



Ministry of Finance and Economy of the  
Autonomous Republic of Ajara

Investment Proposal

# Potential of Sport Tourism Development



International consulting company **ProProjekt Group** revealed conceptual development framework of **Batumi, Kobuleti** and **Gomarduli**, after conducting critical analysis of 3 potential locations for sport tourism development in the region



# Batumi – Host City for Sports Event



- Batumi has remarkable accomplishments in sporting facilities and infrastructure developments

- BATUMI was awarded the title of “European City of Sport” for 2019



# Gomarduli Sports Complex

- ◆ Ready Project for Investors
- ◆ Ready Architectural Master Plan
- ◆ Projected Market & Sales Strategy
- ◆ Projected revenues & Operating Costs
- ◆ Guaranteed Government Support



Initial Investment: 19.5 mln. USD dollar



Government Investment: 8.6 mln. USD dollar



Guaranteed Income: 900 000 GEL



Profitability Index (PI): 1.6

## Government Support



Within the framework of supporting activities government ensures to build the basic communications system, road and amusement infrastructure in Gomarduli



Government Investment Structure	USD
Installation of ropeway and toboggan	3 510 000
Creating bike paths, lanes and routes	598 000
Arrangement of external infrastructure	1 510 000
Arrangement of internal roads and parking space	1 344 000
Access road widening	1 053 000
Taking communications	527 000
Creation of promotional video	18 000
	<b>8 560 000</b>

# Government Support



Annual occupancy rate of the sports complex will be uplifted by the various sports events- financed from the budget



Events	Guaranteed annual income
Conferences, workshops, festivals and others	250 000 ₺
Summer camps	50 000 ₺
Government funding for sport federations	500 000 ₺
Ministry of Health funding for beneficiaries to undergo rehabilitation process	100 000 ₺
Total	900 000 ₺

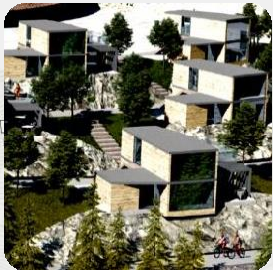
# Project Overview



Existing Apartments



Toboggan run  
(Summer / Winter)

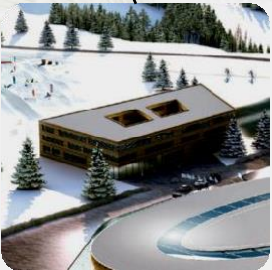


24 cottages  
(Phase 2)

Additional Hotel  
(Phase 3)

Campsite  
(Phase 3)

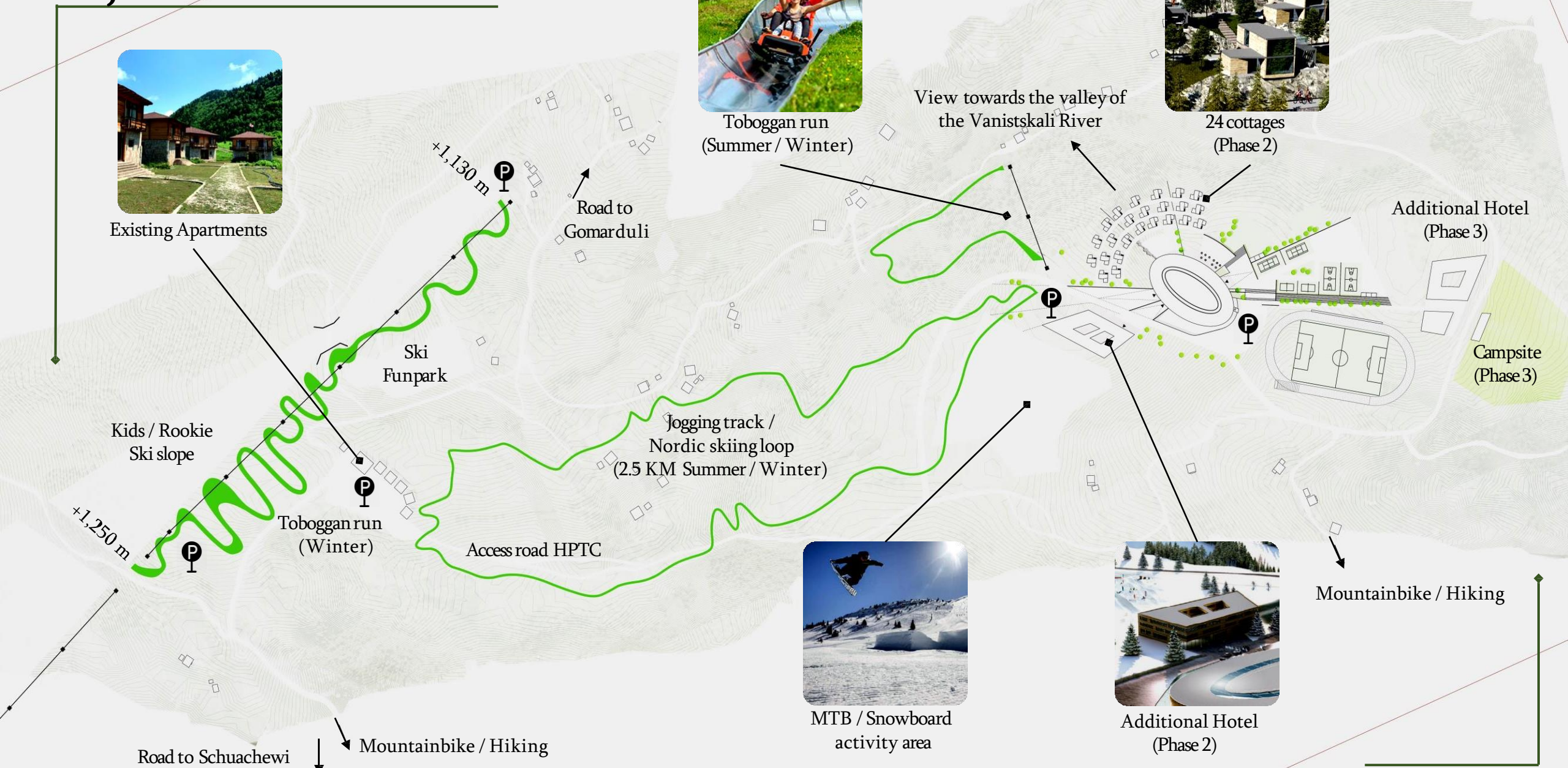
Mountainbike / Hiking



Additional Hotel  
(Phase 2)



MTB / Snowboard  
activity area



Kids / Rookie  
Ski slope

Ski  
Funpark

Road to  
Gomarduli

Jogging track /  
Nordic skiing loop  
(2.5 KM Summer / Winter)

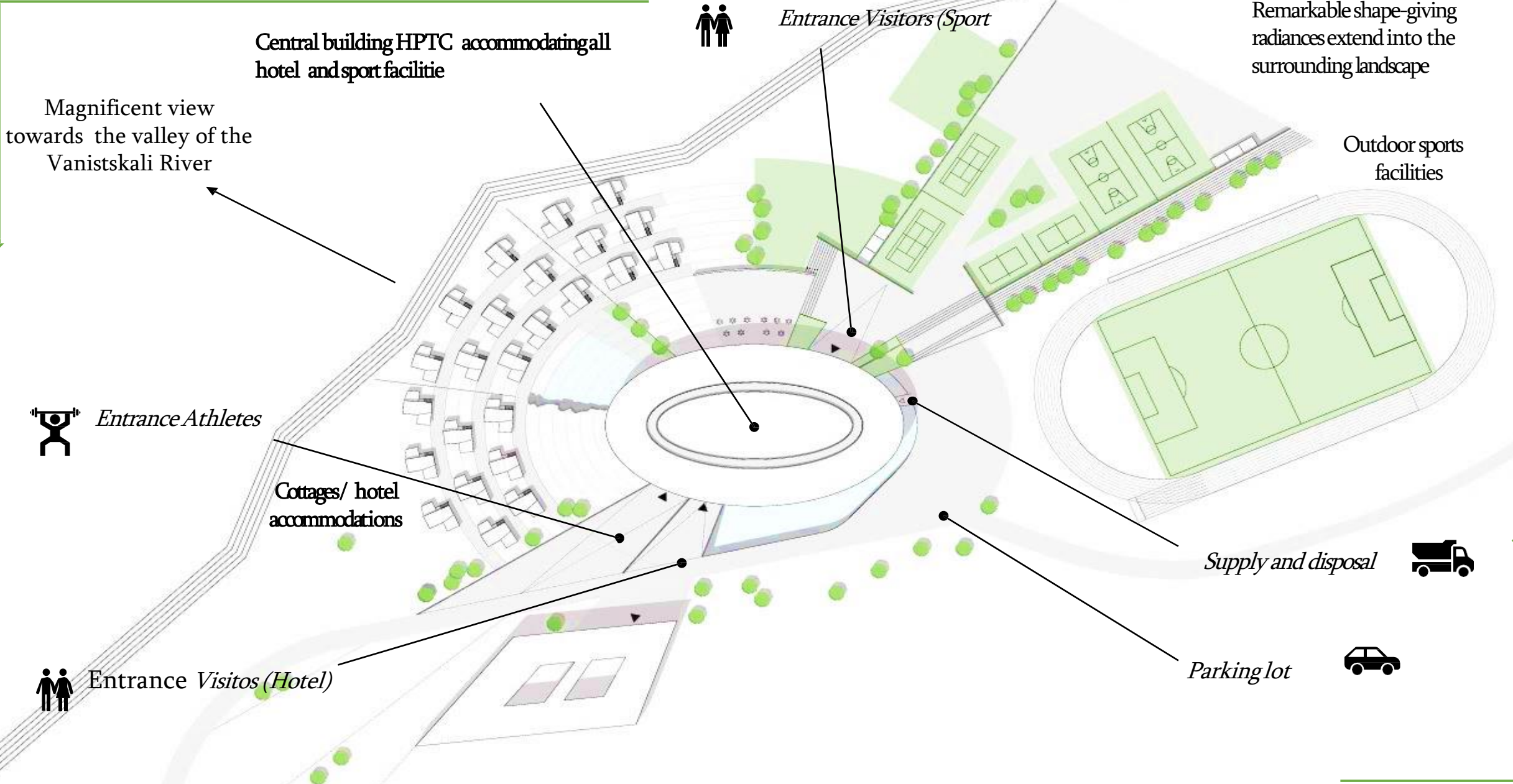
Access road HPTC

Toboggan run  
(Winter)

Road to Schuachewi

Mountainbike / Hiking

# Architectural Master Plan



# Development of Kobuleti Tourist Zone

in order to ensure successful realization of conceptual development framework for sports tourism development it is necessarily to be paid special attention to improvement of investment environment in Kobuleti Free Tourist Zone



Exemption from property and profit taxes



Offering enlarged plots of land



Opportunity of development individual architectural project



Defined obligations of public authorities



# Sports Tourism Supporting Legislative Initiatives


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Sports tourism development requires a unified, complex government supporting policy that encourages the entire process of value chain formation.

Adopted a legislative initiative:

-  **Introducing a minimum amount of property tax:**
  - Property and sports facilities, which are involved in sport tourism activities

Other initiated changes:

-  **Exemption from value added tax:**
  - Organization of entrance of athletes and provision of service to them
  - Import of sport equipment and production

-  **Benefits from government for high mountainous regions of ajara:**
    - Expansion of tax benefits granted from the law of Georgia „On the Development of High Mountains Region“ on sport tourism.
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For the Further Information  
Please contact

Investment Department of the Ministry of Finance and Economy  
of the Autonomous Republic of Ajara



119 Komakhidze street Batumi, Georgia



0422 27 35 10 (131)



[www.investinbatumi.ge](http://www.investinbatumi.ge)



[contact@investinbatumi.ge](mailto:contact@investinbatumi.ge)