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## Kazbegi Municipality LOCAL DEVELOPMENT STRATEGY Kazbegi Local Action Group

### Development priorities and interventions

This strategy is intended to serve for 2016 – 2020 as a guiding document for the Local Action Group of Kazbegi, as well as for other local actors and stakeholders to facilitate sustainable rural development in Kazbegi, respond to challenges identified by local communities and contribute to investment in priority areas.

LAG Kazbegi prepared a **SWOT analysis of the region**, in order to identify development priorities and plan interventions accordingly. LDS also consulted number of studies carried out under the framework of the project, as well as national and regional strategies.

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Clean environment;</li> <li>- Various natural resources for summer and winter tourism development</li> <li>- Rich ethnic and folk handicraft traditions;</li> <li>- Rich water (including mineral) resources;</li> <li>- Plant diversity characteristic to alpine areas;</li> <li>- Fishery and beekeeping development potential</li> <li>- A road of international importance passes through the region;</li> <li>- Almost all villages have access to natural gas;</li> <li>- There are water and sewer systems in the town and several villages;</li> <li>- The region is one of Georgia’s most popular tourist destinations;</li> <li>- It is close to the capital and it has reliable road access.</li> </ul>	<ul style="list-style-type: none"> <li>- A high rate of outmigration of young people;</li> <li>- Very low level of knowledge of foreign languages;</li> <li>- Lack of the skills necessary in tourism services;</li> <li>- Underdeveloped touristic infrastructure;</li> <li>- Household waste management system is ineffective;</li> <li>- Poor waste management, especially in tourist destinations;</li> <li>- Lack of TIR park infrastructure;</li> <li>- Water supply system malfunctions/contamination;</li> <li>- Lack of comprehensive and unified information system about tourism services in the region;</li> <li>- Lack of available database of investment opportunities in the region;</li> <li>- Inefficient health care system;</li> <li>- Lack of comprehensive and accessible statistical data;</li> <li>- Absence of public transport in the region (internal);</li> <li>- Lack of high quality tourism products and services;</li> <li>- Mismatch between local population’s skills and labor market requirements;</li> <li>- Lack of opportunities to gain professional skills in the region;</li> <li>- Poor road infrastructure from the main road to the remote villages;</li> <li>- Lack of infrastructure along the main road for safe movement of pedestrians;</li> <li>- Uneven development of tourism; not all villages are able to benefit from inflow of tourists;</li> <li>- Lack of information about available modern banking services and business support programs</li> </ul>



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	<ul style="list-style-type: none"> <li>- Low productivity of local agriculture due to small production of family farms (oriented on family consumption);</li> <li>- Low level of community activism and involvement in public life;</li> <li>- Household service small businesses are not developed</li> <li>- Lack of a slaughterhouse, resulting in livestock being transported outside the region for processing and reimported after slaughtering at higher costs;</li> <li>- Production of milk and dairy products does not meet the requirements of the consumer and legislative requirements;</li> <li>- Lack of special services for people with disabilities;</li> <li>- Lack of recreation and entertainment facilities;</li> <li>- Most of the populated areas have no access to the Internet;</li> <li>- Lack of early warning and disaster risk reduction/mitigation in the region (natural disasters and emergency situations).</li> </ul>
<p><b>Opportunities</b></p>	<p><b>Threats</b></p>
<ul style="list-style-type: none"> <li>- Good conditions to produce ecologically clean agriculture products</li> <li>- The development of new tourism services (both summer and winter), a variety of means: extreme and adventure; agro-tourism; cultural and religious/pilgrim; cycling and horse riding; hunting; arranging camping and picnic spots; winter sports. There is high potential to attract new segments of tourists;</li> <li>- Herbal tea, preparation of tincture, spices and natural medicines;</li> <li>- Sea-buckthorn, berries and wild plants processing;</li> <li>- Water (still and mineral) enterprises;</li> <li>- Crafts, souvenir production;</li> <li>- Wool processing;</li> <li>- New tourist routes and services to place remote villages on tourist trails;</li> <li>- Turning abandoned villages into cultural-ethnic complex;</li> <li>- Partial replacement of imported agricultural products with local production;</li> <li>- Development of fishing and beekeeping</li> <li>- National level and international festivals;</li> <li>- Specialized mountaineering education training centres;</li> <li>- Mountain cycling development;</li> </ul>	<ul style="list-style-type: none"> <li>- Natural disasters;</li> <li>- Escalation of relations with Russia;</li> <li>- The global economic crisis that will affect tourism sector in Kazbegi;</li> <li>- Region dependence on one source of income only;</li> <li>- Bringing pesticides and other chemicals into agriculture;</li> <li>- Threat to damage wild plants by not keeping up to collection standards;</li> <li>- Degradation of environment (water), soil, as a result of household and industrial waste</li> </ul>



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| - Development of ecological means of transport in the region – building infrastructure of public bicycle tracks. |  |
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Apart from specific challenges, community consultations and focus group discussions underlined several cross-cutting issues: environmental protection issues, insufficient institutional capacity of local service providers (state and private), youth migration and depopulation of villages.

In response to the challenges and issues identified in the Kazbegi municipality, 5 priority objectives and 7 priority themes were identified, in order to support under Rural Development measures, as well as attract other resources and seek partnerships.

#### Priority Objectives

- Increase agricultural productivity and efficiency
- Support tourism service development and income diversification in villages
- Support improvement of quality of life of Kazbegi residents
- Contribute to reduction of migration rate
- Promote environmentally friendly practices

#### Priority themes

- Agricultural sector
- Tourism and other non-agricultural businesses
- Community infrastructure
- Education, Sports & Culture

#### Cross cutting priority themes

- Environment protection
- Youth support
- Institutional capacity building



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The following tables show each priority theme, its target groups, potential intervention, proposed expenditure and expected outcomes.

### **Agricultural sector**

<p><u>LDS Objectives it relates to:</u></p> <ul style="list-style-type: none"> <li>▪ Increase agricultural productivity and efficiency</li> <li>▪ Contribute to reduction of migration rate</li> <li>▪ Promote environmentally friendly practices</li> </ul>
<p><u>Target groups</u></p> <p>Farmers in Kazbegi region, youth engaged or interested in agriculture sector, agriculture service providers (private and state), farmers cooperatives in Kazbegi, companies and private persons engaged or interested in agricultural products processing/value chain development</p>
<p><u>Potential interventions</u></p> <ul style="list-style-type: none"> <li>• Introducing new practices, methodologies and equipment to increase productivity</li> <li>• Support for cooperatives and value chain development</li> <li>• Support Food and Safety standard incorporation in existing practices</li> <li>• Support processing, packaging, branding and increased access to diverse markets</li> </ul>
<p><u>Cross-cutting themes</u></p> <ul style="list-style-type: none"> <li>• Environment protection</li> <li>• Youth support</li> <li>• Institutional capacity building</li> </ul>
<p><u>Relevant activities</u></p> <ul style="list-style-type: none"> <li>• Introducing energy efficient and ECO/BIO practices in agriculture</li> <li>• Support youth initiatives in agriculture</li> <li>• Support initiatives that promote return/resettlement to Kazbegi for full time</li> <li>• Support capacity building initiatives of existing or start-up local agriculture service providers (public and private)</li> </ul>
<p><u>Proposed expenditure</u></p>
<p><u>Expected outcomes</u></p> <ul style="list-style-type: none"> <li>• Increased productivity in traditional agriculture practices</li> <li>• Wider access to markets</li> <li>• Improved quality of products</li> <li>• Increased opportunities for employment in agriculture</li> <li>• Increase of youth engagement in agriculture</li> <li>• Environmentally friendly practices are introduced and promoted</li> <li>• Increased support of consultations, educational opportunities and other service provisions for farmers in Kazbegi</li> <li>• Increased income from agriculture for local farmers</li> </ul>

### **Tourism and other non-agricultural businesses**

<p><u>LDS Objectives it relates to:</u></p> <ul style="list-style-type: none"> <li>• Support tourism service development and income diversification in villages</li> <li>• Contribute to reduction of migration rate</li> <li>• Promote environmentally friendly practices</li> </ul>
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Target groups

- Residents of villages with no current tourism services but located on touristic routes
- Existing or start-up businesses that plan to introduce new services/products in Kazbegi
- Existing businesses that plan to expand/offer new services with the aim of employing more local residents
- Youth interested to engage in tourism or other business start-ups

Potential interventions

- Support accommodation and food service providers in remote villages
- Develop various tourism related services
- Production/processing of tourism related items
- Initiatives that support cross-sectoral cooperation (agriculture and tourism etc.)
- Other innovative products/services for Kazbegi region
- Income diversification initiatives (agro tourism etc.)

Cross-cutting themes

- Environment protection
- Youth support
- Institutional capacity building

Relevant activities

- Energy efficient practices in tourism and other business sectors
- Eco/Bio tourism, production, processing, services
- Youth engagement in tourism and other businesses
- Cooperation with National Park of Kazbegi
- Capacity building of Tourism service providers, as well as potential employees
- Capacity building of public and private institutions supporting tourism and business development in Kazbegi

Proposed expenditure

Expected outcomes

- Increased number of residents of rural villages benefit from tourism
- Increased number of various services related to tourism
- Environmentally friendly practices are introduced in tourism and other business sector in Kazbegi
- Increased number of youth engaged in tourism
- Increased cooperation between farmers and tourism service providers
- Increased number of people employed in business sector and reduced migration
- Quality of business services is improved
- Increased capacity of business support institutions
- Cooperation with National Park is increased and environmental protection awareness is raised



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## Community infrastructure

### LDS Objectives it relates to:

- Support improvement of quality of life of Kazbegi residents
- Contribute to reduction of migration rate
- Promote environmentally friendly practices

### Target groups

- Rural community residents of Kazbegi Municipality
- Vulnerable groups in all communities
- Residents of depopulated villages

### Potential interventions

- Improvement of local public transportation system
- Community informational and promotional boards
- Community infrastructure for interest groups (woman, children, elders etc.)
- Small equipment for communal services and DRR
- Increase measures for transport safety
- Improvement of access to health care and social services
- Public sanitation facilities
- Rehabilitation and conservation of cultural and historical heritage

### Cross-cutting themes

- Environment protection
- Youth support
- Institutional capacity building

### Relevant activities

- Improved waste management
- Planting greenery, building public parks and natural trails
- Infrastructure for youth – education, sports, culture
- Initiatives to improve mobile and internet coverage
- Initiatives to improve drinking water quality
- Initiatives to promote sustainable soil and natural resource management
- Employment assistance services
- Promoting facilities using alternative energy source

### Proposed expenditure

### Expected outcomes

- Increased quality of living in Kazbegi communities – safety and services
- Increased access for various groups to community infrastructure
- Contribution to reduction of migration rate from remote
- Increased access to educational opportunities for all age groups
- Improved practices and increased awareness of effective waste management
- Increased access to social services, health care and communication
- Increased awareness and improved practices for environmental protection
- Improvement of services or facilitation start-up for targeted employment assistance
- Cultural and historic heritage conservation is promoted via pro-active community engagement



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## Education, Sports & Culture

### LDS Objectives it relates to:

- Support improvement of quality of life of Kazbegi residents
- Contribute to reduction of migration rate

### Target groups

Community members interested in vocational and non-formal education, farmers and business operators, children, persons with disabilities, artists, artisans and athletes, youth and women.

### Potential interventions

- Local art and artisans promotion
- Support of sport and cultural activities
- Opportunities for non-formal and vocational education
- Support of digital libraries/self-educational opportunities
- Promotion of Kazbegi heritage and culture

### Cross-cutting themes

- Environment protection
- Youth support
- Institutional capacity building

### Relevant activities

- Support of youth initiatives for education, sports and culture
- Support institutions that provide educational opportunities for local residents
- Support environmental protection education

### Proposed expenditure

### Expected outcomes

- Increased access and improved infrastructure for educational opportunities
- Enhanced cultural life and social engagement at village and municipal level
- Increased opportunities for local artists and artisans for promotion and income generation
- Increased opportunities for young people in their communities
- Increased awareness and local ownership for the protection of heritage, culture and nature