

BAKU 2015 EUROPEAN GAMES

Contents

Minister: After the Baku games, Azerbaijan will be an even more popular destination.....p.1

SOCAR executive: The European Games promote a healthy lifestyle.....p.3

The 1st European Games preparations in photosp.4

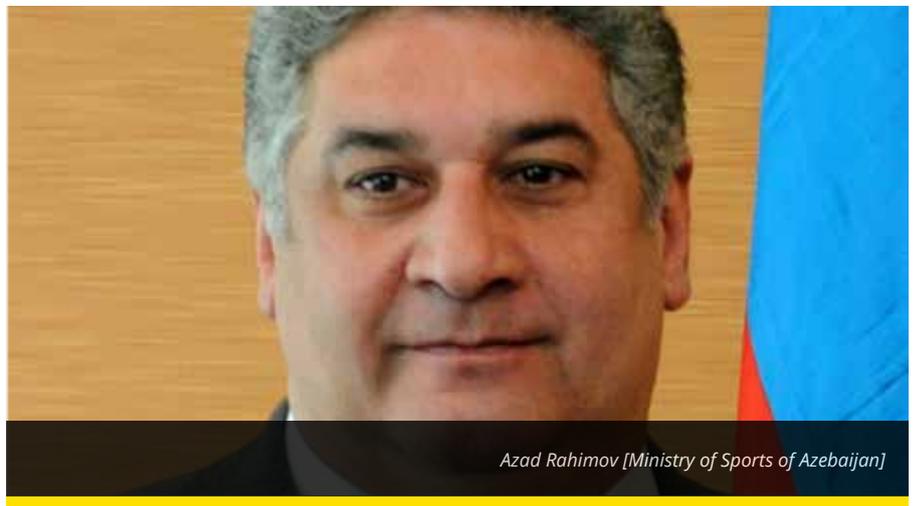
Simon Clegg: The whole world will be watching the Baku Games.....p.6

Official: The games are an opportunity for Azerbaijan to be more engaged with Europe.....p.8

Tourist boom in Georgia and Azerbaijan helps mitigate low oil pricesp.9



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Azad Rahimov [Ministry of Sports of Azerbaijan]

INTERVIEW

Minister: After the Baku games, Azerbaijan will be an even more popular destination

After events such as the Eurovision song contest in 2012, and the Baku 2015 European Games, which start on 12 June, people across the world will know that Azerbaijan is in Europe, Azad Rahimov, Minister of Youth and Sport of Azerbaijan told EurActiv in an exclusive interview.

Before becoming the Minister of Youth and Sports of Azerbaijan in 2006, Azad Rahimov worked in the private sector. He spoke to EurActiv's Senior Editor Georgi Gotev.

The Baku 2015 European Games will be held from 12 to 28 June. Are sports events good PR for the host country? Isn't this the national goal behind the event?

The Baku 2015 European Games are a very good chance to improve our sports infrastructure and to speed up projects we have been planning for a long time. It's also a chance for our

young people to gather experience from a large-scale event. Two and a half years ago, it was very difficult to find 10 young people with basic understanding how to organise such an event, Now we have over 1000 young people involved in the Baku games operating committee, who have gained experience, and will be able to promote themselves in different markets, and help organise similar events in different countries.

It will be a major chance to show Baku to the world as a European country, as a Muslim, but secular state, as a good bridge between East and West, between the Muslim Orient and the Christian Europe, and to show the beauty of the country, [its] very ancient history, our music, art, food and hospitality. It is very important for a country that gained independence only 23 years ago to position itself on the map of Europe as a European country. Very often the question [is asked] "Where is Azerbaijan?" After the Eurovision song contest [which the country hosted in 2012, after winning in 2011] and after the European Games, most people will know the answer.

How about the cost? Azerbaijan is an oil- and gas-rich country. Is it very expensive to organise such games?

To organise Olympic games is a pretty expensive project for any country. Sometimes the requirements

Continued on Page 2

Continued from Page 1

of the Olympic Federation are very high. As an example, the sport hall hosting the Olympic swimming pool should have a minimum of 15,000 seats. To build such a big sports venue is a very expensive exercise of course. The advantage of Baku is that we are focusing on the existing venues, doing refurbishing work. We are using multifunctional venues, such as the Cristal Hall, which hosted the Eurovision song contest. Now it's a venue hosting five sports during the European Games. We base ourselves on temporary buildings in the Olympic park, where we host water polo, 3x3 basketball, beach football and beach volleyball. And we also build new buildings. But again, from the point of view of legacy, the three big arenas that were built during the last two years, the Olympic football stadium, the Aquatic centre, and the Shooting Centre, were planned before the idea of the European Games came about.

So they were not built for the European Games. [FIFA President] Sepp Blatter and [UEFA President] Michel Platini came to Baku approximately four years ago and paid the first stone of the Olympic Stadium, when the idea of hosting European Games was not in the air. It's normal that Baku, with its population of 3 million people, would have one high-standard football stadium. The previously biggest stadium was built in 1953.

The same is with the gymnastic arena. The building was open in 2014, also before the idea of the games. Or the aquatic centre. We simply need to have in Baku a public pool where the people can come to swim for a cheap price.

I have seen a documentary of the present state of many venues built for the Athens summer Olympics of 2004. They haven't been used since. They look terrible, like a scene in a movie depicting the world after a nuclear holocaust. Is there any danger of anything like this happening in Baku?

This question only concerns the three new venues. I'm sure that the Aquatic Centre will be totally full with people and will repay the expenses. It will be similar with the Shooting Centre, which people will be able to use without an entrance fee. The only big risk is the football stadium, because it's a huge arena.

Do you have a budget for the games?

There are three budgets actually. There is an infrastructure budget, which includes roads, which are under the control of the Baku city municipality. The second budget is the construction budget. We discussed the venues under construction. The third is the operational budget, which is money specially dedicated to the European Games. It is 960 million manats [€820 million] and I can say with a lot of pride that we are not overspending it. In other experiences with Olympic games, planned budgets have gone out of control. But we will be able to make some savings.

I saw some critical articles in the Western press about Azerbaijan paying for the travel of foreign sportsmen to Baku. Is this normal?

We are using the model of Olympic Games, which is that the International Olympic committee pays all expenses for sport competitors to come to the games. They are paying for their transport expenses, their accommodation, and their food. We are using the same model.

How was the decision to have the games in Baku adopted?

When the decision to hold the games was adopted in December 2012, 49 members of the European Olympic committee were represented. The vote was first about holding European games for the first time and second, about hosting the games in Baku. 48 voted, and 38 voted for hosting the games in Baku.

Now we have 50 Olympic committees, because last year Kosovo became a member of the International Olympic Committee, and automatically of the European Olympic Committee, and a participant in the European games.

Armenia, with whom your country doesn't have diplomatic relations because of the Nagorno-Karabakh conflict, didn't vote. But its team is also coming?

Yes, Armenia is also coming and Armenian television bought rights to show the games. 50 countries confirmed. Not a single country has ever discussed the possibility of boycotting or not coming to the games. Approximately 6,200 athletes will be coming. 3,000 members of the delegations will be accompanying the athletes.

There have been boycotts on Olympic games in the past. What do you think about this politicisation of sports?

First of all, I think that sport is not politics and that one should not be pushed unto another. But sport events are attracting the attention of a lot of people. Different organisations, mostly NGOs, are trying to bring attention to certain problems they have identified. This happened not only vis-a-vis Russia in Sochi [in 2014], or with China during the Beijing Olympics [2008] over Tibet. Even in the case of the London Olympics [2012], there were a lot of protests regarding the destruction of buildings, of moving of people from their homes.

The process is I would say normal, but the calls to boycott the games are not smart, because the games are a very good [opportunity] to unite the peoples. It's a festival of the friendship, and it's a festival of people gathering together. It's a good promotion of the healthy lifestyle, of sport. I remember Baku after the World Gymnastics championship, when our team won third place. The

Continued on Page 3

Continued from Page 2

next morning in front of all (the) sports schools there were big queues of parents together with their children, who wanted to be enlisted. It's a good promotion of sports, and losing such an opportunity doesn't seem to be a good idea.

Everything will be ready on time? We have seen in other places works until the very last day...

We can say we are on schedule. The sport bases are ready, hotels are ready. The only work that is still going on is temporary construction, like the special tents for security-checking, for the generators, and IT technology. This work will continue until the last day, but that's normal.

This is about sports, about sports of high results, about the medals. We are very proud that from the 16 sports that are going to be presented on the European Games, 12 provide the chance to the athletes to obtain qualifications for the Rio de Janeiro Olympic games [in 2106]. So I suggest that when the time comes, [for] people to switch on their TVs.

The biggest team will be the Russians?

Yes, more than 350 athletes. But for all countries this will be a very good chance to show their strengths, because it's the top of the top of the career of any athlete to participate in Olympic games, a chance that sometimes happens only once. So it's not about big or small countries. After Russia, the biggest team

will be from the UK, around 200 athletes, so is Germany's, and ours, because we are hosting the games. But all the other countries will have big teams. The Balkan countries will be represented by teams of some 50 athletes. It is not unusual to have so many athletes for the Olympic Games.

Can you reveal the secret of the opening show?

It will be wonderful, but I cannot reveal the secret. Both the the opening and closing ceremonies will be very interesting. The opening ceremony is mostly dedicated to the country, to [its] history. The closing ceremony will be a very colourful festival.

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INTERVIEW

SOCAR executive: The European Games promote a healthy lifestyle

By being sponsors to the Baku 2015 European Games, SOCAR, the state oil company of Azerbaijan which employs 60,000 people, wants to promote sports and a healthy lifestyle in the country, Vitaly Baylarbayov, Deputy Vice President of SOCAR, told EurActiv in an exclusive interview.

Vitaly Baylarbayov has been in charge of the Southern Gas Corridor, the only project to bring gas to Europe from a source other than Russia, during the last eight years. He spoke to EurActiv's Senior Editor, Georgi Gotev.

SOCAR is an Official Partner, meaning that it is among the main sponsors of the



A SOCAR filling station in Baku, and the brand new national stadium in the background [Georgi Gotev]

Baku 2015 European Games. What was your motivation?

SOCAR has agreed with enthusiasm to be part of the main sponsors of the Baku 2015 European Games, which I should say are the first European games of their kind, for very many reasons.

Without any doubt, one of the reasons is that SOCAR as a company pays a lot of attention to the health of our employees and consequently to sports as a means to having a healthy lifestyle. We have 60,000 employees and we are probably the largest company in Azerbaijan. And if we consider that a family in Azerbaijan has on average

more than 3 members, most probably 4 or 5, it means that we directly promote sports to at least as many as 300, 000 people.

We would like sports to be part of the lifestyle of all the citizens of Azerbaijan, of which an important part are our present or future employees. For us, this is important. Of course, the European Games is not the first sports event sponsored by SOCAR. We actively participate in the work of Azerbaijan Football Federations Association. It would be interesting for you to know that Azerbaijan will be hosting some

Continued on Page 4

Continued from Page 3

of the 2020 UEFA European Football Championship games. SOCAR also supports the Azerbaijan football championship, and some members of the leadership of our company are not only sports fans, but sports activists and managers. The President of our company, Rovnag Abdullayev, is also President of our country's football federation.

By being sponsors, we also aim at promoting SOCAR as a vibrant and growing company. We have a long history, but we are also a young company, as the country has gained its independence only 23 years ago, and it is in this period that we have been able to develop the way of doing business. In this sense, if industrial oil extraction in Azerbaijan has more than a 150 year-long history, SOCAR has been able to establish itself as a vertically-integrated international company in the last 10-15 years.

It is only natural that we would like others to know us better, that the name of our company, (and) its activity, become widely known to the public. That's why we value the fact that those who will watch the games will become familiar with our name.

I would like to mention one more,

probably the most important, aspect: the European games are a chance for the world to discover our country. SOCAR wants to be associated with this effort. Azerbaijan is known as a country of oils and gas. This is far from being its true portrait. We have great people, beautiful nature, rich cultural traditions, excellent sporting achievements, with a highly developed culture which is European in its essence, also having Islamic characteristics and elements of Asia, of Oriental culture. And we are very proud of this blend of European, Asian, and Oriental culture(s). We are proud of being a very beautiful country, with beautiful people. We are proud of the beautiful buildings, and that we have very noticeable economic and industrial achievements.

SOCAR is sponsoring the Baku 2015 European Games. Are you interested promoting your company in the EU, in relation to the Southern Gas Corridor, in which SOCAR is the key shareholder?

The Southern Gas Corridor is not at all a project aimed at our promotion. It is not a political project, it is strictly a commercial project. We are realising

the project with our international partners. You can see from this map, the respective companies are from Asia, from Europe, from the Western world and from the world that we call Oriental. There is also a Russian company, Lukoil, which is a shareholder in the Shah Deniz 2 gas field, there is an Iranian company, NICO, the British company BP, Petronas from Malaysia and (the) Turkish TPAO.

Regarding our European customers, basically all are major European companies: Shell, Gaz de France, Gas Natural of Spain, the Italian companies ENEL and Hera – the geography is huge. Here advertising doesn't work. What works are the principles of business. Nobody would (take on) a \$45 billion project of pipelines and of offshore gas pumping at Shah Deniz 2 if they are not certain that the project is feasible, that it is realistic and that deadlines will be kept. The deadline is 2018 for the start of producing at Shah Deniz 2. In 2018, this gas will start flowing to Turkey, to Eskişehir. In the beginning of 2020, our customers in Greece, Bulgaria and Italy will start receiving gas originating from Shah Deniz.

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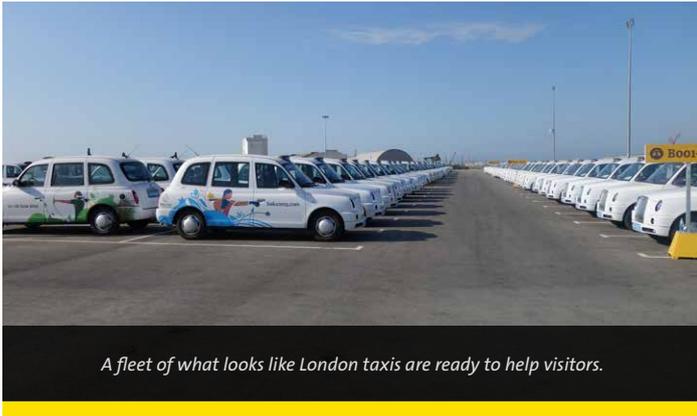
The 1st European Games preparations in photos

Just a couple of weeks before the Baku 2015 European Games begin on 12 June, EurActiv presents a photo essay, capturing the venues in the capital of Azerbaijan, which will play host to the first Olympic games in continental Europe.

Almost all the venues are located in Baku.



A SOCAR filling station in Baku, and the brand new national stadium in the background [Georgi Gotev]



A fleet of what looks like London taxis are ready to help visitors.



The Baku Aquatic Centre is being constructed for the Baku 2015 European Games, and is set to become an iconic sporting venue in Azerbaijan. The venue will also host the diving and swimming competitions.



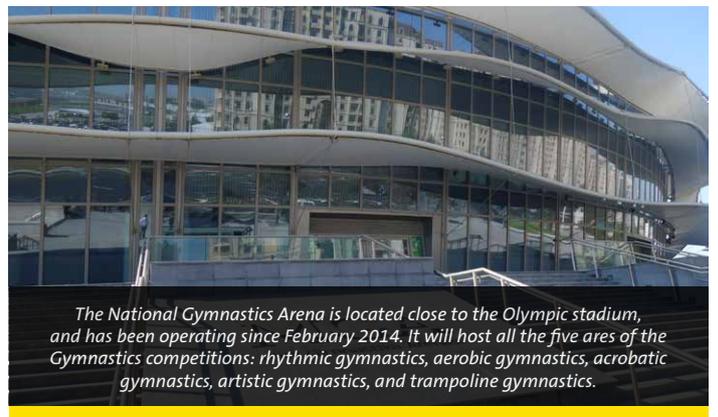
The Crystal Hall, which hosted the Eurovision song contest in 2012, is now transformed into three separate sports arenas, for volleyball, but also for boxing, fencing, and karate.



The Crystal Hall is located on a dramatic peninsula in the Bay of Baku, in the Caspian. From there, you have a perfect view of what appears to be the world's largest national flag.



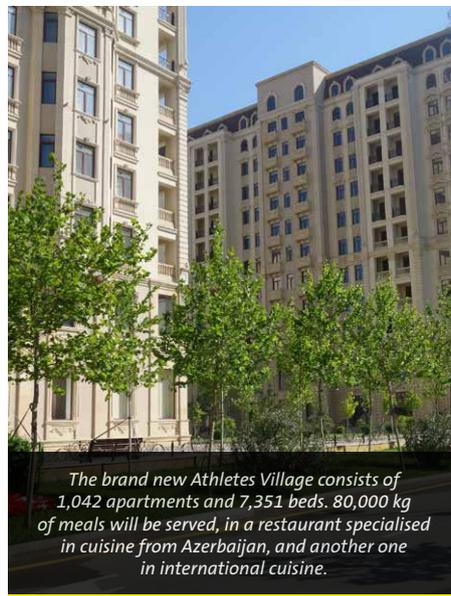
The Olympic stadium is brand new construction, and will host the opening ceremony, two days of athletic competitions and the closing ceremony. Once the European Games end, the venue will become the home ground for Azerbaijan's national football team.



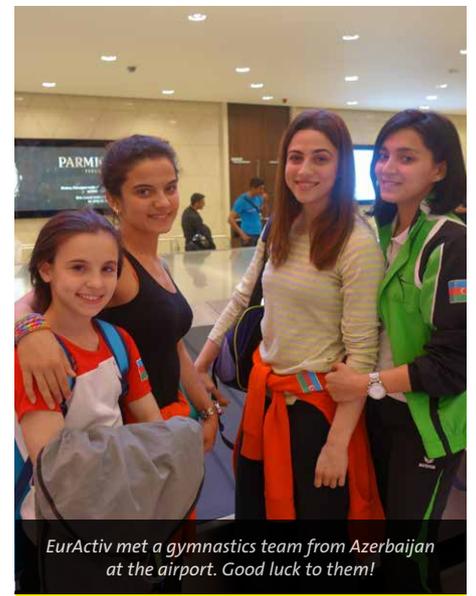
The National Gymnastics Arena is located close to the Olympic stadium, and has been operating since February 2014. It will host all the five areas of the Gymnastics competitions: rhythmic gymnastics, aerobic gymnastics, acrobatic gymnastics, artistic gymnastics, and trampoline gymnastics.



For the Road Race events, cyclists will start and finish in front of Government House, the iconic Baku landmark, with the race route comprised of a series of laps through the city's streets. It is expected that next year's Formula one Grand Prix of Azerbaijan will run through the same streets.



The brand new Athletes Village consists of 1,042 apartments and 7,351 beds. 80,000 kg of meals will be served, in a restaurant specialised in cuisine from Azerbaijan, and another one in international cuisine.



EurActiv met a gymnastics team from Azerbaijan at the airport. Good luck to them!

INTERVIEW

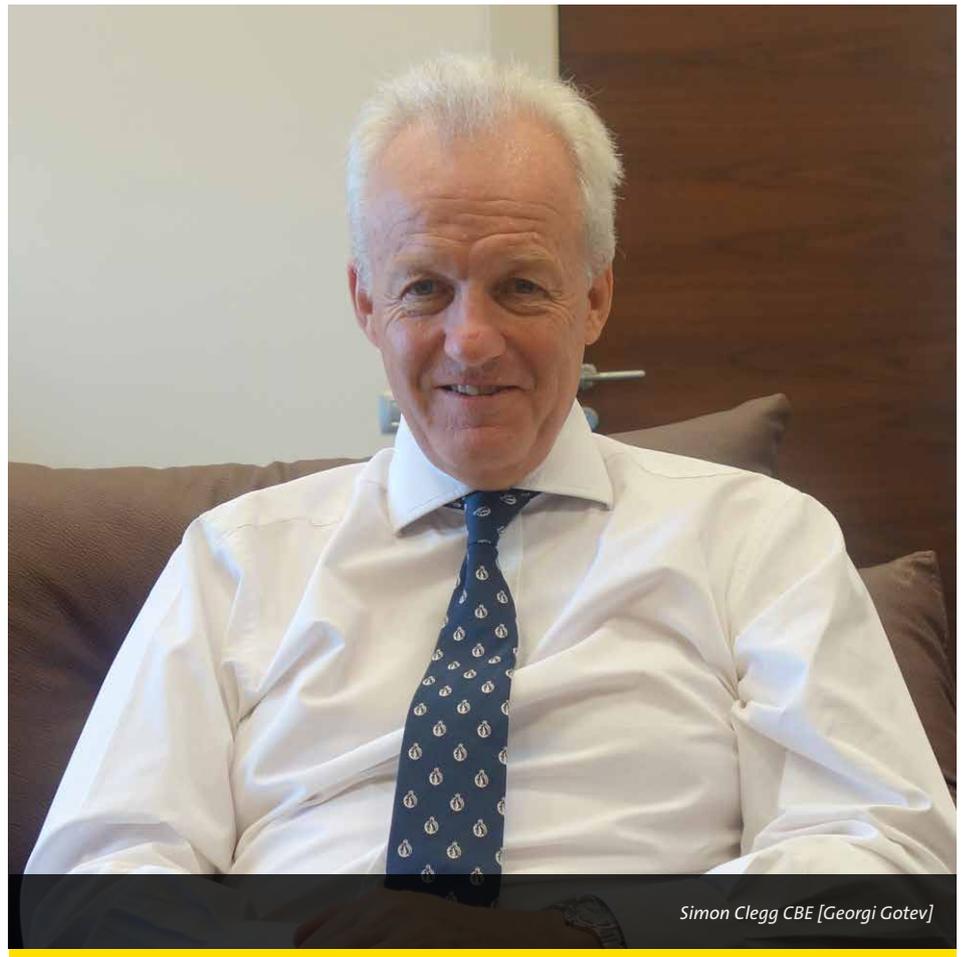
Simon Clegg: The whole world will be watching the Baku Games

The Baku 2015 European Games are a fantastic promotional opportunity for Azerbaijan, as they will be watched not only by the whole of Europe, but in many continents, including China, Simon Clegg, COO of the games, told EurActiv in an exclusive interview.

Simon Clegg CBE is the Chief Operating Officer, Baku 2015 European Games Operations Committee. He has been a previous Chief Executive of the British Olympic Association, English Championship Football Team Ipswich Town and the 1995 European Youth Olympic Festival Organising Committee. He spoke to EurActiv's Senior Editor Georgi Gotev.

What's the most unusual thing about the Baku 2015 European Games? We know that they are the first of their kind, that they are like Olympic Games, on a European scale. As an experienced sports leader, what was your main challenge?

Normally, Olympic Games are prepared in a timespan of seven years. What we have had to do is compress seven years' worth of work into just 30 months. Baku was awarded the games in December 2012. To the opening on 12 June there (were) exactly 30 months. A lot of venues have been handed over to us, and we were or will be their first users. The Olympic stadium has only had one event until now, and that was our event, a test event for 50,000 people. So the first time, it will have more than 50,000 people, who will be for there for the Baku European Games inauguration



Simon Clegg CBE [Georgi Gotev]

ceremony.

So the opening ceremony will also be the Olympic stadium's inauguration?

Indeed. But it's the same with the Aquatic Centre. Those facilities have been handed over to us quite late in the day, but that was understandable. When we look at the temporary venues, for 3x3 basketball, beach soccer, beach volleyball, you can't build those facilities in the middle of the winter. You need good weather, and that's why the venues are still in preparation for the arrival of the athletes.

So how you handled this accelerated the process of preparing these Olympic-type games?

This requires people to be very light on their feet. We had to accelerate the normal decision-making process. For the usual Olympic Games, you have much more time for mature reflection

on the decisions that you are making.

The other thing is that these are new types of games. So there's no file to take from the shelf to see how they did it last time. It has been a very exciting, a very dynamic and demanding project.

It looks like everything will be ready on time.

We still have a few days until 12 June, and we need each one of them to make sure that we are ready. But I'm confident that we are in a good position.

What are the innovations the European Games are bringing about?

We've got 4 non-Olympic sports, and 16 Olympic sports. We've got 3x3 basketball, which is what the kids in the streets are playing these days. We've got beach soccer, we've got sambo, and we've got karate. So we try to do things

Continued on Page 7

Continued from Page 6

slightly differently to the Olympic Games. We've also got blind judo as a totally integrated part of the sports program. No difference between blind judo and sighted judo. Obviously, they are not competing against each other, but they are totally integrated, with exactly the same medals, the medals who count on the medal table in exactly the same way.

How many athletes are coming? How many staff members are involved in the preparations?

5898 athletes are coming from the 50 participating countries of Europe. On the staff, we are 2020 full members, including 440 expats and 1580 Azeris. So it's a very rich mixture, and the reason why this was necessary, why there are so many expats, in senior positions, is twofold. First this event's preparation was condensed in just 30 months, and secondly, Azerbaijan doesn't have a big history of organising major international multi-sports events of this scale. Therefore, we brought in a significant number of expats. Part of the responsibilities of the expats is to hand over knowledge and train the Azeris. So that when Azerbaijan hosts Formula 1 next year, the Islamic Solidarity Games in 2017, Euro 2020 football matches, Azeris will be much more capable of filling the senior management positions.

And I should say that from the 440 expats we have, they are from 43 different nationalities. So it's a really global team here.

How was the recruitment made? Are those people the same who travel from one big sports games to another?

Yes, quite a few. And we needed that level of competence and expertise to be able to develop assistance very quickly. So we have 234 people who were involved in the London Olympic Games in 2012 in some capacity, we have people from the Winter Olympics in Sochi in

2014, and we have a number of people from the Glasgow Commonwealth Games from last year.

Has the cost of the preparations ever been an issue? Did you face budget limitations?

Of course. The price of oil in the last year from \$120 dollars a barrel fell down to \$50 at one point a few months ago, now it's \$65-68 a barrel. There was also the devaluation of the manat [the national currency of Azerbaijan]. These were important factors in our thinking, when we had the normal ongoing process of evaluating what we should do and what we shouldn't do. Every organising committee goes through this exercise. You have a lot of very dynamic people in the organising committee who want to do more and more and more. And there needs to be a degree of rationalisation.

Do you think that over time, Azerbaijan will be rewarded for the investment it made in the games?

Absolutely. This is a fantastic promotion opportunity for Azerbaijan. This is a country that perhaps not many people know very much about, not least because it's only 23 years old [Azerbaijan has been independent also previously, but it declared independence from the former Soviet Union in August 1991]. And the progress it has made in only 23 years is unbelievable. You have to factor that into account, you have to factor that the whole world, and certainly the whole of the sporting world will be watching Azerbaijan in June this year. Not only have we successfully sold television rights to the whole of Europe, but we sold television rights to North America and Canada. On Saturday, I announced that 17 countries in South America will have access to the games. We sold rights to the Middle East and North Africa. 447 million households in China will be watching the Baku Games in China

through CCTV, 56 million households in Japan, 30 million households in India.

So for these people to see this young, dynamic and beautiful country, that's an unbelievable return on investment.

They knew it, and that's why they did it?

I don't think that in our wildest dreams, we could have thought we could sell television rights to China. Certainly, we expected to sell television rights to Europe. We have eight top level sponsors now, and a television audience in excess of a billion around the whole world.

How important is the role of the sponsors?

It's very important. Again, these are inaugural games, so there was no track record and they were not sure what they were buying into. Not only the cash that they have paid for the marketing rights is important, but so is the marketing budget they are putting behind the promotion of the brand. The fact that we have been able to attract local companies, you could have expected this, in a country like Azerbaijan. SOCAR, Nar Mobile, Azerbaijan Airlines and Kapital Bank, but (also) internationally – Coca Cola, Procter & Gamble, Swiss Timing and BP – these are incredibly strong and powerful brands. The marketing and promotional spending they are putting behind this event is allowing us to establish a brand that has got real commercial value going forward.

How big is their contribution?

We could not running these games and promoting these games without the level of support we are getting from them. We are leaving a lot of legacy elements for this country to go forward.

INTERVIEW

Official: The games are an opportunity for Azerbaijan to be more engaged with Europe

External relations are very important for Azerbaijan, and the European Games open another door to Europe, Sevinj Hasanova, Deputy Minister of Economy and Industry of Azerbaijan, told EurActiv in an exclusive interview.

Sevinj Hasanova is Deputy Minister of Economy and Industry since 2006. Before joining the Ministry worked in the Ministry of Finance and in cooperation with different international organizations. Major fields: strategic development, macroeconomic forecasting, public finance.

What do the Baku 2015 European games mean for your country?

The first European games are important not only for Azerbaijan, but for Europe at large. We are really proud that the first ever European Games will take place in Azerbaijan. Azerbaijan is not a large country, it has some 10 million people and 86 square kilometres of territory,. However, we are an open economy and broadening our external relations is very important for us. To that end the European Games open another door to Europe, which extends the opportunity of being more engaged with the European countries.

Azerbaijan is aiming to become a tourism centre as well. Tourism is becoming an ever larger sector of our



Sevinj Hasanova [Ministry of Economy and Industry of Azerbaijan]

economy and for its development spreading information about the country is critical. The games will be a great opportunity to show more of Azerbaijan, of our beautiful country, to show what we have, who we are, what is our culture, what is our history.

A first impression of Baku is that a lot of construction is taking place. There is a feeling of growth. Isn't the wealth of the country too dependent on the piece of oil?

We have hydrocarbon reserves, which we try to use in the efficient way. From the early days of oil revenue windfall we try to follow a strategy which allows us to distribute the oil revenue not only among the people living now, but to preserve it for the future generations as well. In 1999 we established a sovereign Oil Fund. And we have accumulated enough of reserves to shelter us from the external markets shocks such as the fall of oil prices since the end of the last year.

As in case with all oil exporting countries the fall of oil prices influences our revenues, the speed of our constructions works, our public investment volumes. However, created reserves, steps taken in diversification of economy helps us to cross the difficult times relatively easily. As you have seen, constructions are going on, and there are a number of private constructions, often with foreign investment. This is very much due to the fact that for the last 10 years and more we paid attention to bettering the business environment. We have been among the top reformers in doing business report since 2009, and according to World Economic Forum reports over the last six years we have been the most competitive country among the Commonwealth of Independent States (CIS). We are continuing our work in improving the business environment, and the overall competitiveness of the

Continued on Page 9

Continued from Page 8

country. In accordance with strategic development objectives formulated in "Azerbaijan 2020 – Vision for the Future" we will continue to diversify our economy, develop our competitive sectors including agriculture, industry, and tourism.

I was listening to your president, Ilham Aliiev, who said on 18 May, at the World Forum on Intercultural Dialogue, that Azerbaijan attaches a lot of importance to education and that 100% of its population is literate. How important is human capital for the country's development? It is an important asset for investors?

As we know investors do need resources, natural or climatic, they need financial capital, but they also need people who will put them together for the business. Education has traditionally been of high priority in Azerbaijan, this is probably due to our historic development. As mister President Ilham Aliyev stressed out in the Forum, our country was the first Islamic democracy

built in 1918 and that at the time our women received voting rights so it was the first universal suffrage in the East and much earlier than in many European countries. In every Azerbaijani family you can see the desire to learn, the desire to get higher education, the desire from the parent's side to give a better education for their children. Indeed, the degree of literacy is quite high in Azerbaijan. Our development challenges put more demand on higher education and skills development, where reforms are speeding up.

I realise that as part of the Soviet legacy, there are also many polluted areas, mostly with oil. What is the country doing at present to address this problem?

Just near the Olympic Stadium, you can see a lake which was very polluted before. It was impossible to stand by the lake even for a few minutes, but now it has been cleaned. This is the kind of attention many polluted areas are receiving. Many areas have been polluted over the decades, and now

we need to deal with the problem, and pay more attention to the environment. That's what we try to do.

What do you expect in the future of relations with the EU?

The European countries are among our major strategic partners and the development of relations with each member of the EU is very important for Azerbaijan. Those countries are major consumers of our oil and oil products and we hope, will become destinations for our non-oil economy products. Cooperation in energy security, EU investments in Azerbaijan with technology and know-how transfer, as well as Azerbaijan investments in EU countries, including our State Oil Fund's investments make our partnership mutually beneficial. I hope future strategic partnership between EU and Azerbaijan will be strengthened and developed for the convenience of both parties.

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OP-ED

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Tourist boom in Georgia and Azerbaijan helps mitigate low oil prices

Georgia and Azerbaijan, two South Caucasus countries that offer breath-taking natural beauty, architectural treasures and rich histories, are going all-out to develop their tourism industries, writes Giorgi Meladze.

Giorgi Meladze is the director of the Ilia State University Center for Constitutional Studies and the executive director of the Liberty Institute, a libertarian think-tank in Tbilisi, Georgia. He contributed this op-ed exclusively to EurActiv.

In petroleum-rich Azerbaijan's case, tourism development is helping it counter a drop in oil prices that many experts say will last for years. In Georgia, tourism is helping offset a drop in business stemming from its neighbors' oil-revenue declines.

The multibillion-dollar investments that Georgia, Azerbaijan and their private-sector partners are making in tourism infrastructure and promotion are paying off with surges in visitor numbers.

The authoritative travel-guide publisher Lonely Planet has declared Georgia "one of the most beautiful countries on earth". Other travel gurus say the same about Azerbaijan.

Both have bustling cities, mountains and beach resorts – Georgia on the Black Sea, and Azerbaijan on the Caspian – and hot spring spas.

Both boast good food and hospitality. The mayor of Georgia's Black Sea resort of Batumi spoke to that by noting that "for us, a guest is something precious. For a Georgian, each guest is

Continued on Page 10

Continued from Page 9

like God”.

Georgia and Azerbaijan also offer thousands of sightseeing treasures, including natural parks, fortresses and historic buildings, art galleries and museums. Georgia, one of the world’s oldest bastions of Christianity, not only has many historic churches, but also cave monasteries at Davit Gareja.

In addition to drawing visitors with their natural wonders and historic attractions, Georgia and Azerbaijan are working hard to become international sports venues.

Azerbaijan has been spending tens of millions of dollars of its petroleum revenue to develop a world-class sports infrastructure that will bring in tourism revenue year after year. Those facilities have led to a number of global competitions being held in the country’s capital of Baku.

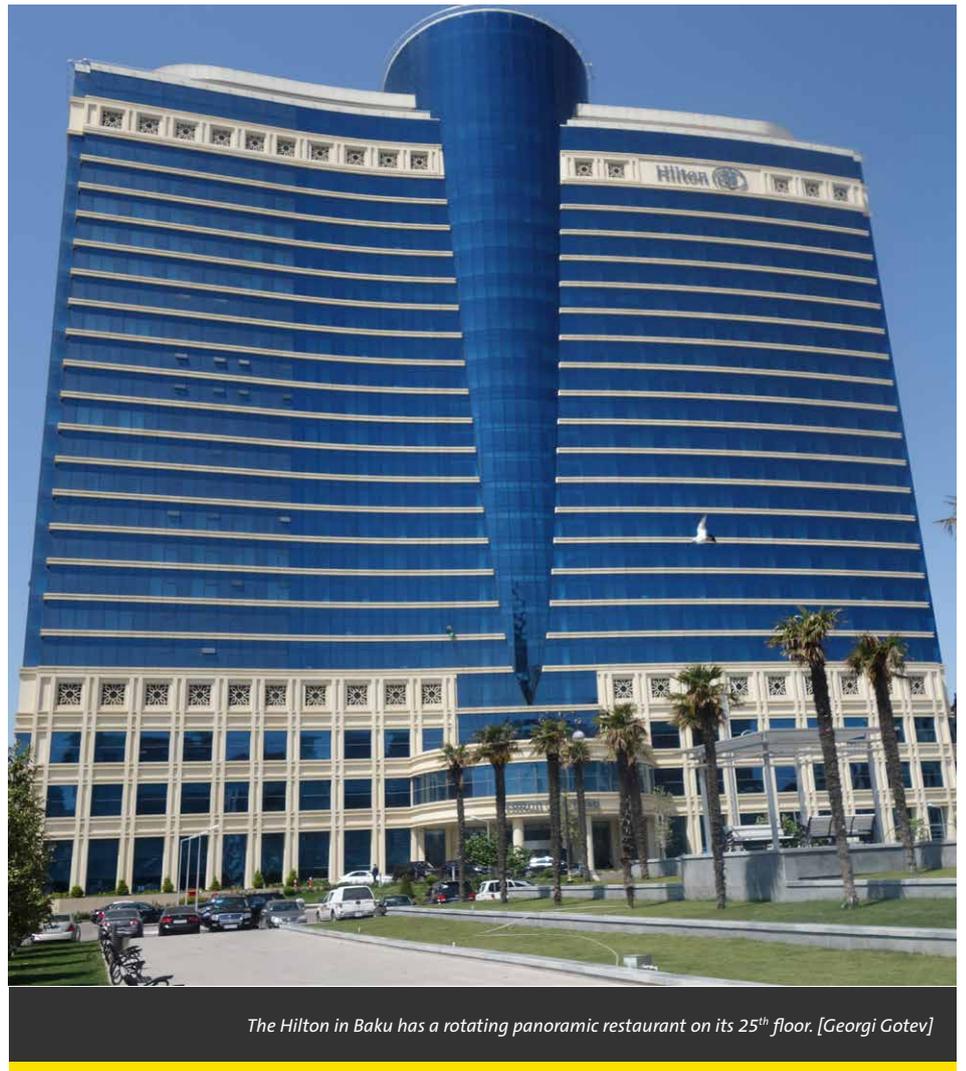
Azerbaijan’s latest coup is landing the First European Games from June 12 to 28. About 6,000 athletes are expected to compete in 20 sports.

Meanwhile, Georgia will host the European Youth Olympic Festival from July 25 to August 1. It is expected to draw 4,000 athletes between 14 and 18 in nine sports.

Georgia and Azerbaijan started ramping up their tourism efforts in the early 2000s. Georgia, which lacks the oil and gas that Azerbaijan has, wants to make tourism a sparkplug of its growth.

Realizing that oil and gas are finite, Azerbaijan began developing tourism to help diversify its economy. It is determined not to be caught flat-footed when its petroleum resources begin declining.

Recognizing that tourism goes nowhere without inviting accommodations, Georgia and Azerbaijan have made major commitments to wooing hoteliers. The result is dozens of hotels rising in their capitals -- Tbilisi in Georgia and Baku in Azerbaijan – and other cities. Among the arrivals are big names like Hilton, Hyatt,



The Hilton in Baku has a rotating panoramic restaurant on its 25th floor. [Georgi Gotev]

Intercontinental, Marriott, Radisson and Sheraton.

Georgia’s infrastructure-building has included a successful campaign to turn its Black Sea city of Batumi into a modern beach resort – an effort that locals call the Batumi Miracle. The makeover generated international headlines when American developer Donald Trump became a partner in the construction of accommodation-and-business complexes in Batumi and Tbilisi.

Georgia has also been creating world-class ski resorts in the Caucasus Mountains. After testing the slopes, Alberto Tomba, Italy’s Olympic Gold Medal winner, declared that the skiing complexes at Mestia and Gudauri are of the high caliber needed to host international competitions.

Below the mountains, Georgia is restoring the town of Signaghi in its

wine-country area of Kakheti. Wine-related tourism is jumping in Georgia, which makes some of the world’s best vintages and which many experts say is the birthplace of wine making.

Another Georgia attraction is the Roman fortress of Gonio, south of Batumi. Speaking of Gonio’s sophisticated water system, former President Mikheil Saakashvili noted that Europeans often ask how Georgia can justify its claim that it is a European country. “Let these Europeans come here (to Gonio) and see what kind of water-supply system was here 2,000 years ago,” he said.

In addition to creating or modernizing tourist venues, Georgia is spending money on trains and roads to make traveling faster and more comfortable. It made rail infrastructure

Continued on Page 11

Continued from Page 10

improvements that cut the time between Tbilisi and Batumi from eight hours to five, for example.

A few years ago, anyone who wanted to travel from Tbilisi to the scenic mountain town of Svaneti would have to take an overnight train, then a six-hour drive up dangerous mountain roads. A new road between the cities has cut the trip to three hours.

Georgia has also built infrastructure at landmarks, museums and other attractions, new tourist information centers and new border control stations to speed visitors on their way.

The return on Georgia's tourism investment can be seen in the numbers. Almost 5.5 million people visited the country in 2014, a sixteen-fold increase from 2004, before the tourism-expansion drive began.

In addition, tourism's share of the country's gross domestic product has doubled from 3.4 percent in 2004 to more than 7 percent. And tourism revenue is estimated at \$2 billion a year, compared with \$178 million in 2004.

Like Georgia, Azerbaijan has been building or modernizing tourism infrastructure over the past decade. It has renovated and added amenities at monuments and other historic sites, created the Shahdag ski resort – the country's first -- and expanded and modernized airports.

Money that it socked away in its National Oil Fund has allowed in to continue its tourism-development efforts despite the current low oil prices.

One of Azerbaijan's tourist-development strategies is luring visitors by invoking the names of legendary figures associated with the country. It may come as no surprise that among the figures are a family associated with the growth of its oil industry – the Nobels of Nobel Prize fame.

The most intriguing name that Azerbaijan is invoking to stoke tourism, however, is Marco Polo. He, like many European and Middle Eastern

travelers of his time, used the country as a jumping-off point on his Silk Road journey to China.

To cash in on its caravan heritage, Azerbaijan is building a network of Silk Road-themed attractions. They include reconstructions of caravansaries -- roadside inns where travelers could eat, sleep and feed and rest their camels and other animals.

The Swedish-Russian Nobel family played a major role in developing Azerbaijan's oil industry in the late 1800s. With their help, the country became the world's biggest producer in the early 1900s.

Azerbaijan has not only restored the Nobels' Villa Petrolea mansion in Baku but also opened a Nobel Museum on the complex. And it is working with members of the Nobel family on other projects.

Outside Azerbaijan's cities, the country's hot springs, mud baths and oil-treatment spas have attracted health-conscious visitors for centuries. Now the country is trying to catapult its healing-and-restoring industry into the 21st century with new facilities and other infrastructure.

The Nakhchivan area has the most mineral-water springs – 250. But there are springs in many other places as well. If you want a rubdown that makes you purr, the town of Naftalan boasts a natural oil that makes skin glow.

As with Georgia, Azerbaijan's tourism-development spending is paying off. Its visitor numbers have increased every year since 2003, reaching 2.5 million in 2014. And its tourism revenue has kept pace.

Despite this growth, tourism still accounts for only 1 percent of Azerbaijan's gross domestic product. It would like to see tourism account for 5 to 10 percent of GDP. That means it's likely to continue spending money on developing the sector.

That's good news for visitors: It will lead to better infrastructure and more attractions.

The same is true in Georgia.

Both countries know they're far from realizing their tourism potential. They also know they have the natural wonders, historic attractions, resorts and hospitality to become tourist meccas. Neither is apt to rest until it's reached that potential.

If Georgia and Azerbaijan continue to increase their visitor numbers and revenue, their approach to building a tourism sector may be a blueprint that other countries suffering in this crisis want to follow.

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