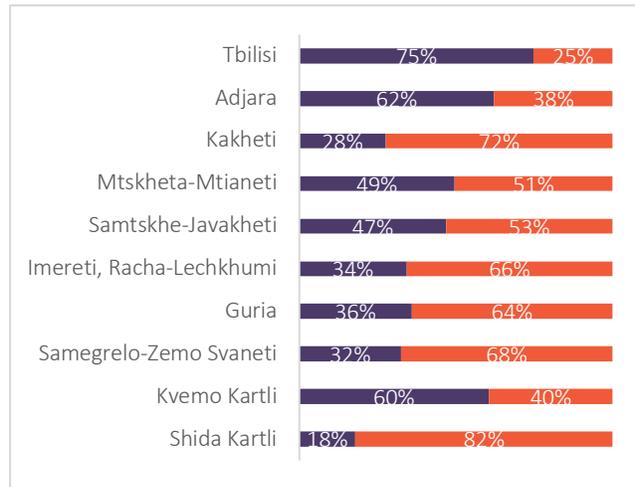


Figure 11: Share of Georgian and international guests in accommodation units by regions, 2022



Source: National Statistics Office of Georgia (GeoStat)

The number of guests in Kvemo Kartli reached a record high of around 97,000 in 2019 but decreased significantly to 52,000 in 2020 due to the impact of the Covid-19 pandemic. In 2022, the number of guests in accommodation units showed a 73% recovery compared to the pre-pandemic value (Figure 12). An interesting trend is observed in the income of accommodation units. The figure shows that, despite the decrease in the number of guests in accommodation units, they still managed to increase their income in 2020, primarily from other sources. However, in later years, the 'other' category shrank, leading to lower total income compared to the pre-pandemic value. This suggests that while accommodation providers were able to diversify their income streams during the pandemic, they might have faced challenges in maintaining those alternative revenue sources in the following years, leading to a decline in total income (figure 13).

Figure 12: Number of guests in accommodation units in Kvemo Kartli, 2016-2022

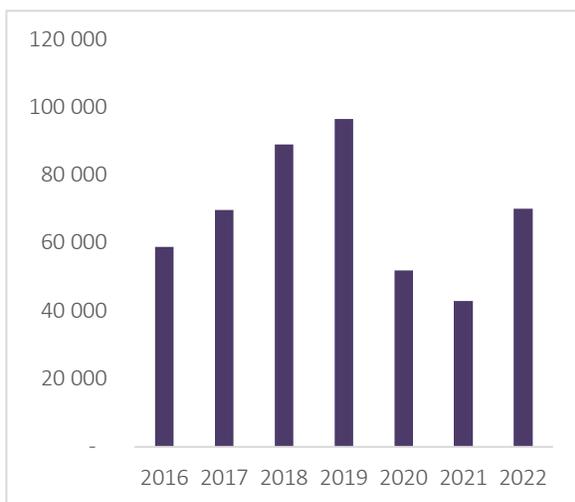


Figure 13: Income of accommodation units in Kvemo Kartli (in thousands), 2016-2022



Source: National Statistics Office of Georgia (GeoStat)

In 2022, Kvemo Kartli's accommodation units employed a total of 245 individuals, with women comprising 58% of the workforce. These employees collectively received salaries totaling approximately 1.942 million GEL during that year.

6.2 Accommodation Units in Target Municipalities

6.2.1: Facilities and Services

Accommodation providers within the municipalities of Marneuli, Bolnisi, and Dmanisi are expected to play a vital role within the tourism ecosystem. They are essential for providing lodging options to cultural tourists and other visitors. These providers, including hotels, guesthouses, and homestays, actively contribute to the advancement and expansion of tourism in various ways. They need to cater to the diverse needs and preferences of tourists, offering a wide array of accommodation choices and activities to enhance the overall visitor experience.

However, within these specific municipalities, the number of hotels points towards an underdeveloped landscape. According to data from Geostat, in 2022, only 17 hotels were recorded as operational across these three target areas. The majority of these hotels, precisely 10, were situated in Marneuli, with the remaining seven being registered in Bolnisi. Remarkably, there were no active hotels registered in Dmanisi in 2022 (figure 14).

Figure 14: Hotels by Target Municipalities



Source: National Statistics Office of Georgia (GeoStat)

In the municipalities of Marneuli, Bolnisi, and Dmanisi, the hospitality and accommodation landscape reveals a mix of opportunities and challenges for the development of tourism in the region. While the region's tourism infrastructure is relatively underdeveloped, there are distinct characteristics and services offered by the accommodation providers that contribute to the unique appeal of each municipality.

Marneuli's landscape of accommodation providers is characterized by modest size and relative underdevelopment. While the municipality hosts several operational hotels, there is a notable lack of enthusiasm among most accommodation providers to actively expand their businesses or actively seek out tourists. The municipality primarily serves as a transit city, accommodating guests overnight before they cross nearby borders. Accommodation providers in Marneuli primarily offer breakfast and serve as temporary stopovers for transiting travelers. However, the region faces considerable infrastructure challenges, including unreliable electricity supply and poor road conditions, hindering both guest comfort and tourism growth. Despite the operation of a municipal transport system, it sees no use by tourists or

accommodation providers, emphasizing the need for improved infrastructure and pedestrian-friendly streets.

Bolnisi's emerging hotel sector offers a diverse range of services, with several operational establishments. A notable trend among hotel owners is their interest in diversifying services, including souvenirs and connecting tourists with local suppliers of natural products. The respondents from this municipality were markedly more growth-oriented. Accommodation providers in Bolnisi engage in agriculture, allowing them to showcase locally sourced products like honey, eggs, and dairy items. This offers guests the opportunity to savor fresh, environmentally friendly produce, contributing to a distinctive and authentic culinary experience during their stay. The municipality has reported an increase in demand for accommodation services, particularly for work-related visits, and is a significant stop on the wine route due to numerous wineries in the area. Collaborations with tour operators and the development of additional infrastructure like bike and hiking trails, camping sites, and improved water and internet services could further enhance the visitor experience.

Dmanisi presents the most limited landscape of accommodation providers among the three municipalities. Although the city boasts rich cultural and historical attractions, most visitors rarely stay overnight. Guests often seek information independently, and only a few tour operators bring them from Tbilisi. Some accommodation providers in Dmanisi engage in diverse activities, such as hosting training sessions (very rarely) and agricultural production, including the cultivation of wheat, corn, potatoes, carrots, lettuce, milk, and dairy products. These hotels often collaborate with local farmers to procure bio products, emphasizing a commitment to offering guests fresh and locally sourced items. However, challenges such as the absence of local tour guides and the discontinuation of a bike rental service due to a low number of tourists highlight areas that need improvement.

Overall, these municipalities share a common need for greater investment in tourism infrastructure, improved road networks, and enhanced online visibility. They also face challenges related to unclear seasonal fluctuations in tourism demand. However, the region's unique agricultural offerings and cultural heritage provide a solid foundation for future tourism development. By addressing key challenges and capitalizing on their distinctive features, Marneuli, Bolnisi, and Dmanisi have the potential to become attractive destinations for diverse sets of tourists, contributing to the economic growth of the region.

The table below (table 2) features information about the guesthouses interviewed in the frames of this value chain analysis:

Table 2: The interviewed guesthouses

Hotel / Guesthouse	Municipality	Offers Food	Capacity	Bed Capacity	Location
Hotel "Marneuli"	Marneuli	No	15 rooms	30 beds	Marneuli
Hotel "Gold"	Marneuli	Yes	12 rooms	25 beds	Marneuli
Lia Bezhaniashvili's Guesthouse	Bolnisi	Yes	3 rooms	6 beds	Bolnisi
Hotel "Caucasus"	Bolnisi	Yes	12 rooms	31 beds	Bolnisi
Davit Arsenidze's Guesthouse	Bolnisi	Yes	4 rooms	10 beds	Bolnisi
Hotel "Nabadi"	Dmanisi	Yes	4 rooms	12 beds	Dmanisi
Hotel "Tetnuli"	Dmanisi	Yes	16 rooms	24 beds	Dmanisi
Olga Tateladze's Guesthouse	Dmanisi	Yes	5 rooms	15 beds	Dmanisi

6.2.2. Workforce and Entrepreneurial Skills

The lack of workforce and entrepreneurial skills emerged as a recurrent challenge, as highlighted by respondents across all three municipalities during field interviews.

In Marneuli, the workforce landscape for accommodation providers poses a significant challenge. Despite the demand for services, finding qualified and enthusiastic employees, particularly in service-related roles, remains an ongoing struggle. The scarcity of individuals interested in hospitality sector careers hinders the growth potential of these establishments. Notably, Marneuli's accommodation providers employ a remarkably diverse staff, representing various ethnic backgrounds. Fortunately, the respondents reported no conflicts based on ethnicity among employees, highlighting the ability of locals to navigate the nuances of their culturally diverse context. However, despite a desire among some young adults to acquire additional skills, accommodation providers are unable to identify specific training needs for their employees, which indicates their lack of motivation and interest in upskilling their staff. The lack of training opportunities in Marneuli, coupled with a dearth of information about vocational schools, compounds this challenge. There is a clear need for improvement in this area, particularly in management training and service-oriented skills development.

Bolnisi's accommodation providers confront similar workforce-related challenges as they strive to meet the demands of an increasingly diverse and discerning clientele. Despite the growing demand, finding qualified personnel, especially in service-oriented roles, remains a significant hurdle. The scarcity of individuals interested in pursuing careers in the hospitality sector constrains the potential for growth within these establishments. Bolnisi's accommodation providers also boast a diverse workforce, with employees representing Georgian and Azerbaijani ethnic backgrounds. Notably, none of the respondents have reported conflicts based on ethnicity within their workforce. Concerning skills, while all respondents have highlighted the lack of skills as a pervasive problem among employees, they have not expressed keen interest in participating in training programs for management or finances. This is despite the fact that none of the respondents claimed to engage in financial forecasting or budgeting in advance, with only a few documenting their expenses and income in a notebook.

Accommodation providers in Dmanisi encounter unique challenges related to their workforce and skills development. Staff within these establishments generally lack digital skills, posing a hurdle to effective operations in the modern hospitality industry. Moreover, there is limited awareness of vocational education and training (VET) institutions among both staff and management. While some young individuals express an interest in acquiring additional skills, there exists uncertainty about the specific skill sets required to excel in the hospitality sector. This knowledge gap presents an opportunity for structured training programs to bridge the skills divide and elevate the quality of service provided by accommodation providers in Dmanisi.

In summary, the shortage of qualified and skilled personnel represents a common issue across all three municipalities, impacting the growth potential of accommodation providers. Addressing these workforce challenges and offering tailored training programs could enhance the quality of service and contribute to the overall development of the hospitality sector in Marneuli, Bolnisi, and Dmanisi.

6.2.3 Marketing

The interviews conducted with various stakeholders have revealed a common challenge faced by the actors in the tourism industry in Bolnisi, Dmanisi, and Marneuli municipalities – lack of any marketing efforts.

In Marneuli, while some establishments do have minimal online presence by registering on platforms like Booking, Facebook, and Google Maps, none of them take any further steps or actions are taken in this direction. None of the accommodation providers reported engaging with tour guides, tour operators, or other tourism-related businesses. The municipality only serves transient travelers and exerts no extra efforts

to attract leisure or business visitors. This lack of proactive marketing, combined with modest online visibility, impacts Marneuli's exposure to potential travelers.

Bolnisi's accommodation providers experience a growing demand for their services, primarily driven by work-related visits and the municipality's significance on the wine route. However, there is untapped potential to expand the reach and visibility of these establishments. While some hotels in Bolnisi have taken initial steps by registering on platforms like Booking, Facebook, and Google Maps, the majority of guests still rely on word-of-mouth recommendations. To fully unlock the region's tourism potential, accommodation providers in Bolnisi should consider more proactive marketing efforts and establish collaborations with tour operators and guides. Creating communication channels with various stakeholders in the tourism value chain represents a significant growth opportunity.

Furthermore, Bolnisi's accommodation providers are exploring initiatives to enhance the overall guest experience, including bike rentals, horse rentals, and ethnographic corners. Addressing infrastructure challenges, such as expanding biking and hiking trails, developing camping sites, and improving water supply and internet connectivity, can significantly enhance Bolnisi's attractiveness to tourists.

Dmanisi's accommodation providers encounter distinctive challenges in their marketing endeavors. Although the municipality boasts rich cultural and historical attractions, the number of visitors, especially foreign tourists, remains relatively low. Most guests are drawn to Dmanisi to explore the museum dedicated to the first humanoids, indicating a specific interest in archaeology and history.

Visitors typically discover information about Dmanisi independently, with occasional tour operators bringing tourists from Tbilisi. However, active cooperation between accommodation providers and tour operators remains limited, presenting an untapped opportunity to expand the reach and accessibility of Dmanisi's attractions.

Infrastructure enhancements, increased awareness, and more robust marketing efforts are identified as pivotal factors that could drive tourism growth in Dmanisi. The region also grapples with challenges like the need for renovations, lack of official hotel registration, the absence of local tour guides, and limited public facilities like toilets. Addressing these issues can create a more compelling and comprehensive experience for visitors and pave the way for the full realization of Dmanisi's tourism potential.

Despite these challenges, some respondents have identified an opportunity for growth in the business tourism segment. This could be an interesting opportunity for all three municipalities of interest. To tap into this potential and diversify their guest base, the accommodation providers in the area should consider enhancing their internet connectivity, expanding their online presence, and adopting more robust marketing strategies. Collaborating with local tour operators and guides could also contribute to a more comprehensive and engaging tourist experience in the region.

In conclusion, all three municipalities share a common need for more proactive marketing efforts, expanded online presence, and collaboration with tourism stakeholders to fully unlock their tourism potential.

7. Food and Beverage

Food and beverage services play a pivotal role in the development and growth of tourism in any destination. Restaurants, cafes, and local eateries serve as cultural ambassadors, introducing visitors to the local cuisine and culinary traditions. Beyond satisfying hunger, these establishments offer an opportunity for tourists to delve into the authentic flavors, ingredients, and cooking techniques of a region, creating immersive travel experiences. Gastronomic tourism not only promotes local culinary heritage but also bolsters the local economy by generating employment opportunities and driving the demand for local produce and food products.

The analysis of the three municipalities - Marneuli, Bolnisi, and Dmanisi - focused on the number of active food and beverage establishments obtained from Geostat, the Georgian National Statistics Office. These establishments were categorized using three NACE 2 codes: "restaurants and mobile food service activities," "other food service activities," and "beverage service activities." The findings unveiled significant disparities among the municipalities, with Marneuli hosting 80 establishments, Bolnisi with 22, and Dmanisi with just 6. Notably, all of these businesses fall under the small enterprise category.

However, further research indicated that only a select few of these establishments are suitable for tourism purposes and are well-equipped to serve general tourists. This observation is reinforced by the fact that many of these establishments do not actively promote their services to tourists. A limited number of them are registered in the Georgian National Tourism Administration (GNTA) database, with only two food establishments in Dmanisi and six in Bolnisi. Interestingly, there is no available data for Marneuli Municipality, indicating its relatively lower significance in terms of tourism development in comparison to the other two municipalities.

Marneuli's restaurants primarily target two types of travelers: those en route to famous seaside tourist destinations in Georgia from Armenia and those visiting to purchase vehicles from Azerbaijan and other Asian countries. However, the recent conflict between Armenia and Azerbaijan and the subsequent closure of the Azerbaijan border significantly impacted business in the region. These restaurants predominantly offer Georgian cuisine, with some incorporating elements of Azerbaijani cuisine. Given the diverse customer base, they operate year-round, with seasonal fluctuations driven by local income patterns, which peak in autumn due to increased agricultural income. While locals exhibit a high demand for restaurant services, international demand remains subdued due to external factors.

Respondents also identified infrastructural problems related to water supply and sewage, which are expected to be resolved by 2024. Another major challenge highlighted is the limited availability of qualified labor, necessitating the recruitment of workers from other cities, thereby increasing labor costs. Furthermore, respondents noted the lack of tourism infrastructure and linkages with tour operators. Some respondents believe Marneuli's role is better suited as a transit hub for visiting other tourist destinations, including Dmanisi and Bolnisi, for cultural tours. However, others see the potential to include Marneuli Municipality destinations in cultural tours. Locations like Tserakvi, where a one-week festival is held in autumn, and the Mikheil Javakhishvili Museum, have been identified. Additionally, the region is home to the oldest wine equipments, located near the Khrami River, and demarcated hills with ancient churches, making them potential tourist attractions.

Regarding language, Azerbaijani respondents emphasized the importance of knowing Georgian as it has become increasingly challenging to find employment without this skill. The younger generation tends to be proficient in Georgian, whereas the older generation faces language barriers. Employment in the restaurants is multinational, with staff representing Azerbaijani, Armenian, and Georgian backgrounds. The restaurants also maintain ties with local hotels, directing customers to their food services.

Both Dmanisi and Bolnisi municipalities share similarities in their food and beverage establishments catering to tourism. These establishments often face challenges in connecting with tour operators and are primarily frequented by locals. Online visibility and promotional efforts are limited, hindering their appeal to potential tourists.

In both regions, improving tourism infrastructure, including signage, visitor information centers, and awareness campaigns, is crucial to attracting more visitors. Collaborating with local tour operators to include these establishments in travel packages could significantly enhance their visibility and overall appeal.

In 2021, in an effort to stimulate gastronomic tourism in the region, USAID project ZRDA published a cookbook showcasing the fusion of Georgian, Armenian, and Azerbaijani dishes that make up the Kvemo

Kartli cuisine – *Ethno Tabla*. The food and beverage establishments in Marneuli, Dmanisi, and Bolnisi play unique roles to complement these efforts in their respective municipalities. However, despite this activity, currently, this gastronomic tourism direction is still largely neglected. For example, the Gastronomic Association of Georgia on its website currently advertises gastronomic tours in 7 regions of the country, and Kvemo Kartli is not included in it.

However, the region's rich cultural heritage, unique culinary offerings, and untapped potential provide opportunities for growth and development in the field of gastronomic tourism. Addressing the identified challenges, such as infrastructure and awareness, will be crucial in realizing this potential and promoting these municipalities as culturally rich culinary destinations.

8. Tour Operators and Guides

As stated above, in all three municipalities of Marneuli, Bolnisi, and Dmanisi, the field interviews revealed a notable absence of local tour guides and non-existent cooperation between local players in the tourism value chain and tour operators or guides. Moreover, there are no established schools or institutions that offer certification or training for tour guides in these regions. This absence of dedicated local guiding services and structured collaboration presents a significant gap in the tourism infrastructure and calls for future development to enrich the visitor experience.

9. Museums While local tour guides and structured collaboration between tourism stakeholders are currently underdeveloped, these municipalities boast rich cultural and historical attractions, with particular potential in the realm of cultural tourism. Museums, such as the Dmanisi Museum-Reserve, play a pivotal role in preserving and showcasing the region's heritage. These cultural institutions serve as valuable repositories of history, archaeology, and local traditions, holding the promise of becoming focal points for cultural tourism. With concerted efforts to enhance infrastructure, marketing strategies, and accessibility, the municipalities of Marneuli, Bolnisi, and Dmanisi have the potential to tap into the allure of cultural tourism, attracting visitors interested in exploring the unique historical and archaeological treasures that these regions have to offer.

During the field visit, interviews were held with the administrators of three museums in the area. These include the Bolnisi Museum in the city of Bolnisi, Sul Khan-Saba Orbeliani Literature Museum in village Tandzia (Bolnisi Municipality), and the Mikheil Javakhishvili House-Museum in village Tserakvi (Marneuli Municipality). The director of the Dmanisi Historical Archaeological Museum-reserve was interviewed on the phone. The key insights gained from these interviews are summarized in the paragraphs below.

Bolnisi Museum –founded in 2020, offers visitors a display of archaeological and some ethnographic materials. The museum maintains connections with tour operators in Tbilisi and has hosted scientific conferences and educational programs, fostering cooperation with local schools and universities. The museum records a growing number of visitors, both domestic and international (primarily from neighboring countries), with around 30% of total attributed to tour operators. The Museum also features a temporary exhibition space, collaborating with the National Museum on marketing activities. The exhibitions feature several informative video clips, but no audio guides are available on the premises. Scarcity of digital skills among staff members hampers modern operations.

The ticket prices are different for natives and international visitors. This pricing disparity, especially considering the diverse ethnicities of the locals and their guests, sometimes creates awkward situations by the ticket counters. There are no feedback mechanisms in place at the Museum. Even to have a simple paper feedback form, the Museum would need a permission from the Georgian National Museum.

The museum employs 13 individuals, primarily Georgians, with one Armenian and a balance of men and women. While some staff members have undergone guide training, the lack of scientific activities within

the museum is notable, particularly the absence of archaeologists. The museum depends and relies on the National Museum, lacking autonomy, and struggling with personnel shortages. There is a pronounced need for scientific and administrative staff and an improved pay for guides. The lack of a local scientific circle limits research opportunities, further complicating the goal of integrating scientific work with the museum's cultural exhibits.

The Bolnisi Museum operates a souvenir shop offering items such as books and puzzles, primarily featuring the imagery of the National Museum rather than the Museum's own imagery and that of its artifacts. These souvenirs provide visitors with tangible mementos of their experience and contribute to the museum's revenue generation. Overall, the Bolnisi Museum presents an untapped potential for cultural tourism, emphasizing the need for enhanced digital skills among staff, a certain level of autonomy, and deeper scientific engagement to make the most of its offerings and foster growth in the region.

Sulkhan-Saba Orbeliani Literature Museum – Established in 1984, this regional literary museum is connected to the Bolnisi Cultural Center and operates under its purview. The center regulates rates and working hours, and approves all events that are to be held at the premises. They have a dedicated space for temporary exhibitions, and for the past seven years, they have showcased exhibits from the Apollo Kutateladze Museum in Tbilisi, along with permanent painting exhibitions.

The museum employs no technologies in any of its exhibitions. The staff recognizes the potential benefits of audio guides in various languages, but currently there are no plans in place to acquire them. A multilingual guide could also enhance the visitor experience. The staff members report lack of language and digital skills. They also express keen interest in acquiring digital skills. As for the language aspect, the multilingual audio guides can be a solution. However, currently, foreign visitors do not usually visit the Museum. Visitors are usually school students, or residents of the nearby areas.

The museum operates without a long-term plan, instead submitting an annual plan to the Cultural Center, which is then subject to approval. Events, including outdoor gatherings, are organized with schools, students, and visits to other museums or sites. They have no connections with tour operators, but the museum actively collaborates with schools. They occasionally engage with television, though marketing, both digital and traditional, is virtually absent. Events, including the prominent "Sabaoba," are planned and organized through the Cultural Center, with invitations extended to schools in the area directly.

Feedback is gathered in a book of impressions, which generally reflects positive experiences. Visitor numbers have seen an increase compared to the previous year, with significant school visits. The number of visitors is considerably bigger this year compared to last year. They keep visitor records and statistics on paper. The museum offers different pricing tiers, with reduced rates for students, seniors, and higher fees for guides. There are no distinctions in pricing between Georgians and foreigners, and benefits are extended to vulnerable groups.

Sulkhan-Saba Orbeliani Literature Museum does not have a souvenir shop, but there is potential for one in a separate building. Infrastructure issues, such as building repairs, yard maintenance, and park improvements, need urgent attention. Water damage, balcony deterioration, and issues with the building's suitability for guests have been noted repeatedly.

The museum operates with adequate gas, electricity, and road access. Water extraction is ongoing. The absence of family hotels in Tandzia and the success of a picnic area initiative compared to the museum in attracting visitors are notable findings.

Mikheil Javakhishvili House-Museum – situated in the village of Tserakvi, was established in 1980. The museum is financially and otherwise dependent on the Culture Center. Entrance to the museum is free of charge. Guide services are not available, presenting one of the primary challenges. While there is also a lack of modern technological amenities, the museum does have video displays, with a projector donated by the Czech Embassy as part of a grant project.

One significant issue faced by the museum is the decline in visitor numbers during the COVID-19 pandemic. While the number of visitors has been recovering since, it has not yet reached pre-pandemic levels.

The Museum has some level of cooperation with tour operators, but this is not a significant source of Museum's visitors. The museum also hosts events, including literary gatherings and activities involving children. Some challenges that require attention are adapting the premises for disabled visitors, enhancing technological capabilities, renovating toilets, and establishing a souvenir shop. There is potential for creating a coffee shop or salon that could employ ethnic minorities, particularly women, to provide an additional source of revenue.

Feedback is collected through a log of impressions, and visitor statistics are recorded. The village Tserakvi hosts the One Caucasus festival, drawing a mixed crowd, including Azerbaijanis and Armenians. The culture center plays a vital role in disseminating information about such events. Prior to the pandemic, the museum recorded approximately 1,000 visitors in August, with 40% of them being foreigners. Efforts are underway to activate engagement, including collaborations with schools and opportunities for children to present exhibitions.

While the museum utilizes radio broadcasts for event promotion and maintains a presence on Facebook, most outreach efforts are done through the Culture Center. There is a desire for training among staff members. As the number of visitors potentially increases, the need for additional staff may arise. Internet access is currently unavailable, and there is a lack of other tourist services and products in the area.

Dmanisi Historical and Architectural Museum Reserve - situated in the village of Dmanisi, the museum reserve has faced significant changes in the visitor dynamics, with the COVID-19 pandemic causing a drastic drop in attendance during 2020 and 2021. However, a notable resurgence occurred in 2022, witnessing a doubling of visitor numbers compared to 2019. This resurgence can be attributed to various factors, including increased outreach through social media, marked by the establishment of a dedicated Facebook page. Furthermore, proactive engagement with local schools has played a pivotal role, with students informally encouraged to include a visit to the museum as part of their educational journey. The museum's increased offering of events and a revised ticket pricing strategy (increased prices to better reflect the value of the exhibits) have also contributed to enhancing its perceived value among visitors. The Museum Reserve is also keen on establishing fruitful collaborations with tour operators to broaden its reach and diversify its audience base.

In terms of training, the museum has expressed an interest in expanding its educational initiatives beyond traditional guided tours. They aspire to engage students in a broader spectrum of educational projects and research activities, involving undergraduate, graduate, and doctoral students. Field archaeological research and laboratory work are areas of particular interest.

While foreign language guides are currently unavailable, the museum has expressed a desire to employ an Azerbaijani-speaking guide who is fluent in Georgian. Language proficiency is considered essential for this role, and the museum is open to training potential guides. Audio guides are available within the museum to enhance the visitor experience.

The museum faces infrastructure challenges, including the absence of an office on its premises. There is a small wagon on the site, but it cannot serve as a functional office space as it lacks adequate seating for guides.

As for souvenir offerings, the museum does not currently feature a souvenir shop, representing an opportunity for future development.

Ticket pricing is differentiated, with foreign visitors paying 20 GEL and Georgians paying 10 GEL for admission. The museum operates with a degree of autonomy, with the current manager vested with significant decision-making authority, allowing for efficient operations and adaptability.

The museum acknowledges the need for infrastructure repairs, particularly in addressing the condition of its facilities. The presence of a laboratory, a conference hall, and other amenities underscores its potential for growth and enrichment. However, challenges such as water leakage in the conference room during rainy periods highlight the pressing need for renovations.

Additionally, transportation needs have been identified, with a requirement for a minivan to facilitate student visits and activities. The museum is actively engaged in attracting visitors through educational initiatives and event broadcasts on radio programs, but it acknowledges the absence of internet access and other tourism-related services in the region.

10. Souvenirs and Crafts

Souvenirs and crafts play a pivotal role in encapsulating the essence of a destination, offering visitors tangible keepsakes to preserve and share their cherished experiences. Our survey revealed that there are local artisans in the area who craft wooden and ceramic souvenirs. Intriguingly, the majority of these skilled individuals operate their businesses from their homes, and no dedicated souvenir shops were identified during our field trip. This finding underscores a substantial untapped potential in this segment, especially when considering the global renown and historical significance of the region's archaeological discoveries, including the groundbreaking paleontological findings of the Dmanisi hominins, *Zezva* and *Mzia*, ancient human skulls, which have significantly advanced the field of anthropology.

It's worth noting that respondents from the Dmanisi Culture Center expressed a desire for the establishment of souvenir shops in the area. However, it's important to highlight that no concrete plans or strategies were suggested for realizing this aspiration.

There is an active souvenir shop on the premises of the Bolnisi Museum, however. According to the director of the museum, visitors often buy books from the shop. Interestingly, the souvenirs in the shop carry the imagery and symbolism of the Georgian National Museum. In other words, the souvenir offerings in Bolnisi museums seem somewhat disconnected from the thematic focus of these cultural institutions and may not effectively capitalize on the rich cultural and historical values of the region.

Marneuli also holds promising prospects for the growth of its souvenir industry, particularly considering the municipality's pivotal role in Georgia's official recognition as the "cradle of wine," boasting an illustrious heritage spanning 8,000 years of winemaking traditions.

Given these valuable insights, there exists a clear opportunity to develop a well-considered plan for establishing souvenir shops that not only cater to the desires of visitors but also align with the abundant cultural and historical heritage of Dmanisi. Such an initiative could enhance the immersive and memorable experience for tourists while simultaneously supporting local artisans and promoting the significance of the region's archaeological discoveries.

11. Transport

Transport infrastructure plays a vital role in the development and sustainability of tourism, directly impacting the accessibility and convenience of a destination for visitors. Efficient and well-maintained

transportation networks not only facilitate travel within and between municipalities but also contribute to the overall visitor experience.

Accessibility is a critical factor in unlocking the tourism potential of Kvemo Kartli, particularly in Marneuli, Bolnisi, and Dmanisi municipalities. These regions offer unique opportunities for cultural tourism, and their strategic location near international borders presents the possibility to develop cultural routes that encompass two neighboring countries.

Kvemo Kartli boasts an extensive transportation network spanning 3036 km, including highways, local roads, railways, and public transport options. Notably, three roads of international importance traverse the region:

- Tbilisi-Red Bridge: This international route serves as a vital border connection to Azerbaijan, significantly enhancing accessibility within Kvemo Kartli. While Marneuli municipality is one of the alternative routes it provides a critical gateway to the broader region, facilitating cross-border cultural tourism through well-connected road networks.
- Tbilisi-Marneuli-Guguti: An international route connecting Tbilisi to the Guguti area, this road plays a pivotal role in improving accessibility within Kvemo Kartli. Furthermore, Guguti serves as the border point to Armenia, making this road strategically significant for cross-border cultural experiences. Within the region, on the territory of Bolnisi municipality, this road covers a significant length of 96.4 kilometers, contributing significantly to its accessibility and connectivity.
- Marneuli-Sadakhlo: This road ensures connectivity to the border of Armenia, further promoting cross-border cultural tourism, enabling visitors to explore the rich heritage of both Georgia and Armenia.

However, despite these international connections, many internal state roads of small and local importance, including those linking municipal centers and relevant settlements, lack asphalt or concrete pavement. Municipalities predominantly rely on private transport companies, and vehicle standards lag behind modern norms.

The railway within Kvemo Kartli operates along two key directions: Tbilisi-Baku and Tbilisi-Yerevan. Additionally, the Tbilisi-Tsalka-Akhalkalaki railway is under construction, further enhancing regional connectivity. Road and railway communications play a vital role in facilitating cooperation between the Kvemo Kartli region and its neighboring areas.

Regarding municipal transport, it is noteworthy that all of the interviewees generally praised its performance. They reported that it operates reliably according to the schedules. However, an interesting observation is that very few of the locals mentioned personally utilizing municipal transport in their daily routines. Furthermore, it's important to highlight that tourists visiting the municipalities almost never opt for municipal transport as their preferred mode of getting around, relying instead on private means of transportation.

To bolster accessibility and fully leverage the tourism potential of Marneuli, Bolnisi, and Dmanisi municipalities, it is essential to address road maintenance, upgrade vehicle standards, and promote the use of international routes for tourism development. Enhanced accessibility will make the region a more appealing destination for travelers seeking unique cultural experiences, including those interested in exploring areas close to the borders of Azerbaijan and Armenia. The development of cross-border cultural routes can further enrich the tourism landscape, offering visitors a multi-faceted journey through Georgia and its neighboring countries.

12. Stakeholders

Georgian National Tourism Administration

The Georgian National Tourism Administration (GNTA) plays a pivotal role in shaping tourism development across Georgia. GNTA keeps track of tourism related statistics, has registries of active businesses in the tourism related sectors, and cooperates with various organizations to publish reports and research about the tourism potential of the country, among other activities.

However, in the context of the Kvemo Kartli region, the GNTA's role is currently constrained by limited resources. This limitation underscores the pressing need to establish a Destination Management Organization (DMO) in Kvemo Kartli.

Unlike some other regions in Georgia where DMOs have been successfully established, Kvemo Kartli lacks such a local entity. DMOs are vital for regional tourism development as they work in tandem with national authorities, like the GNTA, to enhance tourism at the local level. They serve as instrumental bodies for coordinating local tourism efforts, fostering collaboration among various tourism stakeholders, and crafting tailored strategies to harness the region's unique assets while addressing its specific challenges.

The Georgian National Museum

The Georgian National Museum, founded in 2004, is a custodian of the country's cultural heritage and a center for intellectual and scientific research. While its primary mission goes beyond tourism, it plays a crucial role in enriching Georgia's tourism potential.

By centralizing cultural treasures and implementing a unified management system, the museum enhances the appeal of tourism destinations. Its interdisciplinary research and conservation efforts contribute to the authenticity of the tourism experience, making it more attractive to travelers.

Collaborating with local and international institutions, the National Museum fosters cultural and educational linkages, benefiting Georgia's tourism development. Support from international organizations further strengthens its contribution to the country's tourism sector.

The National Museum encompasses two museums in target municipalities: the Bolnisi Museum and the Dmanisi Museum Reserve, adding to Georgia's tourism appeal by showcasing its rich history and cultural heritage.

The interviews shed light on the close involvement of the Georgian National Museum in the daily operations of these local museums. However, the findings underscore the importance of tailoring approaches to the unique needs of each municipal museum, suggesting that they may benefit from varying degrees of autonomy. Notably, these museums currently lack independent online presence. While the Georgian National Museum has an official website featuring information about these museums, it becomes evident that regular updates and improved website maintenance are lacking. For instance, the website's built-in calendar still displays the year 2020, and the latest news related to the Dmanisi Museum-Reserve dates back to 2012.

Culture Centers in Target Municipalities

In the target municipalities, all three have active and versatile cultural centers: the Dmanisi Culture and Art Centre, Marneuli Culture Center, and Bolnisi Culture Center. Some of these centers even house tourism information facilities, such as the Dmanisi Culture and Art Centre. These cultural centers serve as hubs for a variety of artistic directions, ensembles, and studios, enriching the cultural landscape of their respective areas. Additionally, these centers take on the responsibility of ensuring the proper operation of certain museums within their municipalities. For example, the Marneuli Culture Center oversees the functioning of the Mikheil Javakhishvili House Museum in Tserakvi and the Pashievi House Museum in Shaumian.

In the absence of a Destination Management Organization (DMO), cultural centers can play a significant role in stimulating tourism flows. They can achieve this by organizing a wide range of cultural events,

including those that celebrate the diverse ethnic minorities in the region. These events not only showcase the rich cultural tapestry of the area but also have the potential to attract tourists interested in experiencing and engaging with the local culture. In essence, these cultural centers serve as important catalysts for tourism promotion and cultural exchange in the absence of a dedicated DMO.

Facebook serves as the primary communication platform for all of these Cultural Centers, each maintaining separate official pages. However, some differences exist in their approaches. The Dmanisi Culture and Art Centre, with engagement from fewer than 2,000 people, exclusively shares content in the Georgian language. This suggests that the page may not be geared towards capturing the interest of foreign visitors or local residents facing language barriers.

In contrast, the Marneuli Culture Center, also engaging a similar number of people, adopts a bilingual approach, posting content in both Georgian and Azerbaijani languages. While this strategy aligns with the linguistic demographics of the area, it may not be primarily aimed at reaching out to foreign visitors. Finally, the Bolnisi Culture Center, despite over 60% of its population having Azerbaijani roots, predominantly posts in the Georgian language. Nonetheless, it successfully engages the largest number of Facebook users, approximately 4,500, indicating an effective online presence within the local community.

Enterprise Georgia

Enterprise Georgia is a Legal Entity of Public Law that operates under the Ministry of Economy and Sustainable Development of Georgia, with a primary focus on stimulating domestic production and fostering entrepreneurship. Among the various programs administered by Enterprise Georgia, the Micro and Small Business Support (MSBS) Program is particularly relevant to the target area. The locals are well informed about the program, and several of them have previously participated (some successfully) in the program. Tourism-related goods and services are one of the priority sectors of all business support programs administered by the Agency. Under this program, Enterprise Georgia provides grants of up to GEL 30,000 to support the development of micro and small businesses. However, beneficiaries are required to contribute 20% of the total project cost as co-financing. The Micro and Small Business Support Program is implemented in several stages. The first stage is the competition of business ideas, allowing individuals to submit their proposals for consideration. In the second stage, the shortlisted candidates receive training in how to develop a business plan. Finally, the shortlisted candidates submit detailed business plans for their proposed venture for final selection stage.

In 2015-2022, Micro and Small Business Support Program (MSBS Program) has announced 6 calls for applications and has funded 8,209 projects with a total of approximately 91.3 mln GEL, of which 627 projects (7.6% of total) were funded in the Kvemo Kartli region, with a total of 7.3 mln GEL (8% of total issued grants). Of these, 259 projects (3.2% of total and 41.3% of projects funded in the region) were implemented in the municipalities of interest –Bolnisi, Dmanisi, and Marneuli. The total grants issued for these 259 projects were approximately 2.9 mln. GEL (3.2% of total issued funding, and 39.5% of grants issued for Kvemo Kartli region), which is approximately 11,000 GEL per project. The table below shows municipal level data for the number of projects funded, the volume of grants issued, and total employment generated by the projects in the municipalities of interest. The 2023 call is currently ongoing and final data is not yet available.

Table 3: Projects funded under the MSBS Program, 2015-2022, by municipality

Municipality	Number of Projects	Volume of Grants (in 1000 GEL)	Employment
<i>Bolnisi</i>	66	778.35	151
<i>Dmanisi</i>	35	380.10	77
<i>Marneuli</i>	158	1,719.75	397
Total	259	2,878.20	625

Source: Enterprise Georgia

According to the data from Enterprise Georgia, of the 259 projects funded in the three municipalities, only 12 may be considered as part of the tourism value chain. This once again highlights how neglected this sector is in these areas. These 12 projects were funded with a total of 110,000 GEL. The table below shows these projects by sector.

Table 4: Tourism value chain related projects funded under MSBS Program, 2015-2022, by sector and municipality

<i>Municipality</i>	Sector	Number of Projects	Amount of issued grants	Employment
<i>Marneuli</i>	Accommodation Units	0	0	
	Food & Beverages	5	30,000	10
	Recreational Activities	2	45,000	9
	Total	7	75,000	19
<i>Dmanisi</i>	Accommodation Units	1	10,000	3
	Food & Beverages	0	0	0
	Recreational Activities	1	10,000	3
	Total	2	20,000	6
<i>Bolnisi</i>	Accommodation Units	0	0	0
	Food & Beverages	3	15,000	5
	Recreational Activities	0	0	0
	Total	3	15,000	5
TOTAL		12	110,000	30

Source: Enterprise Georgia

Enterprise Georgia also has an industrial program through which it provides subsidies to SMEs on the interests of commercial bank loans. The table below shows the number of funded projects, total employment under the projects, total volume of investment, and the volume of issued subsidies (as of June 2023) in the municipalities of interest.

Table 5: Beneficiaries of the Industrial Component by municipality, 2014-2023

<i>Municipality</i>	Number of Projects	Total Employment	Total Investment Volume (in mln. GEL)	Issued subsidies (in thousand GEL)
<i>Bolnisi</i>	5	329	4.64	324
<i>Dmanisi</i>	2	0	3.80	249
<i>Marneuli</i>	23	228	15.83	463
Total	30	557	24.27	1,035

Source: Enterprise Georgia

Of the 30 projects, 7 projects are tourism sector related. These 7 projects have total investment volume of 6.7 mln GEL, have generated a total of 75 jobs, and have been subsidized by 300 thousand GEL as of June 2023.

International Partner/Donor Organizations

Tourism development in the municipalities of Marneuli, Bolnisi, and Dmanisi has attracted the attention of several international partners. Notably, the project titled "Development of Tourism Business in Kvemo Kartli as a Means of Overcoming Poverty and Generating Income" was initiated by the organization "Tourism and Reality." This project was conducted within the framework of the Regional and Local

Development Promotion Program, a collaboration between the United Nations Development Program (UNDP) and the Swiss Agency for Development and Cooperation (SDC), with financial support from the Austrian Development Cooperation (ADC).

Another significant donor organization over the years has been the now completed USAID Project Zrda, which focused on promoting tourism development. Zrda's mission was to support the growth of tourism in target regions by fostering the development of new tourism products, promoting new tourist facilities and attractions, and enhancing the alignment of all stakeholders in the tourism sector with international quality standards, using a comprehensive approach.

Notably, in 2021, within the program a new culinary collection titled "Ethno Tabla" was published, featuring traditional culinary recipes from various ethnic minorities, including Armenian, Azerbaijani, Greek, German, and Assyrian communities in the Kvemo Kartli region. This collection follows previously published cookbooks like Meskhur, Kolkhur, Tushur, and Kist Tabla. As part of this project, culinary testing and a masterclass on a German noodle soup recipe were conducted in Bolnisi, with the participation of officials such as Deputy Director David Hoffman of USAID/Georgia Mission and Deputy Governor Kakha Koberidze of Kvemo Kartli. "Ethno Tabla" is a collaborative effort between USAID/Zrda and the Gastronomy Association of Georgia, aiming to promote the culinary heritage of the region, both locally and internationally. The book is available in both Georgian and English languages, serving as a new tourist product for the area.

GIZ is another international organization that cooperates with the Georgian National Tourism Administration to promote the German heritage sites in the Kvemo Kartli region. Over the recent years, the organization has published four tourism-related papers, three of which are concentrated on the Kvemo Kartli region. The paper *Tracing the German Heritage of the South Caucasus* explores the history of German settlements of 17th and 18th centuries in Georgian and Azerbaijani territories. The settlements in Georgia are located in Tbilisi and the Kvemo Kartli region, namely the municipalities of Marneuli, Bolnisi, Tsalka, Gardabani, and Tetrtskaro. The settlements Elizabethtal in Asureti village (Tetrtskaro Municipality) and Katarinenfeld (Bolnisi municipality) are described and explored in further detail in the remaining two reports that focus on the cultural and historical significance each.

These international partners recognize the immense potential of tourism as a catalyst for economic growth and development in the three municipalities. Their support extends beyond financial assistance, as they actively advocate for sustainable practices and empower local communities. By emphasizing good governance, social inclusion, environmental conservation, and the development of sustainable livelihoods, these organizations aspire to create a positive and enduring impact on the region. Through their collaborative efforts, they contribute significantly to the overall development of the tourism sector and provide valuable opportunities for local communities to prosper.

Financial Institutions

7 of the 14 commercial banks active in Georgia are represented in the Kvemo Kartli region. All of these banks are accessible in Marneuli, while 4 banks have branches in Bolnisi. The fewest number of banks, ATMs and Service Centers are found in Dmanisi, with only 3, 6, and 7, respectively, operating in the area.

Table 6: Banking entities represented in the municipalities of interest in Kvemo Kartli

Region/Municipality	Branches and Service Centers	ATMs	Number of Banks
<i>Kvemo Kartli</i>	77	140	7
<i>Bolnisi</i>	8	9	4
<i>Dmanisi</i>	7	6	3

<i>Marneuli</i>	16	23	7
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Source: National Bank of Georgia

Excluding Tbilisi, Kvemo Kartli is the fourth region in the country in terms of representation of financial institutions, after Imereti, Samegrelo-Zemo Svaneti, and Adjara regions. While the region's administrative center, Rustavi, has most ATMs (68) and Service Centers (27), only 5 different banks are represented in the area. Notably, the Marneuli municipality hosts the largest selection of banks with 7.

In terms of non-bank financial institutions, namely, loan issuing entities, currency exchange points and micro-financial institutions, Kvemo Kartli accounts for 6.6% of the offices currently operating in the country. In terms of loan issuing entities, 17 of 334 total offices are located in the region, accounting for 5.1% of the total. 46 of 702 currency exchange points in the country are also located in Kvemo Kartli, accounting for 6.6% of total. As for micro-financial institutions, Kvemo Kartli is home to 32 of 395 offices operating in the country, accounting for 8.1% of total. Unfortunately the municipal level data is not accessible.

Table 7: Number of offices of Non-Bank Financial Institutions in Kvemo Kartli and their share in total number of offices operating in Georgia

<i>Non-Bank Financial Institutions</i>	<i>Number of Branches</i>	<i>Share in Total Branches</i>
<i>Loan Issuing Entities</i>	17	5.1%
<i>Currency Exchange Points</i>	46	6.6%
<i>Microfinance Organizations</i>	32	8.1%

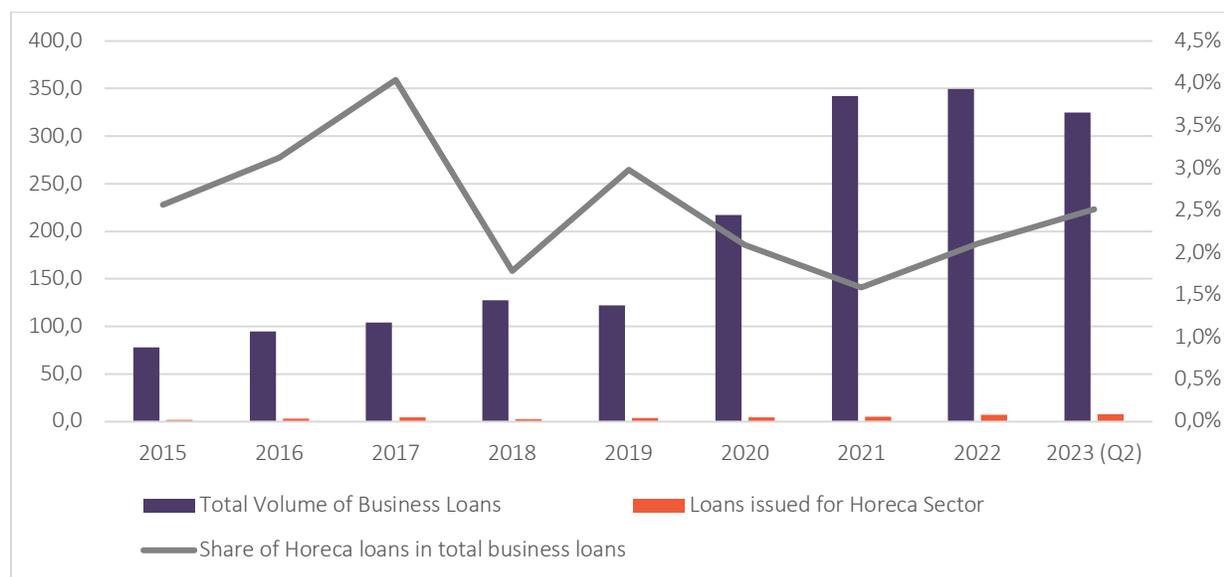
Source: National Bank of Georgia

To sum up, Kvemo Kartli has a relatively low representation of banking entities in Georgia, with only 7 of 14 banks located in its municipalities. The region has a relatively low number of branches and service centers as well. However, it must be noted that the region, according to these numbers, is outperforming 6 other regions of the country, including Kakheti, Shida Kartli, Samtskhe-Javakheti, Guria, Mtskheta-Mtianeti, and Racha-Lechkhumi-Kvemo Svaneti. In terms of number of ATMs, Kvemo Kartli accounts for 140 of total, however 68 (48.6%) of them are located in the administrative center of Rustavi. In terms of non-bank financial institutions as well, while the numbers are low, compared to other regions of the country, Kvemo Kartli is doing relatively better, outperforming at least 5 out of the 10 regions (excluding Tbilisi) in all quoted metrics.

In terms of banking activity, as of Q2 of 2023, business loans issued in Kvemo Kartli only represent 1.51% of total business loans issued in the country. If we look only at loans issued for Horeca sector, the share is even lower and amounts to 0.53% of total Horeca sector loans. This is while the share of all Horeca loans in total business loans stands at 7.1%. This gap indicates that tourism is a largely underdeveloped and neglected economic sphere in the region overall.

The figure below takes a closer look to the Kvemo Kartli business portfolio and shows the volume of total business loans, horeca sector loans, and their share in total. The graph shows that this sector is a largely negligible part of the portfolio. While the share of Horeca sector loans fluctuates between 2-4%, the largest shares belong to the manufacturing (47%) and trade (25.4%) sectors. This indicates a low interest in tourism-sector related activities of the locals.

Figure 5: Total Business Loans, Loans issued for Horeca sector, and their share in total in Kvemo Kartli, 2015-2023



Source: National Bank of Georgia

Vocational Education and Training

In Kvemo Kartli, there are 9 registered vocational educational institutions. However, majority (5) of them are located in Rustavi, which is outside of the municipalities of interest for the purposes of this paper. Three of the remaining four are located in Marneuli, while one is located in the Dmanisi municipality.

The Table below lists these vocational education providers and the programs they offer that is relevant to the tourism value chain.

Table 8: Vocational educational institutions in the municipalities of interest

Municipality	Educational institutions with VET programs	Program name
Marneuli	Marneuli Medical College	No programs directly related to tourism value chain; The course in financial services may be relevant;
Marneuli	College of Marneuli	No programs directly related to tourism value chain; Courses in office work, financial services, and accounting may be relevant;
Marneuli	Marneuli Community College	No programs directly related to tourism value chain; The course in financial services may be relevant;
Dmanisi	Swiss Agricultural School Caucasus	No programs relevant to tourism value chain;

Source: Vet.ge; Field research

Marneuli Medical College is a private institution offering three types of programmes – professional educational programs, professional retraining programs, and short certification courses. Currently, the College offers a professional educational program in financial services that is a general course that may be applicable to different types of economic activities, including tourism-related activities. This is a 48 week long program that results in awarding the successful participant with a Basic Vocational Qualification in Financial Services.

College of Marneuli, established in 1992, is also a private institution offering both, long-term and short-term certification courses. Of the long-term courses, some of the programs that may be relevant for persons in the tourism value chain are the 16-month program in office work, and the 12-month program in financial services. Another relevant certification program may be the 40-week course in accounting.

The Marneuli Community College also offers a general 38-week long course in financial services. The Swiss Agricultural School Caucasus focuses on agricultural economic activities, namely farming, herding, dairy production, and does not offer any courses relevant to the Tourism value chain.

To sum up, while the vocational institutions located in Marneuli do offer some courses to help strengthen the skills of the workforce that will be relevant across sectors, none of the available courses focus directly on tourism related activities. The schools can expand on their selection of available certifications and offer long and short term courses in, for example, hotel and/or restaurant management, tour guide certifications, sustainable tourism, etc.

13. SWOT Analysis

SWOT Analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> <input type="checkbox"/> Rich cultural and historic heritage and diverse tourist attractions. <input type="checkbox"/> High-quality, eco-friendly agricultural products. <input type="checkbox"/> Diverse tourism potential, including cultural, agrotourism, and recreational opportunities. <input type="checkbox"/> Strategic location near Tbilisi, Tbilisi Airport, Azerbaijan, and Armenia, enhancing tourism prospects. <input type="checkbox"/> Intersection of major transport routes. <input type="checkbox"/> Presence of international roads and railways. <input type="checkbox"/> Beautiful nature and landscapes <input type="checkbox"/> Multicultural society with diverse cuisine offerings <input type="checkbox"/> Many archeological active sites <input type="checkbox"/> Strategic point for cross border trade <input type="checkbox"/> German architectural and cultural heritage of Bolnisi 	<ul style="list-style-type: none"> <input type="checkbox"/> Insufficient number of accommodation units. <input type="checkbox"/> Shortage of skilled labor in the local hospitality industry. <input type="checkbox"/> Population outflow to the capital <input type="checkbox"/> Communication challenges for the elderly population due to limited proficiency in the Georgian language <input type="checkbox"/> Lack of awareness about the tourism potential as an important source of additional income within the municipalities. <input type="checkbox"/> Lack of specific hospitality educational programs in VET institutions <input type="checkbox"/> Scarcity of qualified cultural guides. <input type="checkbox"/> Deficiency of specially trained multilingual personnel in museums <input type="checkbox"/> Lack of modern technologies in museums <input type="checkbox"/> Absence of an integrated waste management system. <input type="checkbox"/> Lack of public toilet facilities. <input type="checkbox"/> Insufficient tourism infrastructure and services (inadequate tourism directional signage, lack of hiking trails, camping sites, rental services of bikes and horses) <input type="checkbox"/> Limited cultural and recreational amenities, including cultural centers, parks, libraries, schools for music and art, galleries, museums, theaters, sports facilities, and swimming pools, along with subpar infrastructure conditions, limiting the region's cultural and leisure offerings. <input type="checkbox"/> Poor state of many local roads, affecting regional accessibility. <input type="checkbox"/> Inadequate sewage systems in municipal centers and a lack of sewage systems in most villages. <input type="checkbox"/> Limited access to the Internet and/or slow connection. <input type="checkbox"/> Low rate of water and natural gas supply to the population. <input type="checkbox"/> Underdeveloped hospitality industry (hotels, cafes, bars and other entertainment facilities) with infrastructural and service quality problems in hotels. <input type="checkbox"/> Limited public transport accessibility to villages and attractions around and lack of awareness about existing ones;

	<ul style="list-style-type: none"> <input type="checkbox"/> Non-existence of accommodation statistics in target municipalities <input type="checkbox"/> Low cooperation between different value chain actors <input type="checkbox"/> Low salary in museums <input type="checkbox"/> Lack of data base of tourism products <input type="checkbox"/> Lack of souvenir shops with thematic products <input type="checkbox"/> Limited tourism information availability and accessibility <input type="checkbox"/> Insufficient availability of accommodation statistics <input type="checkbox"/> Limited feedback on visitor satisfaction with existing tourism infrastructure
Opportunities	Threats
<ul style="list-style-type: none"> <input type="checkbox"/> Exploit the tourist potential of the cross-border region <input type="checkbox"/> Exploit cultural richness, eco-friendly products, and varied climatic conditions to expand cognitive, cultural, and agrotourism. <input type="checkbox"/> Use proximity to key destinations like Tbilisi and neighboring countries for increased tourist traffic. <input type="checkbox"/> Leverage international roads and railways for cross-border adventures and cultural exchanges. <input type="checkbox"/> Invest in accommodation, skilled guides, and tourism facilities. <input type="checkbox"/> Enhance cultural facilities and recreational spaces <input type="checkbox"/> Improve roads, water supply, sewage systems, and general infrastructure for better accessibility. <input type="checkbox"/> Expand internet access to tap into the digital tourism market <input type="checkbox"/> Elevate workforce skills to enhance tourism services <input type="checkbox"/> Implement waste management and sanitation systems <input type="checkbox"/> Collaborate with tourism stakeholders to raise awareness and attract visitors. <input type="checkbox"/> Establish a DMO to coordinate tourism efforts and enhance destination marketing. <input type="checkbox"/> Leverage the active sites for archeological tourism <input type="checkbox"/> Exploit the ancient viticulture heritage niche to attract wine tourism visitors <input type="checkbox"/> Implement modern technologies in museums, e.g. audio guides <input type="checkbox"/> Improve accessibility to tourism sites (public transport, roads, directional signs, trails) 	<ul style="list-style-type: none"> <input type="checkbox"/> The lack of interest in tourism business from the local population; <input type="checkbox"/> Low number of international and domestic visitors; <input type="checkbox"/> Language barriers remain a significant obstacle, impeding effective communication and engagement with tourists;

<ul style="list-style-type: none"><li data-bbox="212 197 800 327">❑ Offer different types of Tourism-related training including digital marketing, service quality, hotel management, financial planning, etc.<li data-bbox="212 331 800 399">❑ Improve Accommodation statistics availability	
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14. Recommendations

14.1 Recommendations for Public Entities:

- ❑ Establish a Destination Marketing Organization (DMO) that unites public and private stakeholders to harmonize tourism efforts, enabling strategic marketing and destination management.
- ❑ Foster cross-border cooperation with neighboring regions and countries to harness the untapped potential of shared tourism experiences and cultural exchanges.
- ❑ Introduce quality standards and certification programs for hotels and accommodations to elevate service quality, boosting guest satisfaction, and attracting repeat visitors.
- ❑ Invest in crucial infrastructure development, including sewage systems, public toilets, and tourism facilities, to enhance visitor comfort and convenience, fostering a welcoming environment.
- ❑ Prioritize the enhancement of local road infrastructure to improve accessibility to tourist sites, reducing transportation challenges for visitors and residents alike.
- ❑ Encourage local businesses to participate in regional and international tourism fairs, exhibitions, and trade shows to showcase their products and services. Public entities can offer financial support or incentives for participation.
- ❑ Develop and implement an integrated waste management system to ensure cleanliness and sanitation in tourist areas, creating a positive visitor experience and preserving the environment.
- ❑ Establish a comprehensive system for collecting and maintaining up-to-date accommodation statistics to monitor and analyze the tourism sector's growth accurately
- ❑ Implement regular surveys and feedback mechanisms to gather visitor input on their satisfaction with existing tourism infrastructure, services, and attractions. This data can be used to identify areas for improvement and enhance the overall visitor experience.

14.2 Recommendations for International Partners:

Hospitality Industry Improvement:

- ❑ Support the local hospitality industry by addressing infrastructural challenges in hotels, cafes, bars, and entertainment facilities, enhancing the overall guest experience. This support may include grants for renovations, modernization, and the adoption of sustainable practices.
- ❑ Provide grants and resources for the introduction of modern technologies in local museums, including virtual reality (VR) and augmented reality (AR) experiences related to local culture and history. Additionally, consider implementing basic technologies like audio guides and interactive displays to enhance the visitor experience, making it more accessible and informative for a wider range of tourists.
- ❑ Encourage and support the establishment of souvenir shops with thematic products in key tourist areas. Highlight the region's rich cultural heritage, including archaeological artifacts, as potential souvenirs. Collaborate with local artisans to create unique and authentic items that reflect the area's history and traditions.

Capacity Building and Training:

- ❑ Collaborate with local vocational and technical institutions to establish specialized hospitality education programs, addressing the shortage of skilled labor in the local hospitality industry.

- Support language training programs targeting the older generation, eliminating language barriers to facilitate effective communication with tourists, enhancing their experience.
- Facilitate training programs aimed at producing qualified cultural guides who can provide in-depth insights into the region's rich heritage and attractions.
- Offer training in digital marketing and online presence management to empower local businesses to harness the potential of the digital tourism market effectively.
- Support educational institutions to develop tourism-related curricula and vocational training programs tailored to the needs of the hospitality and tourism industry in the municipalities. This can help address the shortage of skilled labor in the sector.

Awareness and Promotion:

- Support efforts to raise awareness among local residents and businesses regarding the region's tourism potential, emphasizing its role in generating additional income.
- Support establishment of partnerships with film production companies or filmmakers to create high-quality promotional videos and documentaries that capture the beauty, cultural richness, and unique experiences of three municipalities. These visual materials can be used for global marketing and promotion.
- Leverage social media platforms and digital marketing campaigns to target specific international markets with tailored messaging. Invest in search engine optimization (SEO) strategies to ensure that the region's tourism websites and content rank well in online searches.
- Support programs that encourage local artists, photographers, and content creators to produce and share visually appealing and informative content on social media platforms. Provide training and support for content development that showcases the region's unique attractions.
- Facilitate collaboration with travel influencers and bloggers, particularly those with an interest in cultural (archeological) and sustainable tourism, to visit and document their experiences in the municipalities. Their firsthand accounts can reach a broad audience of potential travelers.
- Support the establishment and expansion of local tourism information centers to enhance the accessibility and availability of tourism information in the municipalities.
- Support development promotional materials and brochures in multiple languages, emphasizing the region's cultural heritage, natural beauty, and tourism offerings. Distribute these materials at key travel trade shows, embassies, and international tourism offices.
- Support Organization of familiarization (FAM) trips for travel agents, tour operators, and travel journalists to introduce them to the region's attractions and services. Highlight the ease of accessibility from major transportation hubs, such as Tbilisi Airport.

Internet and Connectivity:

- Expand internet access to support digital tourism marketing, enabling the region to extend its reach to a broader audience, including tech-savvy travelers.
- Sponsor the expansion of public Wi-Fi networks in tourist areas to enhance the digital experience for travelers.
- Encourage local businesses to adopt online booking systems and e-commerce platforms, streamlining the booking process and appealing to tech-savvy travelers.

Tackling Seasonality:

- Encourage the development of niche tourism segments, like wine tourism and archaeological tourism, to diversify visitor profiles and reduce the impact of seasonality.
- Support enhancement of cultural and recreational facilities, such as theaters, galleries, and sports venues, to provide year-round attractions and events, sustaining tourism throughout the year.
- Facilitate development of archaeological tourism packages that highlight the rich historical sites in target municipalities. This can include guided tours to archaeological sites, interactive exhibits, and workshops on archaeology and ancient history.

Engagement of Ethnic Minority Communities:

- Support initiatives that actively involve ethnic minority communities in the planning and development of tourism offerings, ensuring their cultural practices and traditions are integrated into the visitor experience.
- Provide funding and resources for community-based tourism projects led by ethnic minority groups, empowering them to showcase their unique heritage and traditions.
- Support local museums to organize cultural festivals, workshops, and events that highlight the cultural diversity of the region and involve ethnic minority communities.
- Offer grants and training programs to help ethnic minority artisans and craftsmen promote and sell their traditional products to tourists, creating economic opportunities within these communities.
- Promote homestay programs and community-based accommodations managed by ethnic minority families, allowing tourists to immerse themselves in the local culture and traditions.
- Encourage the documentation and digitization of oral histories, traditional knowledge, and cultural practices of ethnic minority groups, creating educational resources and attractions for tourists.
- Stimulate partnerships with tour operators and travel agencies that specialize in ethnotourism, promoting the region's unique cultural experiences to a global audience.

Collaboration and Partnerships:

- Facilitate workshops and networking events for local businesses to connect with international tour operators and travel agencies, fostering collaborations and marketing opportunities.
- Organize regular destination marketing workshops and training sessions to equip local businesses and entrepreneurs with the skills needed to effectively market their products and services to international audiences. Workshops should cover topics such as digital marketing, online booking systems, and cultural sensitivity training.
- Encourage creation of a database of local businesses and attractions in the region, categorizing them based on their relevance to different types of tourism (e.g., cultural, agrotourism, adventure). This database can be made available to tour operators and travel agencies, simplifying the process of building tour packages.
- Promote business-to-business partnerships between local agricultural producers and restaurants/hotels to encourage the use of locally sourced ingredients in culinary offerings. Establishing "farm-to-table" collaborations can enhance the authenticity of the gastronomic experiences for tourists.

- Stimulate Formation of alliances with neighboring regions and municipalities to create joint tourism packages that encourage tourists to explore multiple areas. For example, collaborate with neighboring countries to offer cross-border cultural experiences and tours.