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## GEORGIAN TOURISM AND STRATEGIC DIRECTIONS OF STATE POLICY IN TERMS OF CRISIS

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## Abstract

The work presents a contemporary policy of tourism development and strategic directions of its management in terms of crisis in Georgia, aiming at purposeful and consistent implementation of the tourism policy in the country. In the first place, the work considers the major goal of development, which must support sustainable development and the instruments of the tourism development policy, whose deficit greatly hampers the processes of tourism growth and development, particularly in terms of crisis (Metreveli M., 2015). The goal of the paper is to identify the gaps in the tourism policy in Georgia (related to sub-goals and lack of instruments) and to develop measures to eliminate them. The objectives of the study are: Identifying the economic-political factors of tourism development during the crisis; identifying the priorities in the process of approximation of tourism legislation with the EU legislation; considering the activities to improve the state policy of development of tourism in terms of crisis. The work offers the recommendations related to the operation of the Georgian National Tourism Administration, as of one of the most important institutions promoting an improvement of income and employment opportunities in the country and implementing the policy of sustainable development of tourism. Based on the study materials, the major trends of the tourism development strategies for Georgia were developed, which, if achieved, will approximate the branch to the achievement of the major goal of development.

## Keywords

Tourism development strategy, Tourism policy, Tourist resources, Sustainable development, Political and economic crisis

## Introduction

Georgia, with its natural, geographical, climatic and recreational opportunities and rich historical-cultural heritage, has a great potential to successfully realize tourist business. Despite the fact that Georgia, as a Soviet country until the 1990s, received over 4 million tourists annually, after restoring its independence, the country became a new tourist destination on the world tourism market.

Despite its small area (69.700 sq. km), Georgia, with its biodiversity and cultural heritage, is one of the unique places in the world. According on the report of the Agency of Protected Areas (2018) there are over 12 000 historical and cultural monuments and 86 protected areas in the country with the total area of 665,355 ha (making 9.55% of the total territory of the country). In addition to having rich and diversified natural and cultural sights, Georgia is attractive for travelers with its traditional and unique Georgian hospitality.

For the last 20 years, the government of Georgia has recognized the branch of tourism as a main priority of the country's economic development. Consequently, tourism is one of the priorities in the state programs. Therefore, much was done to rehabilitate and reconstruct the branch what resulted in the growth of the number of tourists in the country and tourists receipts.

Notwithstanding this fact, a number of challenges and problems remains, including incomplete tourism legislative base and unsystematic regulation, insufficient number of infrastructure and its inappropriate construction, low-quality service, high price of tourist product, etc.

The article describes the trends of tourism development in Georgia in 2000-2019, in particular, it considers the outcomes of the political decisions and embargoes of Russia as those of a neighboring country on the economics and tourist sector of Georgia (e.g. Russo-Georgian War of 2008, sudden decision of Russia to cancel flights to Georgia).

The paper studies and analyzes the economic-political factors of tourism in Georgia and goals of sustainable development, as well as branch supporting measures of the country government, particularly in terms of the above-mentioned economic and political crises.

## Literary Review

The theoretical base of the paper is the studies of foreign (Dredge & Jenkins, 2011; Hall, 2011; Timothy, 2010) and Georgian scientists (Metreveli M., 2010, 2011, 2015; Bregadze, 2018) and recommendations of international tourism organizations (the Hague Declaration, Tourism Charter, Global Code of Ethics for Tourism, Manila Declaration on World Tourism, etc.). It should be noted that the number of studies of tourism in Georgia or works written by various scientists, particularly those related to the branch policy, is not great.

Generally, different scientists have different views of tourism policy depending on the methods and goals of their studies. Goeldner and Ritchie (2012) define the tourism

policy as a set of regulations, rules, directives and strategies that provide a framework within which the collective and individual decisions directly affecting long-term tourism development and the daily activities within a destination are taken. Edgell and Swanson (2013) offer a wider definition, incorporating marketing, planning and sustainability. In this context, tourism policy is ‘a progressive course of actions, guidelines, directives, principles, and procedures set in an ethical framework that is issues-focused and best represents the intent of a community (or nation) to effectively meet its planning, development, product, service, marketing, and sustainability goals and objectives for the future growth of tourism’. As the tourism policy aims to solve the problems and challenges of the branch, for our study it (the tourism policy) is interesting on a practical level, which mainly is based on the legislation and official branch-regulatory documents.

## **Tourism Development Policy in Georgia in Terms of Crisis**

### **Economic factors of tourism development in Georgia.**

When establishing the links between the tourism and the peace, they must be considered in opposite perspectives *inter alia*, i.e. the scales of peace (i.e. peacetime) ensuring the development of tourism at the destination must be identified. Coup d’etat or other kinds of armed conflicts not only hamper, but also totally restrict the tourism development.

The infrastructure destroyed as a result of the military actions, instable political and economic state and high crime rate are directly proportional to the reduced tourist flows, what, on its turn, hampers tourism development. For the countries, with their economy greatly depending on tourism revenues, reduced tourist flows almost equal to a catastrophe, as they cause a severe economic crisis. The flows of foreign currency stop in the country, unemployment rises, infrastructure cannot be developed and the environment cannot be preserved or protected. Such processes may hamper the process of cultural and social development of the country for several generations.

It is noteworthy that the number of incoming tourists to Georgia from 2000 to 2007 increased by 23% on average, from 387 258 to 1 705 954. The war waged by Russia in Georgia in 2008, which lasted for 5 days, inflicted great damage to tourism: the natural resources and tourist infrastructure were destroyed (250 hectares of forest destroyed in Borjomi-Kharagauli National park), 99% of the tourists left the country immediately and the tourism revenues fell (Metreveli & Timothy, 2010) (Table 1).

After the War was over, the government of Georgia had to take a number of measures not only to rehabilitate tourism infrastructure and industry in general, but also to restore the image of a peaceful country and to attract tourists.

The world economic crisis coincided with the War of 2008 when many European countries significantly increased their budgetary expenditure on tourism, while Georgia had to reduce it: 6 062,0 mln. Georgian Lari (2 523,7 mln. Euro) was allotted for tourism from the budget in 2008, 3 224,8 mln. GEL (1 343,5 mln. Euro) was allotted in

2009 and 2 400,4 mln. GEL (999.3 mln. Euro) was allotted in 2010 (State Budget of Georgia, Chapter V, 2010), i.e. the budgetary means to develop tourism was reduced 2,5 times (2008–2010). In this period, the funds from the President’s Foundation were spent to disseminate the information about the establishment of peace and renewed building in Georgia on CNN, BBC and other world leading channels and media. Besides, Georgia has rapidly redirected all its efforts and means for diversification of target markets and to concentrate mostly on European countries (Figure 1).

Following the above-said measures realized by the Government of Georgia, from 2009, Georgia was introduced to the world as a peaceful country with a high tourism potential and unique hospitality and the branch started to recover. The number of tourists increased and to 2015, the visitor growth rate was one of the highest in the world: the total number of the international travelers increased by 293% and exceeded 8 million tourists in 2018. According National Bank of Georgia, 2019, from 2008 to 2018, following the increasing tourist flows, the tourism receipts showed faster growth from 475 million USD to 3.2 billion USD (National Bank of Georgia, 2019) (Figure 1).

The reliability of the statistical data is very important in developing the consistent branch development policy. As per “The Statistical Review of Georgian Tourism 2017”, aiming at elaborating the statistical data, a new methodology was developed, under which the number of visitors was divided into two groups: the trips by international visitors and other trips (i.e. non-tourist trips).

In 2018, the number of international visits increased to 8,679.544 tourists (+9.8%), mostly as a result of tourist visits of 4,756,820 people in 2018 (+16.9% as compared to 2017). It should be noted that the tourism receipts for the country increased by 19% as compared to the previous year and made 3,225.128 billion USD (The Statistical Review of Georgian Tourism, 2019) (Table 2).

In recent years, despite the poor results of the Government of Georgia to remedy the Russian-Georgian policy, in 2018, Russia was a leading country in international traveler trips, with 1,083,874 tourist visitors what is 31.3% more than the same indicator in previous year. It should be noted that Russia was the first to cross the one-million mark of visitors what was mostly associated with non-political tourist activities on the Russian market, the marketing campaigns.

In June of 2019, following the political unrest with Russia and protest demonstrations of the citizens of Georgia against Russian policy, the government of Russia made an unusual decision: from 8<sup>th</sup> of July it abolished direct flights to Georgia and called on its citizens to stop traveling to Georgia warning them about their unsafety in the country – like traveling to Georgia is dangerous for Russian people.

Through this political decision, the number of Russian Tourists declined in July by 6,4%, in August by 8,5% and in September by 20,6% comparing with 2018 data (Figure 2).

Based on the above mentioned unexpected situation in Georgia, the goal number one of the Government became to minimise the negative affects of crisis on the tourism industry and on country's economy in whole. The first steps were undertaken by the

State meeting business sectors in regions, the anticrisis plan was elaborated and GNTA started new activities and projects to regulate the critical situation.

Despite the undertaken anticrisis activities, the reduction of revenues was inevitable: July -36.7%, August -32.7% and September - 39.4%.

Following the above analysis, we can assume that the political instability and crisis significantly limit not only the branch of tourism, but the general economic growth of the country as well. Unfortunately, Georgian Tourism Strategy 2025 does not embrace the detailed action plan in terms of political and economic crisis in the country, which has a vital importance for country with such geo-political situation like Georgia.

### **Political factors of tourism development and Georgia's Government activities in crisis.**

Despite the critical economic-political events observed from 2008 to date, the interest of foreign visitors in Georgia is unfortunately the result of only more intense marketing measures taken by government bodies and not of efficient tourism development policy. As scientist Hall thinks, "For the branch development, the government chooses the instruments and mechanisms used to realize the goals of efficient policy in the branch" (Hall, 2011). Basing on Hall's opinion, in order to achieve efficient policy goals, the State should not only choose appropriate instruments and mechanisms but, it should strongly accentuate the using of these instruments especially during the crisis situations in the country.

Generally, the state policy of tourism development in Georgia started in 1997 with the establishment of the Tourism State Department as a body realizing the state policy in the field of tourism (since 1997 to present, though it changed its name for several times, but its functions remained the same) and with the adoption of Law of Georgia On Tourism and Resorts. The Law aimed to maintain liberalism and support investments in the sector. The government had to play a leading role in determining the tourism development strategy, which would thoroughly consider the economic, environmental, social and organizational aspects.

A no less important decision related to the enforcement of the above-mentioned adopted Law was the adoption of the Law of Georgia on Protective Sanitary zones of Health Resorts and Resort Localities on March 20, 1998, as there are 104 resorts and 186 resort localities officially registered in Georgia. Both Laws had to put the tourism development policy in compliance with the country development policy. Besides, the national and regional objectives were to dominate over the local and branch interests. The result of the action of the regulatory mechanisms established based on the Laws was to be the price and quality ratio of a tour product making the tourism industry competitive first of all, on the local market. Such outcomes were to be the result of the maximum approximation to the goal. Despite the large-scale changes in branch development, the tourism development policy was incomplete and the level of achieving the set goals was not satisfactory.

In order to remedy the situation, TACIS (in 2000) and U.S. Trade and Development Agency, America Georgia Business Council and SW Association (in 2008) developed a tourism development and investment plan, strategy and relevant recommendations, which could not be realized due to various reasons.

In 2015, based on the World Bank recommendations, the Georgian Tourism Strategy 2025 was adopted. The strategy strives to achieve eight strategic objectives: 1) respect, enhance, and protect Georgia's natural and cultural heritage, 2) create unique and authentic visitor experiences centered on those natural and cultural assets, 3) enhance competitiveness, through delivery of world-class visitor services, 4) attract higher spending markets, through increased and more effective marketing and promotion, 5) expand and enhance Georgia's ability to collect and analyze tourism data and measure industry performance, 6) expand public and private sector investment in the tourism sector, 7) enhance the business environment, to facilitate increased foreign and domestic investment, and 8) build partnerships between government, industry, non-governmental organizations, and communities that will be needed to achieve all of the above.

It is sad but true that neither of the above-listed documents accented tourism management issues in terms of crisis, while generally, the branch of tourism for the country with the geopolitical environment as Georgia is, needs particular attention to its main trends of development and indicators in terms of crisis. Still, it is important to talk about the activities and campaigns Georgian Government undertook and intensified as a reaction on above mention crisis:

1. As already mentioned above, GNTA (Georgian National Tourism Administration) has rapidly started intensifying the diversification of source market – targeting more on European countries, Baltic States, Asia (China), USA, Saudi Arabia, and Kuwait.
2. In the frame of market diversification, talks started and intensified with new potential Airlines companies mostly with the interest of direct flights.
3. The Government several times called on its citizens to stay in country & countryside despite the fact that this is a specific issue of market regulation. Regarding this issue, GNTA started different campaigns, for example - a “Discount Week”. The purpose of “Discount Week” was to raise awareness about rural region tourism products and to encourage domestic tourism during the off season. The project considers using discounts on hotel services (“Discount Week” starts from March 8th and continues till March 31st on the Black Sea coast of Georgia).
4. International journalists, bloggers, influencers were invited to Georgia and stayed as guest for weeks.
5. The participation in international tourism fairs and related events has been intensified as well, often combined with different culture or sector campaigns – for example, creating Nexus between wine and destination promotion, approaching new markets using cultural events for promotion – invitations to “influencers”, VIPs and sector representatives.



6. The campaign to arrive in Georgia for MICE was very useful, this helped in regard of awareness rising in the destination (“coming back (with family) wish effect”).
7. GNTA has developed a more regular monitoring & review of all issues related to tourism.
8. GNTA continued investing very successfully in TV, Internet and Social Media Campaign in strong cooperation with Google Map, CNN, Bloomberg, Conde Nast Traveler UK, Adara, and National Geographic.
9. Government launched a long term 4-Pillar Rapid Development Plan, one of which (Spatial Arrangement of Georgia) corresponds also to tourism development (easy accessibility to tourism regions/sites etc.).
10. Meanwhile Governmental Structures were using all international platform to promote Georgia as a Destination – a great support to tourism sector.

Parallel to these activities, Georgia’s tourism sector recovered by strong investment in infrastructure projects, means as well a better accessibility to tourism hotspots in the regions, by subsidiaries in new hotel projects, mostly in regions, by grant programs to local businesses, guesthouse owners and even farmers to start tourism businesses and not to forget, in encouraging and orienting international donors and development banks to focus in their assistance to tourism sector.

Following the strategic goals of the Georgian Tourism Strategy 2025, the basic and target indicators were identified, where the structure of international arrivals is of particular interest (Table 3).

The Table shows that one of the principal objectives of the strategy is the limitation of the number of tourists from the CIS countries and accenting the tourists with higher budget to increase the number of visitors from the West European, Asian and Northern American markets. Following the priority of the indicators, the structure of international arrivals shows that it is necessary to activate the measures, which will limit the impact of the political crisis from the neighboring countries on major tourism indicators. Consequently, beside all above mentioned activities conducted by the State, the following objectives were set:

- To facilitate air trips from the target tourist markets;
- To improve local transport network;
- To improve touristic product and service quality;
- To elaborate the data collection and research bases;
- To create a novel unique touristic product to give the visitors unique and lofty impressions;
- To use additional marketing resources and activities to recruit more efficiently the foreign markets with higher purchasing power.

## Methodology

The paper uses a systematic approach to the current tourism policy and statistical methods of the study. The author studied and analyzed the trends of tourism development in Georgia in view of the crises of the last 10 years and associated

problems, battle against the crisis and challenges of the tourism policy of the country. Besides, the author considers the recommendations of the Georgian National Tourism Administration (as those of one of the most important institutions for sustainable tourism development) regarding “Tourism Strategy 2025”.

In addition, the major effective legislative acts of the country are considered and analyzed: Law of Georgia on Tourism and Resorts (1997) and Law of Georgia on Protective Sanitary Zones of Health Resorts and Resort Localities (1998).

### **Findings/Results’ Discussion**

As the analysis of the conducted studies suggest (based on the Hague Declaration), in respect of attracting the tourists with high spending ability in particular, we can state that the state policy to develop tourism in the country must be based on the concept of sustainable development (Metreveli M., 2011), under which the tourism development needs the development of the touristic product production technology (the service standards) and tourism infrastructure (transport industry, roads, communications, means of accommodation, wet patches along the tourist routes, pictograms, etc.); besides, a wide advertising campaign of touristic potential of the country is needed what will lead to the growth of both, the international and local tourist flows. In addition, the advertising campaign must consider the world trend and it must be oriented on increasing not the number of tourists, but tourist revenues.

For the country with a small territory and unique natural and cultural resources, as Georgia is, the priority is not an increasing number of tourists, but the economic efficiency gained as a result of increased tourist expenditures by means of diversifying the touristic product, improving service quality and prolonging seasonal periods. The state investments (budgetary means) in the measures to promote the touristic product and tourism infrastructure will be efficient only if made permanently in a long-term period. The major properties of the efficiency of such an advertising campaign are: the focus on the principal target market (and not on the markets of the neighboring countries) and size and duration of investments in advertising. The advertising campaign must be undertaken mostly to maintain the rate of the revenue growth.

In Georgia with permanent economic and political threats, the development of domestic tourism must be the most important priority of tourism development policy, as it results in stimulation of the economic activity of the country, distribution of revenues and improved payment balance, supports the leveling of the economic level of the regions, and allows maintaining the tourist potential of high-mountainous regions; it also creates a precondition to develop the relevant resources and service standards of one of the directions of the international tourism, the inbound tourism (the service export). At the same time, the tour agencies are given the opportunity of reinvestment what will support the balanced development of the relevant infrastructure and improve the service quality. In respect of environment, the right tourism development strategy must ensure more harmless environmental effect in the regions of the country than any other branch of economy, as environmental protection falls within the interests of

tourism. In order to gain the positive environmental effect of tourism, the branch strategy must be developed and controlled in the right manner, and the interests of the local people must be considered to the extent possible both, at the stage of decision-making and during gaining the financial profit.

The factors hampering the rational economic policy of the tourism development in Georgia (during the economic and political crisis in particular) are still: the lack of a thorough and recognized concept of economic development, with the sustainable and long-term tourism development strategy associated with it, which will unconditionally consider the branch management principles in terms of crisis (the goals); incompleteness of the legislative and investments base (the instruments); the tendency of inconsistent development of tourism infrastructure and industry (the factors affecting the use of instruments); the lack of professional personnel (the conductors). Below, we present the priorities to eliminate the gaps in the tourism policy of Georgia:

### **Principal Reference Points of Tourism Development Concept and Legislative Guarantee**

In order to establish the legal field to develop tourism in Georgia, a tourism development concept must be developed in the first instance. The concept of tourism development must specify the reference points, which must ensure: the guarantees to ensure sustainable development and protection of national traditions and public values in line with the principal trends of tourism development policy (Metreveli, 2011); the accent in the tourism development concept must be made on the promotion of state regulation and innovations in the system of education. Establishing the environment supporting the development in the country is possible only under concrete terms of potential of labor resources with high level of professional knowledge and state support. This kind of environment will allow developing short- and long-term strategy of the branch development by considering all hampering factors and expected crisis. The concept must also consider the maximum number of international standards of social responsibility and service to make tourism, as an intersectoral complex, a real factor of the economic development of the country (Metreveli, 2011); by maximally considering the geopolitical location of the country and historical preconditions, to ensure the stable development of the branch (particularly in terms of crisis) what will allow using cultural and natural resources efficiently; the concept must present and consider a coordinated engagement of governmental and non-governmental bodies, private businesses and local people in tourism. The consideration of their economic interests and prevention of possible conflicts must determine the process of implementation of the strategic directions of the branch development.

The implementation of the efficient policy of the branch development by the governing bodies, which covers a wide spectrum of the interested parties, plays a great role in the development of sustainable tourism in the countries. Successful development of tourism depends on identifying strategic trends and priorities, transparency and active implementation, whose success greatly depends on the engagement of the private sector,

local population and other stakeholders both, at the national and regional levels (UNWTO, 2013).

The primary objective of the tourism development concept in Georgia is the elaboration of the legislative base (the instruments) and its harmonization with the EU legislation. The legal base for tourism development must be the Law of Georgia on Tourism, which must identify the principles of the state policy to realize in the branch directed towards the establishment of legal fundamentals of the single tourism market of Georgia and must regulate the relations arising during the holidays, trips, free movement or realization of other rights by the citizens of the country, foreign nationals and entities with no citizenship; it must also establish the conditions for tourist insurance and safe travel and rules of forming and realizing the touristic product, determine the rule of the rational use of tourism resources of Georgia, stimulate the development of the tour enterprises and tourism infrastructure, support touristic activities and establish favorable conditions for their development, identify and support the priority trends of tourism, formulate the views of Georgia, as of the country attractive for tourists and provide support and protection of the participants of touristic activities on the territory of the country.

### **Improving Competitiveness of Georgian Tour-Products on Global Tourism Market**

For Georgia, as for the country with a small territory and unique historical and natural resources, reduction of the number of tourists and increasing the revenue is a priority. It is the principle to use to select the tourist markets and carry out the advertising campaign and promotion measures of a touristic product respectively. Based on the study and analysis of the mentioned empirical data, it may be said that the current advertising policy needs a review, particularly on the background when the present-day activity of the Georgian National Tourism Administration is directed not towards the management of the branch policy, but towards advertising and promoting the Georgian tour product abroad (what is the function of a marketing company I assume). The evidence is the administrative budget, with over 90% of the state treasury funds assigned to implement marketing measures for approximately last 10 years. On the other hand, the Georgian National Tourism Administration, with its functions and activities, in the first instance, must identify the branch priorities and realize the state policy linked to them (update the outdated laws and branch regulatory acts, develop the national strategy at regional and at national levels, stimulate and protect branch participants, etc.).

The precondition to activate competitiveness of Georgia on the global tourism market is an efficient enforcement of the legislation to promote and protect competition on local market and against the companies misusing their powers on the market. The changes realized on the basis of the competition protecting legislation must transform the Georgian tourism market into a market with monopolistic competition (of different tour operators) mainly with small and medium businesses operating on it.

Based on the right policy of tourism development, the aggregate demand for tour products must increase on the local market (what will improve the tour product and tourism service quality and will make them competitive on the local market) (Metreveli, 2011). The development of the tourism industry in Georgia will on its turn improve the production technology of the touristic product (transport industry, roads, communications, service standards, distribution and diversification of accommodations, wet patches along the tourist routes, pictograms, etc.) what will form competitive advantages on the international market.

As it is known, the development of domestic tourism in the country has a positive impact both, on the country economy and the social-cultural field and ecology; it stimulates the economic activity in the country and supports the distribution of revenues and leveling the economic development of regions. The development of local tourism in the country will help maintain the tourist potential of high-mountainous regions, reduce the flow of foreign currency from the country and fall of Georgian Lari (GEL) exchange rate, the Georgian national currency, as well as its importance rises especially during the crisis period in the country, like we have discussed already above; also it will create the precondition to mobilize the relevant resources and improve service standards of one of the branches of the international tourism, the inbound tourism. This will be a natural and sustainable course from one phase of tourism development to the next.

### **Development of Tourism Labor Market by Improving the Personnel's Level of Education (Metreveli, 2011)**

For the tourism development and its efficient management, the professional development of the tourism personnel is of an utmost importance. For Georgia, the primary measures to improve teaching of tourism specialties are: a) establishment of a single flexible vocational training network relevant to market demands what must ensure the development of high-quality professional competencies and training of competitive personnel in tourism, b) equal opportunities for all layers of the society to gain vocational training, c) the educational programs of tourism must be put in compliance with the present and future demands of the labor market, d) training and continuous retraining of the pedagogical personnel must be ensured in the field of higher and vocational education.

Planning the vocational training, professional development of adults and realization of vocational programs must be done by the state based on the information gained from the labor market studies and research, where the most demanded specialties on the labor market and their number and curricula needed to master the skills necessary for them must be clearly identified.

By close relation and joint actions of tourism industry representatives, educational institutions and the Government, the process to train future personnel in tourism industry must be possible to initiate right at schools and continue by incorporating the subject of tourism into various (of a non-touristic profile) curricula at vocational colleges and higher institutions.

Following the world trends of a swift tourism development, it is necessary to attract so called “tourism talents” from other branches more actively. A tourism introductory course is important to incorporate into the curricula at different faculties and directions as an optional subject. In addition, the specialists from allied branches must be retrained by giving those short-term courses and trainings, who, with their major specialties and skills, will be able work fruitfully in tourism.

The concept of the training program in tourism must be based on their classification in 3 directions: 1) the training courses in the specialties, for which the demand on the labor market exceeds the supply (e.g. of the tour guides of different directions, tour operators, animators, air transport reservation specialists, etc.), 2) the retraining courses oriented on improving the service quality, and 3) training seminars and workshops for tourism teachers.

### Conclusions

Introduction of Georgia as of a new tourist destination on the world market is associated with the diversity of tourist resources and measures realized by the country Government and authority, what, on its turn, has resulted in the increased tourist flows in recent years.

Despite the given trend, the analysis given in the work makes it clear that one of the factors hampering the tourism development in Georgia is the periodic political and economic crisis in the country. The study evidenced that by considering the hampering factors, the primary objectives to develop tourism in Georgia are: the identification of the main reference points of the conceptual development of tourism and providing legislative guarantee, improving the competitiveness of the Georgian tour product on the global tourism market, recognition of the environmental safety in tourism as the basis of economics, development of the labor market in tourism by improving the level of education.

Following the above-mentioned, the principal directions of realizing the consistent policy in Georgia by the Georgian National Tourism Administration, the organization implementing the tourism development policy in Georgia must be: the perfection of the tourism legislative base and its harmonization with the EU legislation; development of short- and long-term tourism development strategies by considering the hampering factors and crisis and development and implementation of the action plan to expediently realize the tourism development strategy.

The development of LEPL Georgian National Tourism Administration, as that of one of the most important institutions, in short- and long-term perspective, must be associated with the strategy of the economic development of Georgia, must be based on the concept of economic development in the country and must consider the issues of branch management in terms of crisis.

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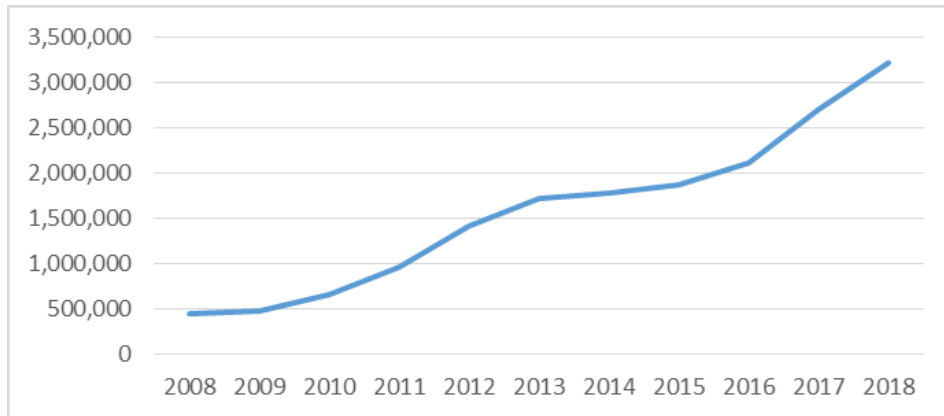
The Hague Declaration on Tourism. WTO. 1989.



**Table 1**  
*International arrivals in Georgia by origin region, 2000-2007*

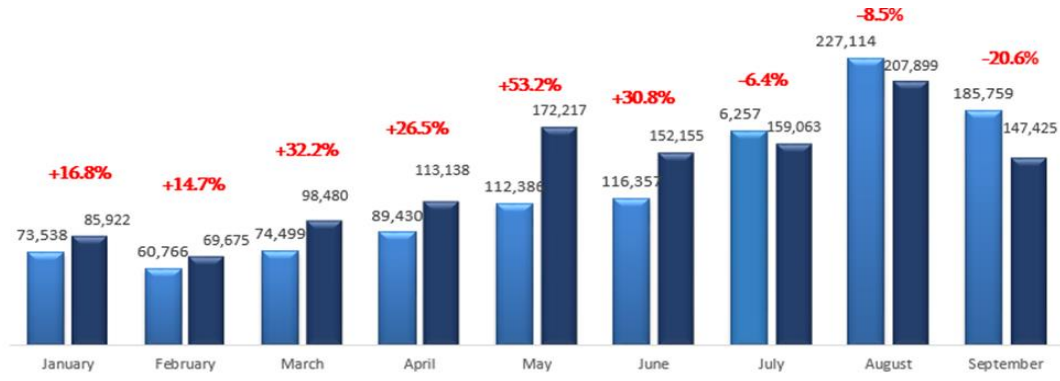
#	Region	2000	2001	2002	2003	2004	2005	2006
1	Europe	357798	281691	275332	288648	342596	533129	935747
2	USA	10789	7315	1181	8731	11209	14842	19417
3	East							
3	Asia/Pacific	7145	5161	6865	2967	4952	3244	13732
4	Middle East	2152	1254	125	1835	1563	973	2105
5	South Asia	6058	3843	5822	4505	3494	6641	9977
6	Africa	256	707	586	306	788	431	777
7	CIS	221671	184057	176419	174002	218548	366054	634360
	Total	387.258	302.215	298.469	313.442	368.312	560.021	983.114

Self-elaboration



Self-elaboration

*Figure 1.* International tourism receipts in Georgia, 2008-2018 (Thousands of USD)



Self-elaboration

Figure 2. International Visitor Trips / Russia 2018-2019

Table 3  
*Basic and target indicators*

	<b>Indicator</b>	<b>2015</b>	<b>2025</b>
Structure of international arrivals	Share of Turkey, Ukraine, Turkmenistan and CIS countries in international arrivals	92%	70%
	Share of other countries in international arrivals	8%	30%

Self-elaboration