
**PROTECTED AREAS, MASS TOURISM AND ECONOMIC
DEVELOPMENT PROJECTS – A SUCCESSFUL ECONOMIC AND
FINANCIAL RESULT OR A PROBLEM: GEORGIAN EXPERIENCE**

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ABSTRACT: *The tourism industry in the world and in Georgia takes larger scales and is characterized by its growing and dynamic development. Tourism potential in the protected areas is of high importance, it is the most essential national heritage, original natural and cultural environment, unique ecosystems, their protection, maintenance, use and development needs to be studied and explored. The main goal of the paper is to study and explore the perspective of the mass tourism in the protected areas and the conformity of financially lucrative economic development projects and their influence on the biodiversity of the protected areas. The statistical data of the tourism growth in protected areas, financial income, infrastructure and data of economic development projects were analyzed, as well as the results of sociological research, conducted by our team. Analysis and research have revealed some disharmony and non-compatibility. Although tourism in protected areas has a great export potential, it may damage protected areas and its biodiversity. Also, financially lucrative economic development projects that are vital for the country's development tighten and make problems for the biological and landscape diversity of the protected areas; it also hampers ecological security and protection of natural heritage.*

KEYWORDS: Financial result, Development projects, Mass tourism, Protected areas.

INTRODUCTION

The development of the system of protected areas and territorial expansion is the solid foundation to ensure comfortable environment and tourism development, but at the same time, we should mention mass tourism and economic development projects, as related issues of protected areas. We are presenting you the protected areas of Georgia and I would like to draw your attention to the problems, which are in the first place and face the protected areas of Georgia (and not only Georgia). The protected areas of Georgia have a great potential to contribute to the development of tourism in Georgia and formation of the country's financial income, but the following questions always remain the main problem:

- Should protected areas become centers of mass tourism?
- What threats can mass tourism contain and what problems may face the protected areas?
- How to maintain protected areas, their unique and almost untouched natural wealth and tourism growth at the same time?

- Do economic development projects and business development, from the point of view of finance growth, restrict or not the protected areas?

Protected areas represent a unique place where people have the opportunity to gain the ancient culture and enjoy the wild, almost untouched nature sights. Protected areas are known for their interesting natural and cultural values, high mountain ranges and rivers, flora and fauna diversity and endemic unique species. In addition to natural riches the protected areas have unique cultural values that are demonstrated by the oldest extant buildings, houses, castles and tombs, annual public holidays, the oldest handicraft exhibitions and a unique cuisine, which is based on the agricultural ancient traditions. The issues of “CNN Travel” have devoted a special section: nine reasons why you should visit Georgia right now. “9 reasons to visit Georgia now” (<http://edition.cnn.com/2015/08/13/travel/reasons-to-visit-georgia/>)

Another important issue is why I would like to draw your attention to the protected areas is their uniqueness which is manifested by the fact that there gathered both cultural and natural values. If protected areas previously had only a historical and household meaning, today it represents one of the major tourism sites in Georgia, as well as in the whole world. The results are already evident. For example, on the tourism potential of Tusheti protected areas shows the fact that in 2011 “Yahoo travel” – published the world’s most unknown top ten places, and Tusheti protected area was in the third place (<https://www.yahoo.com/travel/10-best-places-youve-never-045945682.html>). The “CNN” also published the world’s most unknown places (information is not known to the world), and it took the 5th place in the top 10 (<http://edition.cnn.com/2011/12/06/travel/12-best-places-bt/>).

On September 28, 2015, the Department of the Council for Democratic Initiatives, Mr. Eladio Fernandez-Galiano, the Ministry of Environment and Natural Resources and the National Environment Agency have officially handed over the European diploma. It should be noted that the European Diploma of protected areas is only granted to 73 protected areas across Europe. The mentioned award proves ones again the fact that the recognition of the Georgian protected areas has increased throughout the world. On March 11, 2016, WWF organized the event “for Central Caucasus”, as for the candidate to be enlisted in the World Heritage, where the discussion of the results of technical and economic research was held. The report was made and there is an ongoing work to include it in the list of the World Heritage.

METHODOLOGY

The paper covers the conformity (accordance) of the Georgian protected areas, mass tourism and lucrative projects for the development of the economy, their interdependence and interaction. Both quantitative and qualitative approaches are being used in the research to specify the existed reality. It is based on the statistic analysis and data obtained from different governmental organizations, non-governmental and international organizations. It is based on the motivation of governmental, non-governmental and environmental organizations and activities, connected with the existed problem, the social and economic reality of the local population and psychological factors. It is also based on the sociological survey

results that were conducted by our team. Participating in the interview were both local population and people of different age and social status, they all were our target group; among them were environmentalists and representatives of academic spheres (up to 800 people). In the research were used the oral interviews with the Georgian government and the representatives of the international organizations. The conclusion and recommendations are based on the existed and received data, quantitative and qualitative analysis of the existed situation and international experience.

PROTECTED AREAS IN GEORGIA: AN OVERVIEW

According to the International Criteria of International Union for Conservation of Nature (IUCN), Georgia has 68 different kinds of protected areas. Among them: 14 state preservations, 10 national parks, 18 sanctuaries, 24 natural monuments and 2 protected landscapes. Currently, the protected areas cover the total of 520,811 thousand hectares. Out of 75% of the protected areas is covered with forests. These territories make up 8, 6% of the total area of Georgia, while the protected areas of Europe make up about 18% of the country. There is not any specific directive which part of the country's territory must be protected by the state, it is clear, that it depends on the country's natural potential. However, according to the Conservation Centre of the International Union (WWF), it will be difficult for Georgia, a country rich in nature, to maintain its role with 8.6% in the world. Agency of the Protected Areas is committed to declare 19% of the territory as protected area by 2020. Though there is a number of problems before expanding the territory of the protected areas: on the one hand, little state funding, on the other hand, forestry (which is potentially considered as protected area), a part of it is given under the rent to the investors and there is commercial and public interest towards the other part.

In 90s of the last century, after the restoration of independence of Georgia, first, protected areas faced big problems, which were mainly caused by the country's socio-economic and political situation. The ecosystem was neglected and a complex approach in relation to the protected areas was not used. The goals to set up sanctuaries were not correctly identified and at the same time, there was no legal basis for the foundation of them. That was the reason why the majority of the protected areas of Georgia were characterized by the low effectiveness.

From 1990, with the help of international donor organizations the establishment and planning of modern system began and it resulted in a significant increase of the total area of protected areas. The modern approach involves harmonization of the nature protection and socio-economic development; first of all it is demonstrated in the establishment of the chain of protected areas with different regime. In 1990-1991, the first scheme of the development of the protected areas of independent Georgia was made and from 1996, the formation and creation of the legal basis began, which was based on the recommendations of the International Union for Conservation of Nature (IUCN).

For the last 10-15 years a great deal of attention is paid to protected areas; the mentioned attention towards protected areas caused a number of positive factors from one hand and consequent problems from the other hand.

Among positive factors the relatively developed infrastructure should be noted; the amount of international and local visitors has increased; favorable conditions has been created for the development of small and micro business; more people are employed; the involvement of people reached a record level, employment of the local population and their involvement is noteworthy; tourism income has increased and the state's income as well, taking into account the financial side; much greater attention is paid to the environment of the protected areas, biodiversity, water protection, flora and fauna; scientific studies are in the process; Georgia and its protected areas have become more recognizable and attractive, it is proved by the support, great interest and involvement of foreign countries, international organizations, donor organizations, charitable organizations, foundations and agencies. It is also noteworthy the friendly relations of the European and American protected areas, their great interest, support and sharing of the experience.

STATISTIC DATA AND RESULTS

Based on statistic data, the growth of the quantity of visitors is observed, who travelled to the protected areas of Georgia. The increase is obvious, though, taking into consideration the potential of the protected areas of Georgia, it is modest. Based on the statistic agency of the Georgian protected areas, the quantity of the visitors to the mentioned areas in 2007 – 2016 is given in the scheme below:

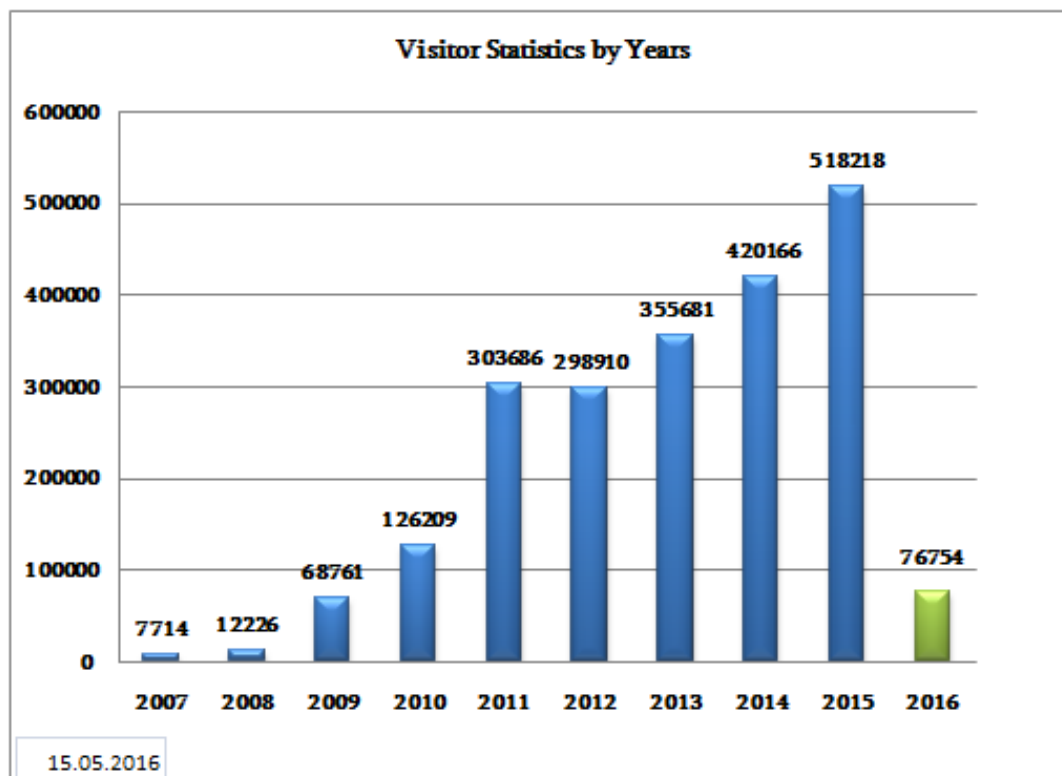


Figure 1. Visitor Statistics to the Protected Areas of Georgia for 2007-2016

The quantity of foreign visitors is noteworthy; it is shown monthly, according to the statistic results of 2015:

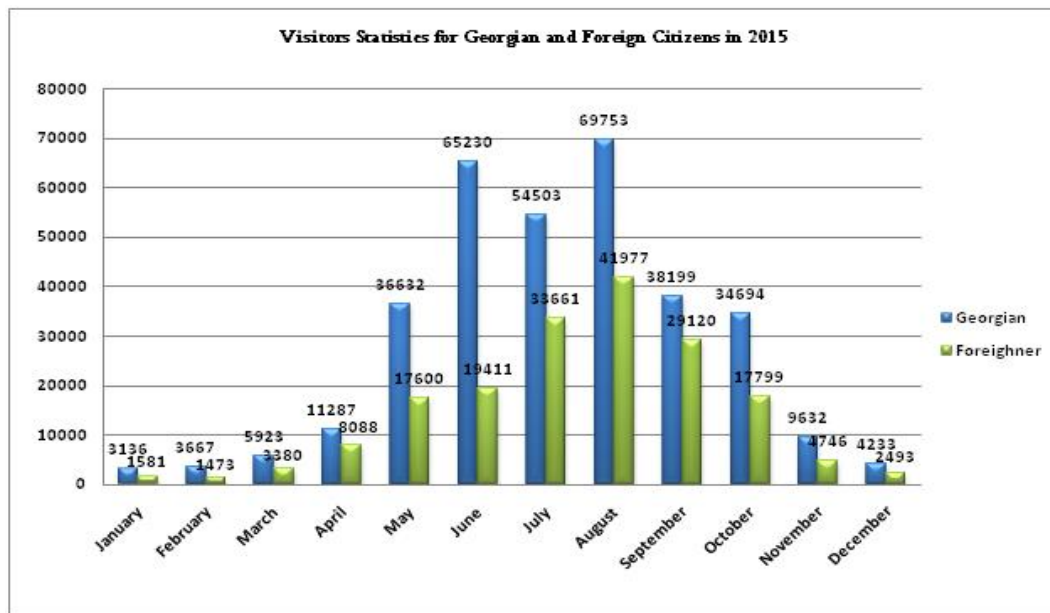


Figure 2. The Quantity of Foreign Visitors to the Protected Areas of Georgia for 2015

According to statistic data, the quantity of the local visitors has increased by 24 %, and the quantity of foreigners has increased by 23%. The top five foreign countries, whose representatives travelled to the protected areas of Georgia in 2014-2015, are as follows: the first place is given to Israeli visitors, the second - to Russians, the third – to Polish citizens, the fourth – to the Ukraine and the fifth is occupied by the German citizens.

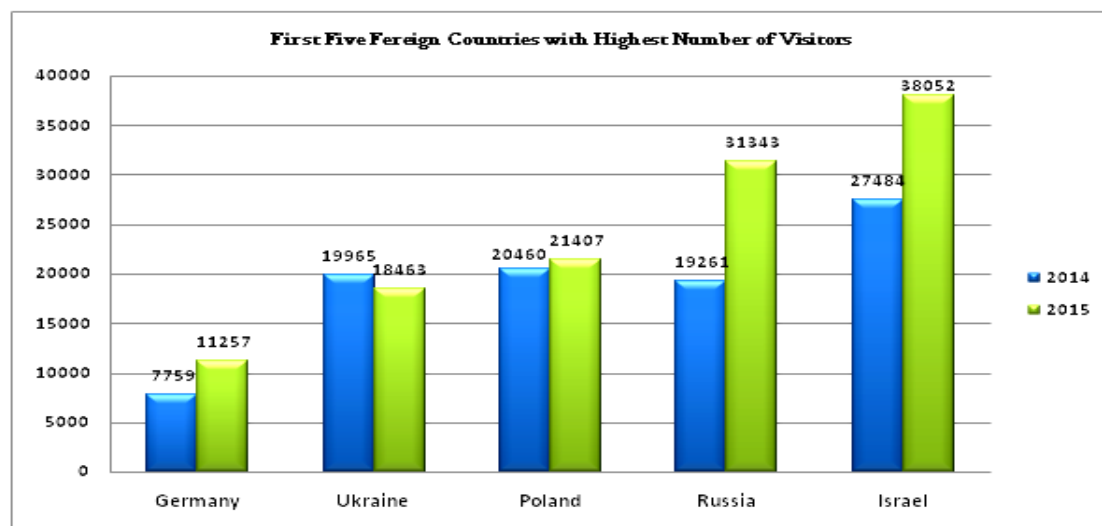


Figure 3. The Top Five Foreign Country Visitors for 2014 - 2015

Foreign Relations and Support to the Protected Areas of Georgia (International projects, Donors and Partners)

In order to protect biodiversity of the protected areas of Georgia and later to preserve it, to develop tourism and financially lucrative economic development projects, the great importance is assigned to the support, involvement and sharing of the extensive experience of other developed countries, international organizations, donor organizations, different charity organizations, funds and agencies. Different kinds of international projects have successfully been implemented in Georgia for almost two decades.

In 2002, the World Bank, with the support of Global Environment Facility (GEF) began the project the “Development of the Georgian Protected Areas”. The aim of the project was to conserve Georgia’s biodiversity by means of creating ecologically and socially stable protected areas. As the country with a rich biodiversity, Georgia is under special risk, when we have to deal with the introduction, which is received in the world of living modified organisms by modern biotechnological methods. The UNEP / GEF’s project the “Development of Biosecurity National System” has been operating since 2003. Its aim is to create the project of biosecurity national system which is similar to Biosecurity Cartagena protocol’s principles and demands of Biodiversity convention of Georgia.

The involvement and help of the European Union is noteworthy. From the point of view of biodiversity, Georgia is a rich country and that’s why, one of the most essential tasks of the European Union is to protect Georgia’s environment and its natural resources. The European Union supports Georgia both in the implementation of specific environmental protection projects and political, legal activities, directed to the protection of the environment. About 35 million Euros are allocated for the current and future, regional and national projects. The financed projects will touch upon almost all spheres of the protection of the environment. These are: climate change, management of the waste, protection of the air, protection of the nature and water, and prevention of natural disasters. A certain part of the activities is directed to raise the awareness of environmental issues and to encourage the population, in order to have their active involvement in the environmental activities. It is noteworthy, that the quantity of the people, involved in the environmental activities for 2015, reached almost 106 thousand people. The indicator is higher compared to other years and it is a rather impressive result.

We also wish to note the role of the World Wildlife Fund (WWF), and activities, performed on the initiative of the Caucasus office, whose aim is to reveal foreground territories for the conservation of biodiversity. The question of planning of protected areas by the WWF Caucasus office is discussed in the eco-regional frame. The foreground territories and corridors for the conservation are already identified. The following international organizations and governments of different countries have been assisting Georgia with the protected areas and providing help with the solution of many problems: International Union for Conservation of Nature (IUCN), United Nations Environment Program (UNEP), United Nations Development Program (UNDP), Global Environment Facility (GEF), Caucasus Nature Fund (CNF), United States Department of the Interior (USDOI), German Federal Ministry for Economic

Cooperation and Development (BMZ), German Development and Reconstruction Credit Bank (KfW), German Society for International Cooperation (GIZ), Czech Darts Association (CZDA) and German Technical Inspection Association (TUV). To get to know and share the International experience is an important issue, which answers many questions, despite their different historical and cultural heritage

DISCUSSION

Among, various governmental and non-governmental agencies there are heated discussions about the problems of protected areas, mass tourism and economic development projects. Everything is done and all projects serve the fact to attract tourists to protected areas, which in turn is directly proportional to the growth of the country's financial income. However, mass tourism can have negative impact on both local and global levels. The influence on the natural resources can be found in the expenditure of natural resources, physical impact, chemical exposure, wrong recreational activities, visual pollution, water and air pollution, which can cause the spread of epidemics and develop diseases.

Great number of visitors may cause the degradation of biological and landscape diversity. Protected areas may lose their charm and attractiveness by the development of mass tourism and create problems to the nature biodiversity. At the same time, in the case of mass tourism the potential of the tourism resource reduces and its viability becomes relatively short. It results in environmental safety, and the country faces the problem of protection of the heritage and natural wealth.

It is vitally important to know the negative impact of mass tourism and what can follow the development of mass tourism, and we should also conduct appropriate activities and find certain ways to avoid or minimize the problem. The head of the World Bank's sustainable development programs in the South Caucasus Mr. Ahmed Eiveida states about tourism development in Georgia, that we need the quality and not the quantity. "We do not want Georgia to turn into mass tourism destination, which would undermine the nature, as well as cultural sites and cultural heritage. The most important is the quality and how much the visitors are going to spend. The main thing is that we will get more visitors from countries that spend much money. So do not panic when the visitors number is reduced" – said Ahmed Eiveida.

In parallel with it, Georgian government presented a new strategy of tourism for 2015 - 2025. It was prepared with the help of the World Bank expert, in which the financial capacity of tourists is emphasized and not their number. Construction of various important national infrastructure projects is very important: roads, bridges, hotels and other buildings and structures. Besides the projects, that were implemented with the support of international organizations, up to 3 million-dollar infrastructure projects are being implemented with the help of state budget, local revenues, donor organizations and various charitable organizations and foundations. The officials promised that they would spend hundreds of millions dollars in infrastructure projects. The infrastructure and communication systems are a positive factor and contribute to the flow of tourists in the country, employment of the local population and increase of revenues. But on

the other hand, it destroys landscape, damages the nature and its diversity, and deprives the extreme tourism of charm.

If you look at the number of visitors to the protected areas you will see the growth of tourist services and the increased amount of financial income from the tourist services. It is 20% growth in revenue in 2015 and it makes up 1 589 756 Gel.

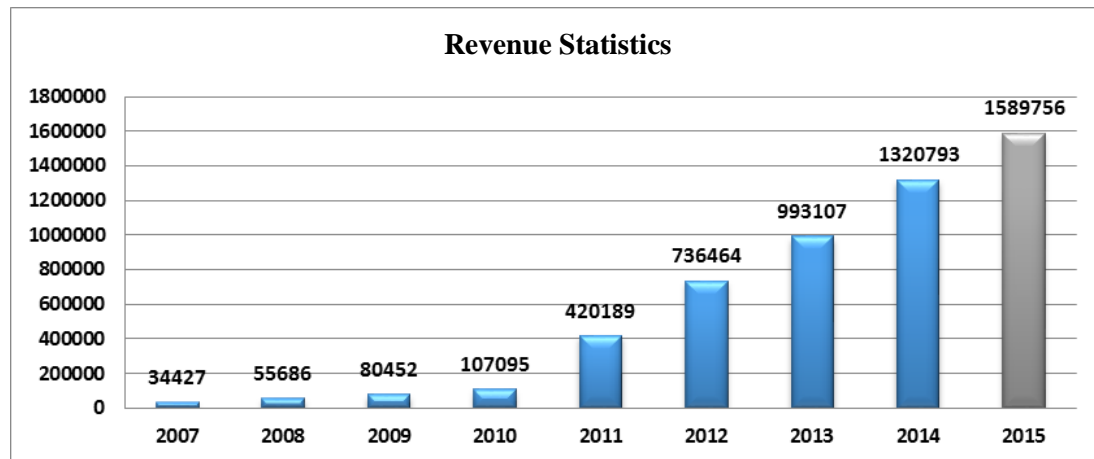


Figure 4: Financial Income from Tourist Services for 2007-2015.

It is obvious that there is a financial growth over the years, but if we look carefully at the tourist income from the protected areas it is clear that the rate of return is quite low compared with the amount spent on infrastructure. If one considers the fact that the protected areas can be inflicted by irreparable consequences inconsistent and ill-considered steps, then one should think about solutions. The state must protect its natural wealth and show to the developed world that it is its priority. Such national parks as Africa's most famous national parks are not able to cover their expenses without the help of the state and donor organizations. Despite the fact that African national parks have so many tourists and visitors, probably, Georgian protected areas won't have them in the near future.

There are often cases when the protected areas are declining and environmentalists are mostly connecting it with economic development projects. Georgia is a very rich country with its hydro resources and from this point of view, our country has a great potential to construct hydroelectric stations. The Georgian government and particularly, the Ministry of Energy's main goal is to use the potential. It should also be noted that the construction of power plants will happen within such protected areas, or near them.

The construction of power plants is one of the most important factors in environmental issues (influence on biodiversity, influence on flora and fauna etc.). Environmental groups oppose new generation facilities, but from a pragmatic point of view and the reality it is necessary to perform new projects. Detailed environmental impact studies and public hearings are held on the legislative level and virtually it is impossible to make any construction venture without studying.

“No one can prevent us from implementing strategically important projects for the country” said the Ministry of Energy of Georgia, Mr. Kakha Kaladze and it is understandable, because to reach the country’s energy independence is the number one priority and the most important issue. The country’s energy independence is equal to national security, and is of vital interest. The increase of the potential of energy makes the positive influence on the country’s security and economic development, as well as the welfare of citizens, as the country has the potential to become a net exporter of electricity and promises additional financial revenues for the country. But at what cost and what negative consequences can these projects bring? The future will show us, though some negative results are already on hand. A clear example of it is the construction of “Dariali Hydroelectric power station”, which started in 2012. The investment makes up 123 million dollars and the European Bank for Reconstruction and Development “EBRD” is involved in it, which gave a loan of 80 million dollars. The construction used Darial pass under the river Terek gorge and one of the protected areas of Georgia, particularly, the Kazbegi National Park was deprived of three territories. Despite this, there existed a reliable conclusion of biologists and geologists about the impact of the construction of “Dariali Hydroelectric power station”. In case of mild activities, the impact on the environment and protected species would have been reduced and it wouldn’t have caused irreversible changes in the region’s biodiversity.

It turned out that in 2015 the ecological chain was violated. A glacier melted in Devdorak valley, which in turn led to two landslides, took the lives of several people and the country’s economy suffered several millions financial loss. It should be noted that the similar situation continues today. We cannot say for sure that this was caused by the construction of the power station, though environmental organizations strongly oppose this idea.

Similarly in the summer of 2012, a certain territory was taken from one of the protected areas, particularly from the “Kolkheti National Park” and it was connected with the construction of free economic zones “Lazika” and “Anaklia” harbors. This is a good example of the problem we face. Obviously, we are not against the country’s energetics and energy independence, infrastructure and other financially lucrative economic development projects, but there should be a consistent and logical strategy and a set of ecologically-friendly measures, which provide relatively harmonious combination of the environmental protection and economic development projects.

One of the problems for the normal operation of the protected areas is the low environmental awareness of the local population, insufficient information about the essence of the protected areas and their benefits. As a result, a significant part of the population has a negative attitude towards protected areas. The situation especially becomes tense when the protected area begins to expand and accordingly, the interest of the local population goes down. The actions to raise the population’s awareness, to inform and make them participate are not sufficient, which is why there are often conflicts with the residents living near the protected areas. It is also noteworthy that the mountain people of the region have ancient traditions in accordance with their own beliefs and views on a particular set of issues, which makes it even more difficult to implement and develop certain projects in such regions.

The local population initiates illegal extraction of forest resources and poaching, which is primarily connected to the local economic interests. Poaching in the protected areas of Georgia as well as in the whole world is a significant problem of biodiversity conservation and protection. It takes quite a long time, and it is laborious to handle the problem, which can lead to the extinction of a number of species. Therefore, it is necessary to develop protected systems institutionally and to protect them intensively and qualitatively. It is also important to have a sustainable use of forest resources and preservation of flora and fauna. They should be treated as resources of international value with the coordination of national policy and international efforts, in order to expand the forest areas and restore the forest types that were either degraded or completely destroyed. The country faces another important problem, which is caused by the underdevelopment of infrastructure projects and certain legal restrictions: the local population is leaving their homes to live elsewhere. It is therefore necessary for the state to take care of the local population in protected areas, provide them with alternative resources, and improve socio-economic and living conditions. Retention of the native population, protection of the natural wealth, economic development and tourism growth should become a priority for the country, which is taken into consideration by the global code of ethics for tourism.

Social Survey and Results:

As there are many ideas, connected with the mentioned question, we conducted a simple sociological survey. The target group and participants were both the local population and people of different age groups, social status and academic sphere. (up to 800 people). There was only one question put in the survey, what they preferred and which of the three given possibilities was of high priority. There were three possible answers: 1 - protected areas, as untouched natural wealth; 2 – development of mass tourism and economic development projects in the protected areas; 3 – difficult to answer.

The results were as follows:

- 1 - protected areas as untouched natural wealth – 21%;
- 2 -development of mass tourism and economic development projects in the protected areas – 19%
- 3 - difficult to answer - 38%

It is noteworthy, that we did not deliberately include the fourth possible answer, which was the combination of the first and second possible answers, so, 22% of the respondents themselves included the mentioned fourth possible answer.

The above-mentioned fact proves once again the fact that the society refrains from giving the answer and it prefers the combination of the two: to maintain the protected areas and to develop tourism and economic development projects, which is extremely difficult to achieve.

CONCLUSION AND RECOMMENDATIONS

One of the most essential and solid guarantees for the development of biological and landscape variety of Georgia, economic security and preservation of economic potential of natural resources, natural heritage, increase of the financial income of the country and tourism development, is the development of the system of protected territories and territorial expansion.

The sustainable development of tourism in the protected area is one of the most important issues, though, it is necessary to find the golden mean, where the development of tourism reaches the stage and the negative influence on the environment is reduced to a minimum, and when both, the country and the local population have the financial income and not the negative result. Constant dilemma: protected areas or conservation of their original form, mass tourism and economic development projects, it looks like a vicious circle, there is no way out.

To emphasize one of the activities: the perfect maintenance of the protected areas or the development of mass tourism and economic development projects will be a mistake from our side. To work on consistent, specific and systematic strategy and tactics is of vital importance, it will result in a relatively harmonious blending of nature protection, mass tourism, and economic development projects. As a result, it will be a giant leap both for the protection of the nature, the country's economic development, and from the point of view of financial growth.

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