

**BUSINESS MANAGEMENT MODEL FOR KHINALIG STATE
HISTORICAL, ARCHITECTURAL AND ETHNOGRAPHIC RESERVE**



STATE TOURISM AGENCY

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INTRODUCTION

The objective the business management model of Khinalig is the guideline for the implementation of the tourism development plan in order to ensure benefits for the local population, SME's and the tourism value-chain in Khinalig Reserve.

The Khinalig Reserve Management aims to:

- introduce efficient administrative and financial management;
- develop Khinalig Reserve's tourism potential;
- Introduce new products based on cultural and nature resources of the Reserve;
- revitalize the economy via integrating the local population into the tourism and heritage value-chains;
- implement conservation measures to protect the tangible and intangible heritage assets;
- invest in capacity building, education and training in particular for public/private stakeholders and the young generations.

A detailed tourism development plan has been elaborated by State Tourism Agency in collaboration with three partners - Pille Architects, VarYox Azerbaijan and Camping Azerbaijan. The plan is attached to this business model. It contains an in-depth analysis of the restoration of Khinalig's unique architecture, propose new solutions for the areas of crucial interest in Khinalig and upgrading important infrastructure facilities. The plan also proposes a series of cultural and social events in Khinalig and also attract tourists. Various active tourism opportunities such as hiking, trekking, mountaineering, etc have been developed and included into the development plan.

1. OVERVIEW ABOUT THE RESERVE MANAGEMENT OF KHINALIG

1.1. General Information about Khinalig

Khinalig is located approximately 2300m high above sea level at a distance of 65 km west from Quba in the northern part of the Caucasus mountain. There are 210

houses in Khinalig out of which 160 are with historical structures. The village is divided into 8 court yards: Tapa, Top, Yelgovan, Malikli, Down, Gadaxe, Chuxur, and Modern Dayirmanchay residential massive.

Total area of the village is 20,400ha including municipality and state lands. Since 1970, local people began to settle down on the eastern coast of Deyirman River as this place was more suitable for living. It is located 500m from the historical part of the village. At present, about 60 houses are located in this area and they differ from the houses in the old part of Khinalig.

The “Khinaliq” State History-Architecture and Ethnography Reserve was founded on December 19th 2007 by the order of the President. The target of this Reserve is to restore and protect the unique architecture of Khinaliq village, help the community to keep their traditions and their language alive and transfer the cultural heritage to the next generation. Exact borders of the Reserve are not clear, as there is not official map of it.

1.2. Identification of Key Issues

a. Lack of Sustainable Reserve Management System

Khinalig Reserve does not have a proper management plan that would cover all aspects of the Reserve Conservation and Development. There is a team of 15 Reserve employees operating in the Reserve Administration. Most of them need considerable development of skillset in different aspects of Reserve management, such as conservation, tourism management, research, capacity building and community outreach.

b. Lack of Infrastructure

Provision of the necessary *public* and *tourism* infrastructure in Khinalig is one of the key issues of the Reserve. Some of the general public infrastructure such as roads, electricity, communication (phone, internet), water and sewage system, a small health center is partially available in the Reserve area and need to be upgraded. Gas and a heating system is totally missing in the village. Components of the tourism infrastructure and almost all the services necessary to meet the needs of

the tourists lack in the Reserve area. Tourism info point, accommodation, catering, public toilets etc. need to be in place to sustain tourism activities.

c. Socio-economic Issues and Living Conditions of the Local Population

One of the primary socio-economic issues of concern in Khinalig Reserve is unemployment of the locals. The lack of employment opportunities make the living hard and the most of the young people consider moving out of the village. Also, poor living conditions in the village, especially the houses with damaged roofs and walls are another reason for the locals to leave Khinalig in pursuit of better life conditions.

d. Lack of Developed Tourism Content

Despite the fact that Khinalig is a resourceful destination with breathtaking scenery and distinctive architecture, unique culture and language, it lacks properly developed and organized tourism content, activities and quality services.

e. Restrictions imposed by other Government Entities

State Border Service constructed a post station near the village despite the fact that Khinalig is not a border village. The post applies restrictions for the visitors and does not allow to visit to Atashgah temple and other sightseeing of the Reserve that are located beyond the post station. It takes 10-15 days to obtain a permission from State Border Service officials which causes dissatisfaction of the local guides and the tourists. Local people can show their ID cards and pass the post.

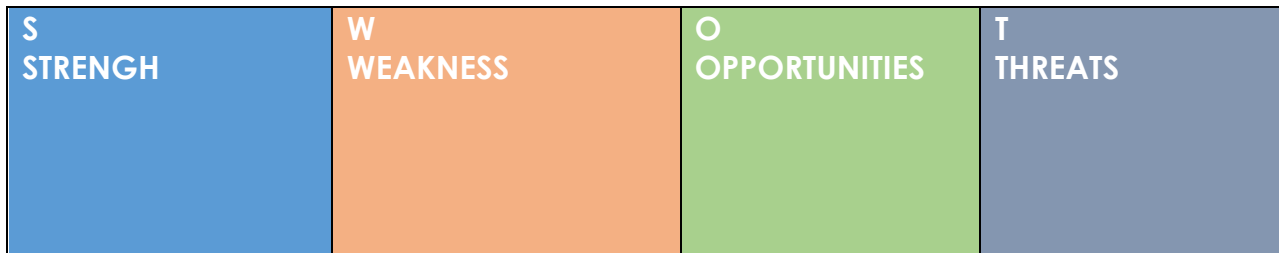
Shahdag National Park is managed by the Ministry of Ecology and National Resources. Getting permission from the local representatives of the Ministry for the tourists engaged in active tourism is a long process which is difficult to handle. The guides do not meet the qualification standards.

f. Land Property Issues

Summer pastures in mountains: Summer pasture in mountains are captures by entrepreneurs who don't live in Khinaliq but bring thousands of sheep and goats to the mountains in the summer and the locals are not allowed to the area

illegally. This mass flowing of the animals also destroys in and around Khinaliq. Khinaliq people are very concerned about this issue. The Reserve management can raise this issue on the legal context and help Khinaliq people to get their rights to access their summer pastures in mountains.

1.3. SWOT Analysis



<p>Extraordinary geographic location, landscape and nature</p>	<p>Poor public and tourist infrastructure and damaged houses</p>	<p>Creation of economic opportunities with more intensive levels of tourism</p>	<p>Loss of community traditions and culture</p>
<p>Samples of historical architecture in housing</p>	<p>Weak road infrastructure for accessibility in Winter</p>	<p>Interaction with tourists can stimulate a more open-minded attitude among the residents</p>	<p>Loss of architectural identity</p>
<p>Unique cultural identity, language and traditions</p>	<p>Large unemployment and lack of economic opportunities</p>	<p>Opportunities for development of infrastructure for representation of cultural heritage</p>	<p>Damaging of the community in the village</p>
<p>Welcoming and hospitable people/ atmosphere</p>	<p>Migration of young people caused by strict traditions and control of elderly</p>	<p>Development of craftsmanship in carpentry, wool and leather products, jewelry from local natural stones</p>	<p>Perpetuation of inequalities between Khinaliq and adjacent villages</p>
<p>Location in the vicinity of other beautiful villages such as Qriz, Laza-Kuzun</p>	<p>Weak position and high burden of labor on women</p>	<p>Revival of ashig music</p>	<p>If building a house becomes difficult for locals, it will further spur depopulation</p>
	<p>Insufficient amount of production of daily use for selling products such as dairy, vegetables, fruits, meat</p>	<p>Increasing the likelihood of language preservation with right activities</p>	<p>Increased levels of labor burden accumulated from tourism might fall again on women</p>
	<p>Lack of resources and territory for cattle breeding for locals.</p>		<p>Children might stop going to school, if they find ways to earn small money from tourism</p>
	<p>Poor representation of culture and historic heritage in museums and public spaces</p>		
	<p>Disputed form of land ownership</p>		

1.4. Key Actions and Recommendations for the Current Issues

In accordance to the Khinalig Tourism Development Plan prepared by State Tourism Agency the following key actions regarding the current issues as well as urban development and the development of tourism content will be implemented:

The Khinalig Reserve will apply **a proper management plan** that would cover all aspects of the Reserve Conservation and Development. The units will have clear description of the respective tasks and responsibilities. The employees will be instructed and trained to meet the required skillset in different aspects of Reserve management. Performance Evaluation and monitoring of the planned activities will be implemented on a regular basis.

One of the significant responsibilities of the Reserve Management will be covering the awareness campaigns with both locals and tourists in order to balance the **tourism expansion and the Social Carrying Capacity of the local community.**

The legal department of the Reserve will closely work with other government bodies to solve the restrictions and land property issues imposed on Khinalig's tourist movement and development of the local businesses.

Khinalig Tourism Development Plan is prepared with the collaboration of the partners with different expertise such as urban development and architecture, art and cultural events, active sport and ecotourism. Consequently, the Business Model introduces key actions and recommendations on such issues like **poor public infrastructure and tourism infrastructure, lack of tourism content and better employment opportunities through tourism development.** In particular:

- 1) Homogenization and repair of roofs of private and public buildings in the Khinalig Reserve area
- 2) Homogenization and repair of streets with cobble stones, specifically along the proposed zone
- 3) Light and signage installations in the specific areas
- 4) Construction and restoration of the public buildings such as Community House, Cultural Club, Museums, café, boutique hotel, parking zone, etc.
- 5) New opportunities for the development of the small-size businesses for the locals based on eco-tourism, herbs, cattle-breeding, carpentry, etc.
- 6) Organizing various art and cultural events with the involvement of the locals that will also attract the tourists
- 7) Organizing various types of active tourism tours, such as hiking, trekking, mountaineering, etc.

2. QUBA DESTINATION MANAGEMENT ORGANIZATION

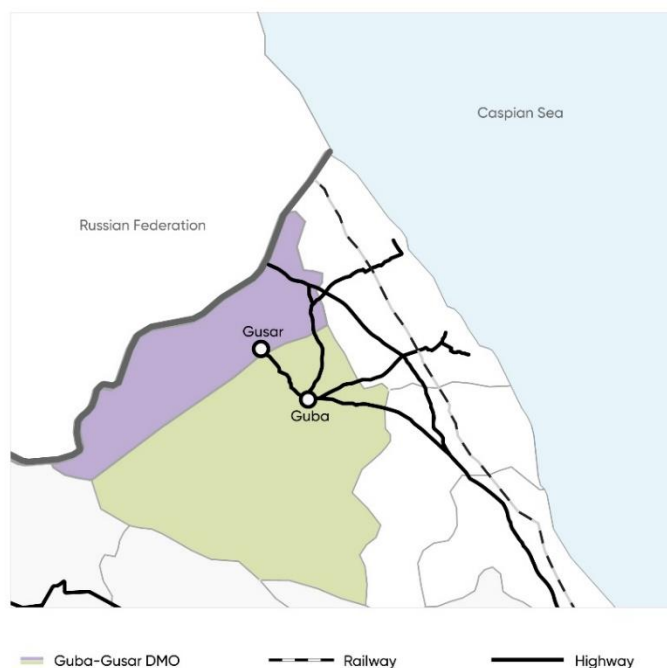
Khinaliq State Historical, Architectural and Ethnographic Reserve is located within Quba rayon in North Azerbaijan. The Reserve is also situated within the jurisdiction of the Quba Destination Management Organization (DMO) which was established within the region in early 2019 under the State Tourism Agency (STA) and Azerbaijan Tourism Board (ATB). Covering the rayons of both Quba and Qusar, the DMO acts as a regional branch of the STA and ATB.

The overall aim of the DMO is to lead, co-ordinate, promote and manage the long-term sustainable economic growth and marketing of tourism in the region. The selection of Quba-Qusar for one of the first DMOs to be established in Azerbaijan is testament to STA and ATB's confidence that the destination contains the key ingredients for a strong and competitive tourism sector which may be quickly activated and up-scaled through the targeted support of a DMO.

2.1. Geographical area

The region that is managed by the Quba DMO office is located in north east Azerbaijan, bounded by Russia to the north, the rayons of Kachmaz and Shabran to the east, Qabala to the west, and Ismailly and Shamakhy to the south.

Key geographical features of the region include the Greater Caucasus Mountain Range, vast agricultural plains and a significant network of winding rivers and lakes.



2.2. Key tourism resources

Being home to the towering Greater Caucasus Mountains as well as the highest mountain in Azerbaijan, Mount Bazardüzü (4,467 metres), the Quba-Qusar region is the preeminent "highlands" of Azerbaijan, and one of Azerbaijan's most exciting emerging destinations for mountain, nature and adventure activities.

Here, visitors will find some of Azerbaijan's most pristine natural resources including snowy mountains, vast forested areas, waterfalls, rivers and lakes.

Surrounded by bountiful agricultural of applies, berries and vegetables, the region is considered one of Azerbaijan's great food bowls where visitors have the opportunity to taste the fresh local produce almost year-round.

With its crisp, clean air and a distinctly different summer and winter climate, the region is especially interesting to the Gulf country markets who desire a break from the oppressive heat of their homelands.

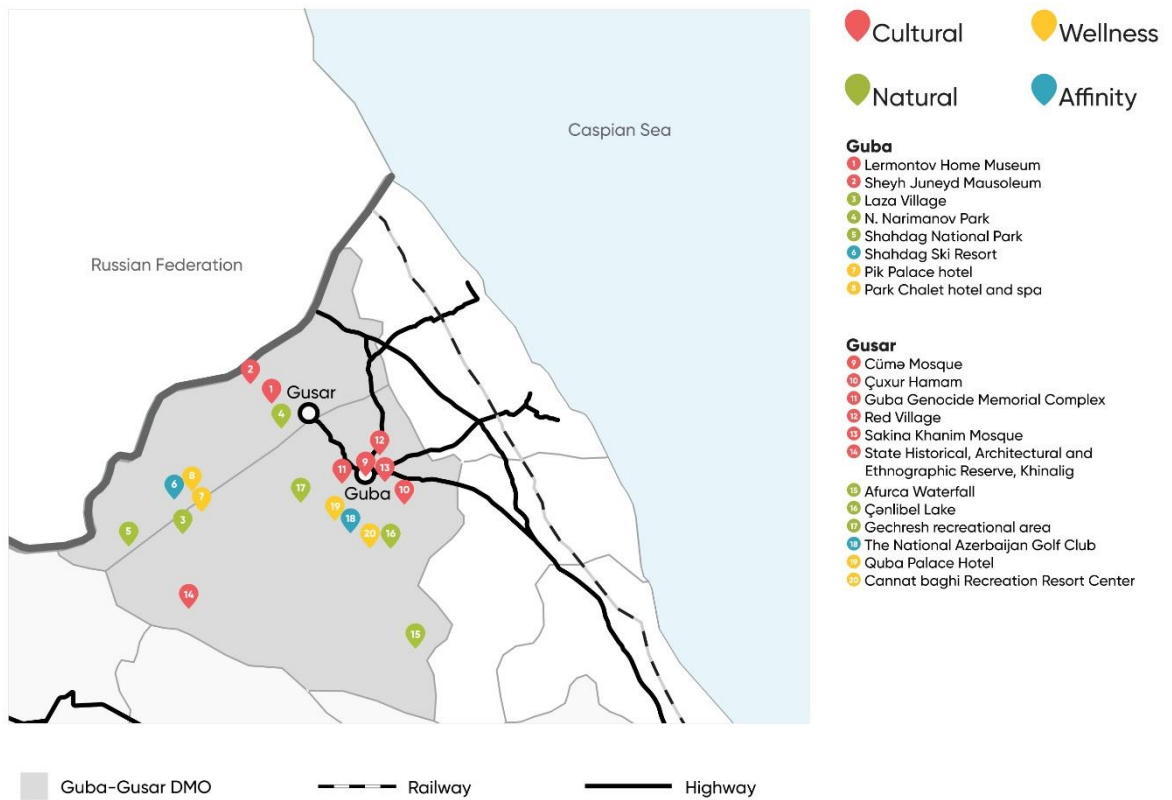
Another key resource of the region are its diverse and hospitable people. Here, a range of ethnic people live in harmony with the most notable being the Lezgi, Tats and Mountain Jews, with each bringing their own traditions, religions, food and customs.

The region is also well known for its qualified craftsmen, with the intricate Quba carpets being considered amongst the best in the Caucuses. Other crafts of note include wool-weaving and copper work.

The "must see" attractions and experiences in the destination include:

- Khinalig Village (Quba) – an isolated and authentic 17th Century mountain village in a spectacular natural setting. The village is comprised of distinctive mud brick houses which are home to the local people who have their own unique language and traditions.
- Red Village (Quba) – a beautifully restored historic town that was once the largest all-Jewish settlement outside Israel that today provides an interesting insight into the "Mountain Jews" of Azerbaijan

- Shahdagh National Park (Quba / Qusar) – the largest national park not only Azerbaijan but in the whole Caucasus encompassing many of the nation's most spectacular peaks and high-mountain trails
- Pakhlava (Quba) – one of the symbols of Quba and a popular dessert enjoyed in-between meals.
- Laza Waterfall (Qusar) – surrounded by mountain peaks on every side the spectacular Laza Waterfall includes a pair of twin waterfalls sitting side-by-side.
- Chanlibel Lake (Quba) – a small picturesque lake surrounded by farms, forests and rolling mountains where visitors can enjoy lunch, go horse riding, take a boat ride or take a leisurely stroll.
- Genocide Memorial Complex (Quba) – a sensitively designed memorial and factual museum complex dedicated to the memory of victims of March Days (1918)
- Gachresh forest (Quba) - the most popular recreational area in Quba. Located in a beautiful forest that maintains a cool climate even in summer and is so dense with trees that the sun cannot reach the ground.



3. KHINALIG TOURISM DEVELOPMENT MASTER PLAN by PILLƏ

The Khinalig Tourism Development plan and design proposal for the Reserve was elaborated by Pille architects in collaboration with Camping Azerbaijan and VarYox Art Organization. The master planning and urban design proposal contains the followings:

- Architectural site analysis;
- General design approach regarding the roofs and walls of the houses, cultural sites, street design, roads and signage;
- Opportunities and proposals for the art and culture activities
- Proposals on developing various touristic opportunities in eco- and active tourism.

The proposal is presented in a separate document.

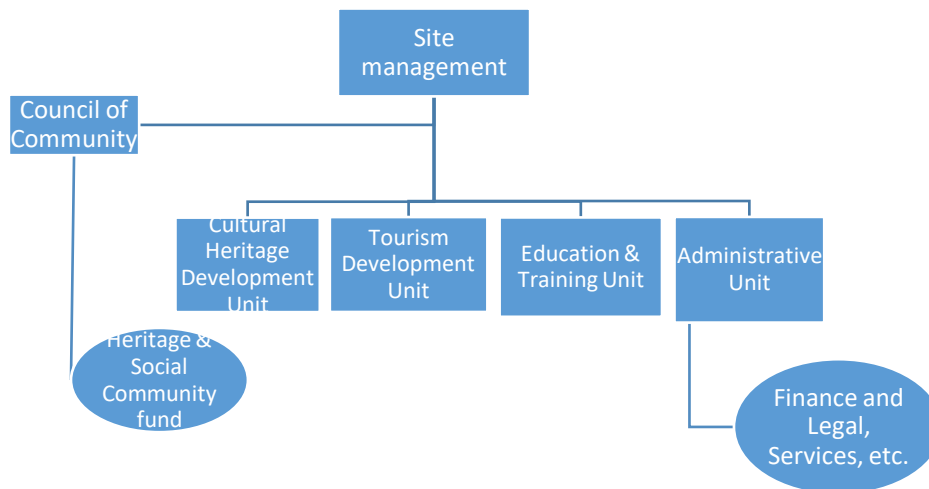
4. POLICY FRAMEWORK AND STRUCTURE OF KHINALIG RESERVE

With the presidential decree n° 417 December 20, 2018, the Reserve Management Center (RMC), a new public legal entity was created under the State Tourism Agency in order to provide efficient and effective management of all reserves. RMC will supervise and monitor all activities carried out by 7 reserves, including Khinalig State Historical, Architectural and Ethnographic Reserve and provide support with legal services, property management, coordination of research regarding cultural heritage, etc. The legal framework of the Reserve will be regulated according to relevant national laws, regulations, and resolutions of the Cabinet of Ministries, including:

- Law on Conservation of Historical and Cultural Monuments;
- Resolution of Cabinet of Ministries on the Confirmation of “Exemplary Regulation of Cultural Heritage Sites”;
- Law on Culture;
- The Statute of State Tourism Agency.

The Reserve is administrated by different public institutions, each of them charged by a definite public responsibility regarding the area. According to the current legislation, the Reserve Administration holds the right of the cultural management for the monuments with historical importance. Regarding technical maintenance, property and hygiene as well as security issues the reserve administration will establish its activities in cooperation with related state and municipality institutions like Guba Local Executive Committee, the Ministry of Culture, Khinalig municipality etc.

4.1. Management Structure of the Reserve



4.2. Supportive organizations to the Reserve

The Council of Community

Khinalig people have very strong community sense and it will be highly effective to involve the locals into conservation works as well as other related issues that concerns Khinalig people. This practice is also an international standard for Heritage Reserves like Khinalig. Thus, the Council of Community will be established under the Reserve Administration and will be headed by the Reserve Director. It will involve community members, municipality, local representatives of Executive Committee, investors/businessmen and will have meetings on a quarterly basis. At least 25% of the Council of Community participants shall be women. It can give recommendations to the Reserve Administration, engage in discussing the challenges, constraints, and opportunities and contribute to the conservation policy of the cultural heritage and specially of raising awareness.

5. ADMINISTRATIVE UNIT

The administrative unit is responsible for the following sections:

- Finance
- Legal
- Property and facility management
- HR management

5.1. Administration : Job description of the Reserve Director

The reserve director's main responsibility is to balance two critical aspects of cultural heritage management: preserving historical and cultural value of the reserve on one hand, while ensuring it generates income on the other. The Reserve director is a multidisciplinary professional with the following job responsibilities:

- **Promotion and fund-raising:** Managing marketing campaigns, budgeting and project planning; contacting with potential donors such as funding agencies, public and private companies;
- **Conservation:** Working with stakeholders to conduct awareness campaigns over conservation amongst local people, business persons (shops and hotel owners for instance), and tourists; developing the heritage site and attraction in a sustainable way to enhance visitors;
- **Tourism development:** Developing new attractions to generate income; developing retail activities such as souvenir shops, locally characteristic cultural-business activities, restaurants, cafes, etc.

5.2. Financial management

The department will be engaged in the solution of financial issues and the management of the Reserve's income. One of the targeted objectives of the Reserve Management is to achieve a sustainable financial situation with the decrease of the dependency on the state budget.

Some of the Reserves' income streams are the following:

- **Entrance tickets:** tickets will be sold for the entrance to several buildings (e.g. local museum) and for the participation at workshops offered by craftsmen (art studio).

- **Sale of agricultural products, carpets, etc**
- **Souvenir shop:** The Reserve management can produce its postcards and guidebooks and sell them to visitors in souvenir or tourist information shops.
- **Guide Service:** The Reserve can offer guide services for tourists and organize tours within Khinalig and the surrounding villages and natural areas, including hiking tours to Bazarduzu mountain peak – the highest point of Azerbaijan and other peaks
- **Grants:** The Reserve can apply for international grants for implementing projects.
- **Parking fee:** The parking area will be applied to cars and buses.
- **Concession Contracts:** contracts can be signed between the Reserve Management and any commercial companies which would like to use the name of the Reserve or its any element to commercialize its products.
- **Sponsorship:** The Reserve can put the name/logo of hostel and homestay accommodation in its guidebooks and museums and get some income in percentage from their revenue.
- **Permits:** The Reserve can facilitate and coordinate the filming of commercials, advertisements, movies and events etc.

5.3. Legal management

Property issues related to the new construction or abolishment issues

The Reserve Management will work on legal issues regarding the area. One of these issues is related to property rights. The current property issues are categorized as followings which should be addressed by the Reserve management:

Private properties

- 1) 7 buildings in the village are new constructions that are irrelevant to the typology of the traditional Khinaliq house. They are planned to be taken out by compensating to the owners of the buildings (see details in the Master Plan).
- 2) The building of the Collection Fond Museum of the Reserve belongs to a local who currently lives in Guba. The owner has given the building to the Reserve for free but he seeks a buyer for the building. However, the 0.12 ha yard of the building belongs to the Reserve. Thus, the Reserve plans to buy the building

and its collections from the local owner and use it accordingly (see the details in the Master Plan).

Public properties

- 1) Community house is managed by the Ministry of Culture and the building's area is a public property belonging to the State Committee on Property Issues. The cultural club should be given to the Reserve by negotiating with the said state institutions and its five invaluable paintings inside the building should be conserved properly.
- 2) Event hall is built by local executive power of Guba and is used by the locals. Reserve management should deal with the local executive committee when upgrading the wedding hall.

Municipality properties

- 1) Municipality holds a lot of land (cemeteries, roads, and some unused empty spaces). For the construction of the new proposed buildings, such as info point and WC, Reserve management will deal with the municipality.
- 2) Also, there are two types of pastures: the first is the common pasture belonging to the community, and the second one is the places captured by some individuals who grow grass and keep it for the winter. For any kind of tourism related activities on these areas, Reserve management will need to liaise the locals who actually illegally captured the places.

6. HERITAGE AND CONSERVATION UNIT

6.1. Strategic Framework for Heritage Conservation Measures

Understand, recognize and preserve Khinalig's cultural heritage while taking into account the requirements of the present-day needs related to the tourism industry appears as one of the main challenges for the tourism development plans in Khinalig. Thus, enhancing business and employment opportunities in Khinalig and the plans to develop the tourism sector requires the respect of the international standards for the preservation of the cultural assets in the heritage

sites. STA plans to implement these standards and to adopt a series of measures in the field of conservation of local cultural heritage in Khinalig:

1. The "Restoration Manual of Khinalig" will be prepared to handle the issues related to the historical-architectural monuments in the village
2. STA will mobilize all administrative, judicial and financial means for enhancing the responsibilities and strengthening the authorization of the Khinalig Reserve Administration in the field of Heritage preservation
3. Heritage managers in Khinalig will be trained according to the international guidelines for the heritage sites
4. STA and the Reserve Administration will valorise the cultural heritage (both tangible and intangible) in Khinalig while respecting the population's real social and economic needs

6.1.1. The Restoration Manual of Khinalig

All restoration activities will be based on the international guidelines on the heritage management, while taking local expertise into consideration. This Manual will be produced by the relevant experts, coordinated by the STA. It will become a reference for further construction/conservation works in Khinalig. The Manual will include:

- the typology of historical-architectural assets (architecture, art, decorative patterns like gates, stone pavement, building facade)
- the recommendations for the traditional construction techniques and materials;
- the theorization of the technical aspects, the comprehension and development of traditional skills in architecture and art.

The Manual will give also encyclopedic information about the historical-material heritage of Khinalig, so it aims to become an educational source for the heritage managers.

6.1.2. Strengthen Khinalig Reserve Administration's authorization

Control mechanisms will be adopted by the Reserve's employees in order to protect the architectural integrity of Khinalig. Reserve Administration will assure the accordance of the construction and restoration works with the guidelines of the restoration manual. The permissions related to all the categories of construction in Khinalig will be coordinated with RMC, conforming to the Land Law of Azerbaijan:

- The construction permits are issued by Guba district administration
- Each construction permit in Khinalig must be confirmed by STA before any works begin on site
- Not only the constructions related to monuments and historical areas, but the permissions to all the categories of construction will be coordinated with the State Tourism Agency. In addition, the Site management will give advisory recommendations to local people and investors

6.1.3. Capacity Building for Heritage managers

The Reserve Administration will engage local and international experts in order to train the heritage managers in Khinalig Reserve:

- The Heritage managers will be sent to other heritage sites in the world for benchmarking
- The heritage managers will be trained by the relevant public and academic institutions in Azerbaijan, as State Institute of History, Institute of Ethnography and Archeology
- Heritage managers will achieve enough skills and knowledge about Khinalig's intangible heritage (dance, folklore, cuisine, local language, weaving etc.)

6.1.4. Harmonization of Heritage conservation actions with locals' social and economic needs

The Heritage Unit will target the use of Khinalig's cultural assets in a sustainable way, in order to maintain its living character. It means that developing cultural assets in Khinalig will be harmonized with the population's daily needs and they

will be in accordance with their social life. There are about 1000 people living in the area and their daily life risks to be impacted by developing a cultural asset without their consultation. The business and employment opportunities will be created by respecting the cultural assets.

- Business management policies will respect the guidelines of the conservation manual, if any construction and reconstruction works need to be done
- the involvement of the local stakeholders while safeguarding and valorization of Khinalig's historical part

6.2. Incentive Mechanisms for the Conservation of Cultural Assets

The Center of Reserve Management will promote some measures to protect the cultural heritage of the Reserve. Two main axes are defined and the measures will be regrouped according to these axes.

6.2.1. Conservation of the tangible culture: main steps for tourism development

STA and the Reserve administration will adopt some measures to preserve the historical-architectural integrity of the historical part of Khinalig. Some juridical and administrative steps also will be promoted as incentive measures:

Direct public investment might finance all aspects of the restoration related to the public spaces and buildings

- a) Roads and pedestrian ways inside old Khinalig will be restored
- b) The restoration and conservation of the public buildings will constitute the good examples for the rest of population and the future investors.

Low interest loans for the repair of houses for Citizens

Private Loans-deduction of interest on loans could be proposed by banks for the local community of Khinalig in case of repairing and the conservation of their homes (roof, walls) following recommendations in the Conservation Manual. Reserve director can issue a certificate by which owners of a home can apply for loans and change the roof of their homes.

- a) **Roof:** “Urban Design Proposals” by STA reveals the importance of the roof repairing to restore the Historical Urban Landscape (HUL) of Khinalig. Out of 164 residence houses in the historical part of Khinalig, almost 99% need repair.
- b) **Walls and facades:** more than 40% of the houses' walls need reparations. The façade works are more in the interest of the Reserve Administration as the house walls

Entrepreneurs will be encouraged with tax exemptions to invest in the conservation/renovation of monuments

STA will defend relevant changes in the Tax Code of the Republic of Azerbaijan in order to preserve the tangible heritage of Khinalig and to incite the private actors to work into this direction. For example, spending on the conservation of cultural monuments would not be taxed.

Public-private partnership

The government can invest directly in the restoration of the private residential and commercial buildings of historical importance:

- The PPP model (public-private partnership) might be tested on these restored historical buildings
- Development of private museums, workshops and historical houses. In exchange, the different models will be used:
 - o *The Reserve administration will handle the management of the restored historical buildings for the condition of their protection*
 - o *The Reserve can get its share from the sale of products*

Incentive measures to involve locals into conservation and protection activities

The main incentive measures to involve locals to the conservation activities are as follows:

- Sample restoration of any deserted house by public investment, according to the standards approved by experts in the manual will have an incentivized impact over locals

- To provide locals with financial incentives for the usage of the recommended materials and other standards for the construction according to the future "Conservation Manual"
- Heritage managers will provide all the relevant information and assure the good comprehension and access of the local people and constructor to the guidelines of the Conservation Manual

6.2.2. Promotion of intangible culture

As the unique architecture in Khinalig assures the main attractive visual for the visitors, the components of Khinalig's intangible cultural heritage are also a subject of interest for the Reserve management team. Thus, the Reserve management team will take into account the following points to protect and promote better the relevant cultural assets in Khinalig:

- Khinalig's oral traditions and language are seen as a vehicle of the local intangible cultural heritage. STA will respect this particular character in Khinalig and will adopt all the necessary measures to protect the local language.
- Performing arts (for instance, carpet weaving, knitting) in Khinalig will be promoted as a source of revenue for local community and it will be integrated to the tourism flow
- Social practices in Khinalig, as well as the spiritual rituals and festive events (beginning of the nomad move) will be supported
- Knowledge and practices concerning the environment (pasturages, the nomad routes, collecting the curing herbs, honey-making)
- Traditional cuisine and daily life elements, as cheese-making will be supported

International Guidelines for the Conservation of Heritage Resources

To strengthen the Reserve's heritage management team passes through the implementation of the international guidelines (UNESCO, ICOMOS) concerning

the intangible cultural heritage. The main reason is the cultural importance of this craftsmanship in the preservation of the local community in Khinalig. The following measures will be considered to follow international guidelines for conservation and the development of cultural heritage resources:

- To follow the guidelines of the Convention for the Safeguarding of the Intangible Cultural Heritage. According to this international document, "the "intangible cultural heritage" means the practices, representations, expressions, knowledge, skills – as well as the instruments, objects, artefacts and cultural spaces associated therewith – that communities, groups and, in some cases, individuals recognize as part of their cultural heritage." STA adopts this definition and while managing the cultural heritage in Khinalig, it will take into its activities all the components mentioned above.

Main phases for safeguarding the intangible heritage in Khinalig

As stipulated in the international definition Safeguarding of the intangible cultural heritage means adopting the measures aimed at ensuring its viability:

- the identification, documentation and broad research on the intangible heritage assets in Khinalig before adopting the following steps for their use in the tourism products. STA will identify and define various elements of the intangible cultural heritage in Khinalig with the participation of local community, academic groups, relevant non-governmental organizations and international bodies.
- Preservation and protection comes before valorization with travel activities.
- The tourism products will revitalize the intangible heritage of Khinalig by ensuring for them also financial sustainability.

6.3. Heritage Conservation Awareness

Khinalig Reserve Administration has a priority to enhance the awareness about their cultural heritage among the local people. To achieve this goal, they will target three groups:

- **Locals:** The Reserve administration will conduct public awareness events for the local population. The locals will have enough skills to interpret the cultural heritage elements to the visitors and they will be aware of the historical significance of some cultural elements. For example, a survey conducted by STA showed that the local people are not so much attached to the flat roofs in Khinalig and prefer to change it to the modern roofs because of technical reasons.
- The students and interested groups in Azerbaijan: There will be special programs for work with volunteers, students, active groups all over Azerbaijan in order to promote cultural heritage among the future generations. Especially those from the Azerbaijan Tourism and Management University will be invited to internship programs by the Reserve Administration. The main objective that STA will pursue is the need to build greater awareness, especially among the younger generations, of the importance of the intangible cultural heritage and of its safeguarding.
- Other public institutions and NGOs: The Reserve Management team will lead its efforts to preserve the local cultural assets within close partnership with the Ministry of Education, the Ministry of Sport and Youth and other public institutions for the rise of awareness about the significance of the cultural heritage of Khinalig.

6.4. Awareness campaign for tourists to protect local culture

The communication channels with tour operators and tourism companies

The Reserve managers will conduct the awareness campaigns towards the tourism companies sending tourists to Khinalig. These companies will be informed about the cultural heritage of Khinalig, its importance, sensitive points and red lines. The tour companies could raise the awareness among their clients the expected ethical behavioural inside the village and towards the local population. The Reserve managers will be ready to prevent negative impacts that the visitors might have on the cultural heritage and daily life of the Khinalig people:

- The instruction guidelines will be sent to the tour operators and they will be invited to respect the principles of sustainable tourism while operating in Khinalig.
- The local people's daily life should not be disturbed, as they organize marriages, funerals and other social events.
- The tourists will get from tour companies enough information about Khinalig Reserve and its historical significance and be aware of his/her possible impacts on the nature

Content Development and the heritage interpretation for tourists

The Reserve Administration will also carry out new interpretation methods in accordance with new tourism strategies and branding in Azerbaijan. It will communicate to other local stakeholders the site interpretation methods and share the information with all interest groups involved in the tourism industry.

- Information about the nature and the historical heritage will be standardized and adapted to STA's vision and strategies
- Brochures, signs, billboard information destined to tourists will be elaborated
- The Reserve Administration will train tour guides and let them better transmit the elements on the cultural heritage of Khinalig
- The Reserve Administration will have an employee who will work for presenting some new content elements for heritage items and monuments and adapt the tourism stories to the categories of the tourists visiting Khinalig. Evolving content will adjust the Reserve Administration preparedness to the tourism industry.

7. TOURISM PRODUCT DEVELOPMENT IN KHINALIG

It's important to recognize that overall tourism development in Khinalig will succeed through full integration and development of multiple components, including tourism and public infrastructure, capacity building for the locals, marketing and promotion, etc.

7.1. Development of the Tourism Supply

The development and provision of tourism supply regards to primary services (accommodation and transportation) as well as secondary tourism services (restaurants and bars, bank, pharmacy, kiosk, information, etc.). The following statements describe some of the current issues with tourism supply which has direct impact on the tourism demand:

- 90% of the tourists visiting Khinalig don't spend even a night in Khinalig due to lack of accommodation facilities
- The lack of relevant catering services doesn't permit the tourists to spend much time in the village
- Post-office, ATM service, pharmacy are not available

7.1.1. Primary tourism supply

Accommodation:

A mix of different accommodation facilities is highly recommended for Khinalig since the visitors have different needs, expectations, standards and budgets regarding their preference of overnight stay. There are two types of accommodation currently available for the visitors in Khinalig: one guest-house and a homestay accommodation. More information about the quality of the current accommodation facilities is provided in the Annex 2.



The following three points will be taken into consideration while developing the accommodation supply in Khinalig:

- a) Homestay accommodation will be preferential for the Reserve Administration as it is oriented to the community-based tourism supply. It will help tourists to discover more the local cultural heritage. Staying

together with a Khinalig family will help the visitor to deep-dive the local culture. The local family shall by no means try to imitate the work of a tourist guide but typically acts as a facilitator to local culture, daily activities and duties.

- b) The B&B or the guest-house accommodation will be encouraged as some tourists prefer to have this kind of place for their stay in Khinalig.
- c) The camping area will be created for the backpackers and drifters.

STA proposes the following solutions to solve the accommodation issues:

- Support the renovation and the restoration of the traditional houses that will be selected for the home-stay accommodation; the traditional houses will be re-organized following the international guidelines for the homestay experience
- Capacity building: the owners of the homestay accommodation will be trained to raise their language skills and skills which will enable them to establish close cooperation with tour companies.
- A guest-house or a bed & breakfast accommodation offering visitors normally one or two-night stay with basic concierge services.
- As a future hub for hikers and backpackers, the camping opportunities shall be opened. Two special areas are suggested for the camping zones: one is next to the Khinalig village, near the Qirxhbulag caves, another one is about five kilometres from Khinalig, next to the Ateshgah area. Camping areas shall be provided with drinking water, dry toilets, security fences, cabin-showers.

Transportation

The Reserve Administration will be in the close partnership with the Local Executive Power to increase the quality of transportation service between Guba and Khinalig villages. Transportation shuttle service between Khinalig and Guba will increase the number of short-term visitors. The Susay-Khinalig road will be opened in April 2020 and this will also bring new traffic to Khinalig.

7.1.2. Secondary tourism supply

Secondary tourism services will be offered in the old and new parts of Khinalig according to the new urban master plan:

- Tourism Information Centre: providing information about Khinalig and other touristic attractions around the area;
- Opening of restaurants, bars and coffee-shops, as well as souvenir shops: local entrepreneurs shall be incentivised to participate in provision of these services
- Provision of basic pharmacy, bank or ATM, post box in the entrance area of Old Khinalig
- Souvenir shops shall promote exclusively locally made products and refrain from imported low-quality souvenirs
- The local catering services are encouraged to provide the local food
- A Parking space (fee based) at the entrance to Khinalig will be provided for visitors to park their vehicles
- Public toilets will be installed

Visitors will enter the village center only by foot since it is planned to be a traffic reduced area with a new pedestrian zone. Road signs, information boards, benches, waste bins will be installed along the walking and hiking paths.

7.2. Tourism Product Development in Khinalig

Tourism Product Development for Khinalig Reserve will be an integral part of overall tourism strategic planning in the Destination of Guba (Guba and Gusar districts). It will follow the key principles of sustainable tourism development and propose at the same time an authentic and innovative approach. The sociocultural integrity of the local minority people will be the main goal for the STA's new tourism product development strategy. In order to achieve this goal, STA will consult with all stakeholders, coordinate between DMO, public institutions, private sector and local people.

A range of activities and attractions that we propose for Khinalig are unified under the umbrella term of “tourism products”. In general, it covers diverse components, such as:

- People of Khinalig: their attachment to the traditional and the permanent creative arts; traditional handicrafts
- history and cultural heritage: the tangible and intangible culture and the stories related to the different historical features of Khinalig
- Built environment: the old and well-preserved parts of Khinalig and its architectural beauty
- natural features: as hiking routes, trekking around the Khinalig Reserve, discovering the historical and socio-economic importance of Khinalig

7.2.1. Traditional Experiences

Carpet weaving

The symbolism of the carpet weaving, the artistic meanings of motives (colour, motive decorations) make its production a very attractive branch of intangible heritage and permit to create unique tourism stories for visitors.

Key issues:

An objective factor that negatively impacts the profession of carpet weaving is the break-up in the traditional transmission of “knowhow” through generation to generation. The STA's first survey among the women in Khinalig showed that 70% of them didn't wish to practice the carpet weaving. This is mainly because of the lack of incentive financial measures and appropriate technical facilities. The locals do not weave the carpet in the recent years since it is a hard work and does not worth for the price that are offered by the local buyers.

Solutions:

The following actions will be taken by the Reserve Administration to support capacity-building and family business-model for carpet weaving and consequently encourage the transmission of this tradition:



- The Reserve administration will support the local producers to get loans from the Foundation of Entrepreneurship (Ministry of Economy) and from the Agency for Small and Medium Enterprises;
- STA will promote the commercialization of the carpets of Khinalig. The local producers will be introduced to the e-commerce platforms to enlarge their sale opportunities;
- Opportunity to demonstrate the carpets in interactive workshop that is planned to be built in Khinalig;
- The carpet patterns could be used in the branding and logo making processes

Knitting

One of the tourism activities that the Reserve Administration will promote in Khinalig is the knitting of gloves and socks for winter period (also wool made sandal, jacket, hats). These products are generally knit in homes, letting local women work from home to earn income for their families. Each knitted item in Khinalig is made with unique colours and designs.

The Reserve Administration will adopt a business approach to promote this branch of handicrafts:

- the boutiques in the reserve area will commodify these products with special packaging and branding visuals
- to diversify the products for tourists: knitted items in Khinalig are in general for winter period (gloves, socks), but the tourists come to Khinalig mainly in the summer period. So, the local women will be trained to diversify their knitted items and adapt it to the tourism flow
- the boutique in the Community House in Khinalig will be integrated to the online shopping platforms

Knitting as a tourism experience is observed in many tourism destinations in the world. Visitors of Khinalig will be offered brief master-classes or sessions of knitting activity hosted by an individual Khinalig house or in the new interactive workshop.

7.2.2. Agricultural Experiences

Cheese-making

There are special ways of cheese-making in Khinalig that are different from other cases and this has a potential to become a tourism experience.

In a broader sense, “cheese-making in Khinalig” will be structured in three stages as a tourism activity:

- Sheep milking: the deep-diving of the local Khinalig husbandry: shepherding activity, nomadic life of some people in the village
- Cheese making: the technical process in the Khinalig house: it includes also understanding of the traditional Khinalig houses' functionality



- Cheese tasting: tasting will encourage the sustainability of this activity as the houses will be also a local shopping area related to other little traditional elements (knitting, carpet-weaving etc.)

Transforming this intangible cultural resource to the tourism products puts some challenges for the Reserve administration. The following solutions are thought to face these challenges:

- Through various incentive measures and with trainings, the Reserve Administration will provide opportunities to local households to develop cheese-making as a tourism experience
- The local producer will have an access to work with the tour companies
- The Community House will host a boutique where the local producers could commercialize and promote their products

Honey-making



Khinalig is surrounded by the subalpine pasturages which is an ideal place for honey-makers and it is a well-known place for honey-making in Guba district. Developing honey-making in Khinalig as a tourism experience will consist of the following steps that the Reserve Administration will adopt:

- Understanding the current situation: the location, the availability of the local people who will be involved in this activity
- Honey-makers will be included to the Community House and their products will be packaged and branded; the local honey varieties and their features will be promoted via various channels;
- The local producers will be supported by the Reserve Administration regarding their communication with the tourism companies; the internet site of the Reserve Administration will include the information about local honey-making industry to enable visitors to orient more efficiently in Khinalig.

Honey-making will also include some extra-activities as souvenir-making from bee-wax, the bee-observation, informative tours to bee-hives; all these activities might be guided by the well-trained honey-makers.

Herbal products

Khinalig nature has various types of herbs that are related to the local cuisine and traditional medicine – phytotherapy. There is a lot of potential in Khinalig to make it a venue for high-quality organic food and herbal remedy. Herbal products should also be presented as wellness products such as soaps, perfumes, etc.

Issue: State Border Service and the Ministry of Ecology do not let people go to the heights where they can collect a variety of herbs. The Reserve Administration will take relevant actions to solve the problem.

The following steps will be undertaken to develop the herbal products and their promotion:

- Khinalig people will be supported in production process; the Reserve Administration will provide them with relevant instructions and facilities to dry and conserve the herbs in an appropriate way.
- The Reserve Administration will support the branding and packaging process.
- The herbal products will be promoted through multiple channels including the Reserve website and brochures.

The following ways can be proposed as tourist experience based on herbal products:

- Participation in the herb gathering process with local people and shepherds;
- Demonstration of the drying process of the mountain herbs in Khinalig houses;
- Tasting of the infusions/tea, cuisine and other products;

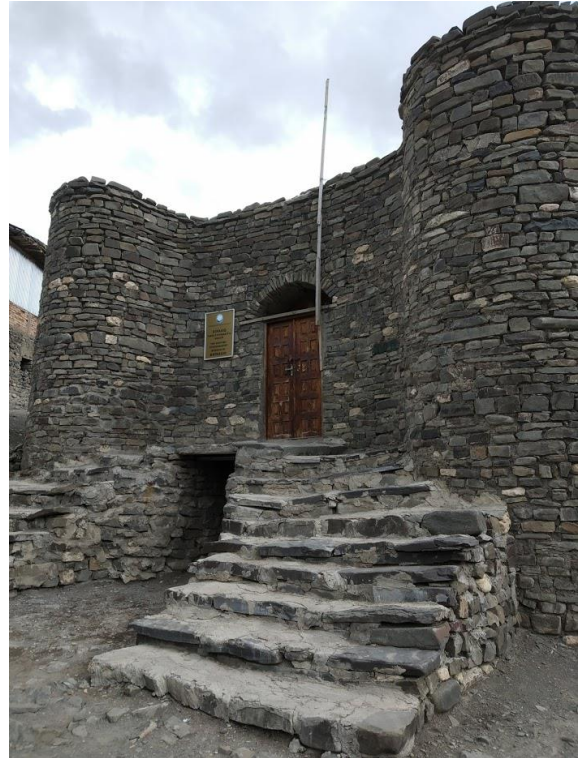
7.2.3. Art and cultural experiences

Khinalig has an image of remote and isolated village on the top of the Caucasus mountains and presents an inspiring environment. STA will realize certain art related actions in order to boost the tourism perspective of the village.

Reactivation of local museum

Main objective: Exhibition program to celebrate local culture and history

The local museum will be reactivated with newly sourced collections to showcase the culture, language and heritage of Khinalig people. There is a wealth of archival research that has been done over the years in Khinalig that can be exhibited to celebrate the perseverance of the people and culture. It will also permit to project the interactive screens for deeper exploration of local content (alphabet, fairytales, etc.). The museum will also propose to the visitors Archival films and photos, ethnography collection with expanded research.



Revival of the Culture club

Main objective: Space for art and culture programming

There are 7 magnificent works by Azerbaijani artists exhibited in the Culture club. All works are originals and in urgent need to be restored and protected in the museum because they are in appalling conditions. If converted to an Art Museum, this place would be the only Art museum located ever in such high altitude in Azerbaijan.

Culture club will also be used as an event venue for theatre, movie club, library, hobby groups (dance, painting, music and etc.).



Art residency

Main objective: Azerbaijani and international artists creating art in collaboration with the local community in Khinalig

STA in collaboration with the art organization (VarYox) will implement Art in Residency program which will uncover hidden artists among Khinalig inhabitants to create and express themselves. The program will bring Azerbaijani and international artists to Khinalig and nearby villages. Artworks created during the residency will stay in the villages as part of a permanent collection.

The villagers will be closely involved in hosting the artists during the program.

7.2.4. Active tourism experiences

Khinalig surroundings and nearby area presents a lot of interest for the tourists who look for unique hiking and trekking opportunities in the nature. The special analysis has been conducted to determine the sustainability of such a tourism perspective in this area. As a result, the following activities will be offered to the tourists visiting Khinalig:

- Mountaineering: ice climbing; rock climbing;

- Trekking;
- Hiking;
- Horse-back riding; Shepard tour;
- Trail running;
- Mountain birdwatching;
- Stargazing;
- Mountain biking;
- Photography tours
- Camping



7.3. Incentive Mechanism for Developing of Tourism Skills for Locals

The main business-persons involved in the tourism supply (catering services, homestay accommodations, guiding services, craftsmanship producing souvenirs etc.) in Khinalig have limited capacity to present the qualified and new-fashioned tourism products and services for the visitors. There is a serious lack of understanding of the appropriate use of architectural and historical elements of Khinalig's heritage in this sense.

The Reserve Administration in Khinalig will adopt a multidimensional approach in developing tourism skills of the locals:

1) Cooperation with other relevant public institutions

- Khinalig Reserve will cooperate with Guba DMO to identify the lack of the skills of the actors related to the tourism businesses and organize the relevant study courses and workshops for the capacity building.
- The Reserve Administration will work closely with the Ministry of the Social Defence and the Labour in order to support the efficient use of the human resources in Khinalig for the job creation. This ministry will be invited to organize the trainings for the relevant categories of unemployed people.
- The Reserve Administration will cooperate closely with the Ministry of Culture to form and develop folklore group, traditional dance and ashig music groups in Khinalig.

2) Tourism – based trainings (certification) for small businesses

Reserve Administration will carry out the following trainings:

- Training the local people for improving accommodation services, catering services, transportation services.
- Capacity building of the local craftsmen (knitting, carpet weaving) and of the souvenir-makers.
- Training program for increasing the marketing skills on the business people (website, social media, inter-connection with other tourism related businesses, etc.).
- English language trainings will be organized for the local guides.

3) Prepare the Reserve employees for the new tourism realm

Regular training will be given to the Reserve employees to empower their Business Manager skills. The directors and Reserve employees should also be in touch with the new trends in the tourism sector in the world in order to be capable to guide the local initiatives in business opportunities. The Reserve employees will connect the local people to the potential investors from other parts of Azerbaijan.

4) Administrative and juridical help for the new local business

The Reserve administration will support the local Khinalig people to develop their business.

- The business managers will accompany the young business owners in the documentation issues (tax declaration, design for packaging etc.)
- The business managers will help the local people to develop the online services (booking, sale and guide services)

8. PROMOTION AND MARKETING STRATEGY

Main tasks of the unit

- Creating a website for the reserve
- E-newsletters with information about ongoing development in the site, mainly for local entrepreneurs and businesses dealing with Khinalig
- Event management: awareness raising and informational events to locals, entrepreneurs and visitors
- Setting up networks with strategic cooperation partners
- Creating of an event calendar
- Developing of brand, logo, slogan, etc.
- Creating promotional videos
- Creating marketing networks and partnerships with strategic associations and companies regionally and nationally
- Setting up and keeping an event calendar up to date

9. MONITORING AND EVALUATION

Monitoring implies the periodic evaluation of the implemented activities, developing a relevant report, and final update of the plan based on the information obtained with following objectives:

1. Observing and analyzing the development progress
2. Reviewing the performance to control the success and check the results based on key performances
3. Providing information to the general public to raise awareness and to give advisory services to citizens, property owners and investors about the development of the historic area and its cultural heritage
4. Supporting the objective decision making and taking corrective actions by providing information to decision makers and the affected people, i.e. deriving and communicating the need for action based on the monitoring results and updating the business management plan.
5. Monitor the implementation of KPI's

8 headings will be considered for carrying out systemic monitoring service in Khinalig:

1. Management
2. Conservation and Restoration
3. Tourism and Visitor Management
4. Education and Awareness
5. Ecotourism and active sport tourism
6. Risk Management
7. Events management
8. Finance

Thus, the monitoring process involves an action plan under these headings.

Monitoring committee will be structured within the Reserve to hold weekly meeting and develop quarterly and annual reports. Dissemination of all reports among all responsible agencies and the public is also important. At the same time, the Reserve Management Center will have expert team for monitoring all reserves on an annual base.

The management assessment will be carried out in three steps:

1. *Data collection*: including site records, any other relevant literature sources and interviews with key stakeholders.
2. *Managers' workshops*: combining the data collected with the knowledge and experience of managers and key staff members/stakeholders to complete a draft assessment framework for the Reserve.
3. *Reserve workshops*: including representatives of a wide range of stakeholders, where the draft assessment framework will be discussed and finalized.

The impact of the monitoring will result in improved management by providing:

- an established assessment, monitoring and reporting program for evaluating management effectiveness and the state of conservation of heritage values in Khinalig
- site managers and others with training in the application of assessment and monitoring techniques
- established or improved communication and co-operation between the Reserve directors, local communities and NGOs, regional training institutions and other key experts and stakeholders to ensure the continuation of assessment and monitoring
- improved management in areas of identified deficiency resulting from training programs
- integration of assessment and monitoring practices into management;
- project proposals prepared and funding sought for large-scale projects required to address any identified deficiencies.

Key Performance Indicators

Social level:

- Total number of jobs created
- Employment / unemployment rate
- Participation of women in labor
- Funds supported with social projects

Tourism level:

- Number of overnight stays
- Number of day visitors
- Amount of money spent at the destination

Business level:

- Number of restaurants, bars, coffee-shops
- Number of transportation services
- Number of accommodation facilities and the amount of beds available
- Number of tour operators, agents and tour guides
- Number of souvenir shops, handicraft workshops, art galleries, etc.

Conservation level:

- Number of restructured public buildings
- Number of restructured private buildings
- Volume of investment incentives given to entrepreneurs and families to rebuild and restore their houses

10. BUDGET AND ACTION PLAN

11. ANNEX

Our analysis of internet forums and interviews with tour companies (Annex 2) show that some serious problems are seen in the existed guest-houses. Our analysis show that 1/10 houses in Khinalig are ready to host visitors and more than ten houses are already related to the homestay accommodations. Some homestay accommodations are connected to the online-booking platforms.

Annex 1: Perception of Primary Tourism Services in Khinalig

Introduction

This brief survey target to englobe the “User Content” available on the travel forms and other internet sources where the tourists share their opinions about the quality and situation of tourism supply in the places they visit.

Methodology

As we targeted mainly the international markets, we preferred data from the internet sources and travel forums in English and in other languages European languages. We have found no significant reviews and travel experiences were shared on Turkish Travel sites and blogs about Khinalig. In the survey, main travel forums, such as “Lonely Planet”, “Trip Advisor”, “booking.com” were analyzed.

- The most followed personal travel blogs were also included in our analysis
- Date from social media (Youtube, Facebook, Twitter and Instagram) have been also included.

We merged similar contents provided by “Users” in order to avoid the abundance of the comments. The video analysis is conducted according to the user experience data given in internet forums. Individual blogs written by the tourists who visited Khinalig have been also analyzed. We conducted interviews with tour companies and travel agencies and talked with individual tour guides and homestay owners about tourists’ opinions and views on Khinalig.

Main findings

- Tourists complain about the communicational problems
- Tourism facilities
- Homestay offers are not all visible on Online Reservation platforms.

- The main image of Khinalig for tourists that motivate them to visit the area: Remote village, untouched historical area, uniqueness (ethnographic and natural point of view)
- The expectation from the tourists visiting Khinalig to experience the hiking around the village, discover unique natural and cultural elements, but they encounter some problems related to their allowances to enter the areas.
- The tours proposed by tourism companies don't satisfy the tourist expectation.

What does the User Content teach us?

First information gathering by tourists about Khinalig creates confusion because of the lack of information on the Internet. No professional tourism information is available to the guidance of tourists. That's why Khinalig Reserve has to create the content for visitors: mapping, routes, general information about Khinalig etc.

Positive comments	Negative comments
<p>General</p> <p>Breathtaking views of mountains, valleys, villages, and tasty food. (TripAdvisor);</p> <p>While driving into the mountains to Khinalig, there were overload of jaw dropping views along the drive, as well as in the village. (TripAdvisor);</p> <p>Barely touched countryside area high up on the stunning Caucasus mountains (TripAdvisor);</p> <p>Different culture and architecture (TripAdvisor);</p> <p>The landscape is fantastic (YouTube);</p> <p>Khinalig is not only surrounded by the most striking scenery in the country but also, its inhabitants belong to a different ethnicity and speak a distinct language. (againistthecompass.com)</p> <p>Truly memorable backpacking</p>	<p>Just some trees, some cikadas, children trying to sell donkey rides, and a lot of rubbish everywhere. (TripAdvosor);</p> <p>A small village and not much to see (TripAdvisor);</p> <p>Teenage boys will guide you around the village for a tip (LonelyPlanet);</p> <p>Communication can be a problem due to the lack of language skills (jalan2liburanblog);</p> <p>Because of the freezing weather and no hot water, we could not take shower during our visit (jalan2liburanblog);</p>

<p>experience (dontstopliving.net);</p> <p>The locals, especially the kids are so eager to meet and play. (openroadbeforeme.com);</p> <p>Ecologically clean and fresh air of this village eases the respiration (openroadbeforeme);</p>	
<p>Catering</p> <p>Lunch is with a local family in Khinalug, in their house. It was delicious and lovingly made with fresh ingredients, topped off with freshly made local tea and jam (TripAdvisor);</p> <p>The house owners take in to consideration if the guest is vegan or vegetarian when cooking food (booking.com);</p> <p>The best butter and cheese (booking.com);</p> <p>A unique experience to have organic and healthy food (booking.com);</p>	<p>The breakfast and the dinner prices are regular prices for Baku, not for a mountain village (booking.com);</p>
<p>Accommodation</p> <p>Hosts are friendly and helpful (booking.com);</p> <p>The excellent location in the village with beautiful mountain view (booking.com);</p> <p>Clean and comfortable rooms. A better accommodation than one can expect in a lonely village (booking.com);</p> <p>Modern rooms in a traditional guesthouse with wifi ;</p> <p>The staff organized a very nice horse-riding trip (booking.com);</p>	<p>No hot water and the bathroom is usually muddy (booking.com);</p> <p>The staff guy speaks little English and Russian (booking.com);</p> <p>Electricity is not always available;</p> <p>The toilet is in a little shed away from the main building (booking.com);</p> <p>Based on the fabulous experience we had elsewhere in hospitable Azerbaijan, this place needs serious rethinking of its approach to hotel-keeping (booking.com);</p>

<p>Transportation</p> <p>There is a paved road to the village (LonelyPlanet);</p> <p>One can both find local shared and private taxis from Quba to Khinaliq (againistthecompass);</p> <p>The prices for private taxis change around 30-40 manats as of 2018 (againistthecompass);</p> <p>Road to Khinaliq from Guba resembles an autumnal forest, rising up into the hills and valleys and offering tremendous views of lakes, rivers, mountains and fresh air. (dontstopliving.net);</p>	<p>Heavy snow prevented tourist from reaching the village (TripAdvisor);</p> <p>The drive is uncomfortable and dangerous (TripAdvisor);</p> <p>The waiting time was pretty much the whole day (againistthecompass);</p> <p>From Baku to Quba is a good 2-3 hours journey and from Quba to Xinaliq takes also a while because the road is not in good condition, especially if you go in autumn, when there's snow on the road. (LonelyPlanet);</p>
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<p align="center">Perception of the tourist attractions and activities in Khinalig</p>	
<p>Positive comments</p>	<p>Negative comments</p>
<p>Tours</p> <p>The guide and driver were incredibly friendly, knowledgeable and competent and the driver stops wherever the tourists want (TripAdvisor);</p> <p>Very friendly and easy going staff (TripAdvisor);</p> <p>The food at lunch was astounding and the family hosting us was very nice (TripAdvisor);</p> <p>The scenery is awe inspiring the entire way. (TripAdvisor);</p>	<p>Rude and uninformative guides.</p> <p>The driving was terrifying, and dangerous;</p> <p>“On the day of the tour, we were told that the drive would be approximately four hours. But, it ended up being close to 6 hours, one-way, just to get to the Village! And the impressive scenery only kicks-in about 4.5 hours.” (TripAdvisor);</p> <p>The tour company's habit of selective disclosure also extended to the cost of lunch (TripAdvisor);</p> <p>“Absolutely no informative or historical detail was provided by the guide throughout the tour. Instead, we heard</p>

	<p>internet searched facts, such as, "Azerbaijan has the best air." When asked about the significance of the Mosque we were visiting, the reply was simply, "let's go." (TripAdvosor);</p> <p>The drive is uncomfotable (TripAdvisor);</p>
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Annex 2: Interviews with several tour companies, travel agencies on Khinalig

We organized quick interviews with some of the most popular tourism companies in the county and asked them what tourists like and dislike about Khinalig. The tour companies and travel agencies include:

- Pasha Travel
- Silk Way Travel
- ENC Travel
- Victory Tour
- Millennium Tours
- Flame Tours

General Positive Overview:

- Tourists admire the nature, the scenery and enjoy the tours.
- They do not encounter any problem related to the communication and language as our guides are there to help them.
- Tourists love to spend time with the children and have conversation with the locals.
- Tourists highly appreciate the organic food that they try at home stays.

General Negative Overview:

- The main thing that most of the tourists complain about is the road to Khinalig as it is bumpy and dangerous. We usually have some difficulties in terms of arriving the village safely. Also, the buses that departure from Guba

to Khinaliq are old and frighten the tourists (ENC travel, Victory tours, Millennium tours)

- Secondly, visitors do not find the contamination throughout the village appealing. Pollution is a problem for both the tourists and the dwellers of the village. (ENC Travel)
- The weather plays a huge role on the tours. In some cases, we are obliged to cancel them because of the weather. We organize tours usually from April to October. (Flame tours).
- The tourists do not understand why the children are selling something on the roads. Those children can be very clingy sometimes and it annoy them. Generally, they are against to that phenomena. (Victory Tour)

Reviews according to the individual tour guides and home stay owners

We talked with 8 tour guides who live near or in Khinalig village. They conduct both private and group tours for years and some of them are also the home stay owners.

Some common positive comments:

- Tourists marvel at the mountainous view, clean and fresh air of the village and take a lot of photos of the nature, and the inhabitants of the village.
- Mainly, visitor prefer to take walks inside the village to explore the surrounding and meet the locals.
- Tourist find the architectural of the houses in Khinalig to be very unique and appealing.
- Eco-tourism facilities and products are served to the tourist and are of huge interest to them.
- Some of the visitors essentially come to Khinaliq to take hiking tours in the mountains.

Some common negatives comments:

- Tourists have difficulties hiking in the mountains. When they reach near the border line and Shahdag National Park, they need to get allowances from two different ministries (State Border Service of the Republic of Azerbaijan and Ministry of Ecology and Natural Resources). The National Park workers stop them but they cannot communicate with the tourists because of the English lack of language skill. In some cases, workers demand additional money for the entrance. If there was a map of the areas that tourist access is authorized, it would be less complicated for them.

- *Home stay guests complain about restrooms and bathrooms.*
- *Tourist do not like the newly constructed roofs and believe they destroy the historical and cultural atmosphere in the village. The external appearance of the houses is important for them.*
- *Tourists have difficulties while visiting the place called “ Ateshge” because of the distance and roads as well as permit from the State Border Service, thus the authorized guide having proper permit can accompany them.*

Annex 3: Benchmarking Study for Khinalig Village

Tourism development strategy in Khinalig takes into account the current situation in the mountainous villages related to the tourism industry in the world.

We looked at the mountainous villages in countries like Iran, Georgia, India and Nepal. Georgian mountainous villages are known for the breathtaking nature, historical churches and fortresses and unique architecture. The villages in Iran are known for their local stores that a traveler can find herbs, spices, dried fruits and handicrafts.

Country	Village	Special Features
Iran	Abyaneh	500 years of history Unique appearance of houses with red roofs
	Kandovan	800 years of existence Cone-shaped homes have been carved inside volcanic rock from the eruption of the now dormant Mount Sahand.
	Meymand	Been in the UNESCO World Heritage List since 2015 hand-dug rock homes stone engravings dating back 10,000 years have also been found around the village
	Taleghan	76 smaller villages Breathtaking nature, superb trekking, and pure oxygen
	Mosouleh	unique architecture motor vehicles are strictly prohibited, which is quite a relief
	Palangan	Kurdish culture adds a unique element to the architecture
	Stepantsminda, Kazbegi	Mount Kazbegi Trinity Church

Georgia		close to Tbilisi
	Bochorna, Akhmeta	2,345 meters (7,694 ft) above sea level
	Shatili, Khevsureti	located near the border with Chechnya less inhabited village with its cluster of medieval towers
	Mutso, Khevsureti	The last settlement area of Khevsureti gorgeous views of the valley.
	Omalo, Tusheti	splendid nature and architecture. Has the most dangerous road to travel on old fortress that overlooks the village is worth visiting
	Shenako, Tusheti	Old Holy Trinity church several guesthouses to stay overnight
	Dartlo, Tusheti	setting near the Alazani river plenty of homestays and a cafe
	Bakmaro, Guria	1,926-2,050 meters (6,319-6,725 ft) above sea level resort is distinguished by curative possibilities.
	Ambrolauri, Racha	wine region
	Ushguli, Svaneti	UNESCO World Heritage Site breathtaking views of Shkhara, the highest peak of the country medieval defense towers
	Mestia, Svaneti	easily accessible with more developed infrastructure than other villages of the region
Beshumi, Adjara	1,850-1,900 (6,069-6,233 ft) meters above the sea level rich with coniferous forests	

		Summers are moderately cold
India	Diskit Village, Ladakh	Diskit Monastery
	Landour, Uttarakhand-	pleasant climate throughout the year owing to the mountains has some British era churches like the Kellogg's Church, St.Paul and the Methodist church offers some popular trekking routes
	Malana, Himachal Pradesh	one of the world's most ancient democracies that still stands to date offers many hiking spots like the Chandrakhani pass, the Rashol pass mesmerizing Jari falls
	Nako, Lahaul Spiti	unique topography resembles the moon very close to the Tibetan border One can visit Tabo, which is an ancient monastery and a UNESCO heritage site that was built in the 9th century highest village in the world
	Mandawa, Rajasthan	founded in the 18th century heritage and monolithic mansions attract a large number of history buffs lined with some local markets to buy souvenirs serves some scrumptious local Rajasthani cuisine
	Kasol	home to many expats living in India especially Israelis famous for the hippie culture A good spot for backpackers lined with some quaint cafes Has ined with some quaint cafes

		known for its ethereal beauty
Nepal	Tangting	<p>village of around 400 people in a deep valley under the shadow of Annapurna, one of the world's deadliest peaks</p> <p>The village is located deep within the Annapurna Conservation Area, Nepal's largest protected landscape</p> <p>frequent landslides block the way during the summer monsoon season</p> <p>Tangting is an indigenous Gurung village, one of over 100 ethnicities that makeup Nepal's human tapestry</p> <p>There's now a guesthouse for trekkers</p>
	Kaskikot	<p>village consists of 36 houses scattered on the slopes of Kaskikot mountain</p> <p>village is for trekkers, vegetarians and those interested in traditional Nepalese and Hindu culture</p> <p>or guests the host family have prepared a bit more comfortable room with two double-beds, a private toilet and shower</p> <p>Sarangot hill, Annapurna trek & Pokharaower.</p>
	Manikhel	<p>village is a rural, basic and very authentic</p> <p>2000 meters above sea level</p> <p>private room is simple with two double-beds and thick duvets</p> <p>Views, local organic Tamang food, fresh air</p>
Peru	La Rinconada	At an altitude of 16,732 feet (5,100 m), it lays claim to the title of "highest city in the world."