

Challenges and Opportunities for SMEs in Implementing Energy-Efficient Technologies in Georgia's Tourism Sector

Maia Gogiashvili¹, Tamar Gamsakhurdia¹

¹Grigol Robakidze University, Georgia

ABSTRACT

In 2024, Georgia's tourism revenue exceeded four billion dollars, surpassing pre-COVID-19 levels by 26%. This underscores the tourism industry's crucial role not only in generating income but also in creating employment opportunities. The COVID-19 pandemic demonstrated that innovation and technological advancements offer unprecedented opportunities for the development of small and medium-sized enterprises (SMEs). In this context, adopting energy-efficient technologies and solar energy solutions is particularly important, as these reduce operational costs and contribute to both environmental and economic sustainability. According to Georgia's 2030 Climate Strategy, the share of wind and solar power in the country's total installed energy capacity is projected to increase to 18.2% over the next eight years, up from just 0.5% in 2019. However, the widespread adoption of these technologies faces significant challenges, particularly in terms of scalability and access to financing. Therefore, a thorough analysis of key barriers and opportunities in this field is essential. This study examines the challenges and opportunities SMEs encounter in securing green financing for solar energy projects. Through a combination of literature review, empirical analysis, and an assessment of the current landscape, this research explores solar energy adoption among SMEs in Georgia's ecotourism sector, identifying key prerequisites, financing challenges, and potential opportunities. By integrating both qualitative and quantitative research methods, the study provides a comprehensive understanding of solar energy adoption in Georgia's ecotourism sector, as well as key drivers, financing constraints, and growth opportunities. The findings confirm that solar energy adoption in Georgia's ecotourism sector supports sustainable development by reducing costs, enhancing energy independence, and promoting environmental responsibility. While SMEs acknowledge the benefits of green technologies, widespread adoption is hindered by high initial costs, long payback periods, limited financing, and low awareness. Overcoming these barriers is crucial for fostering energy-efficient innovations and ensuring the industry's long-term sustainability.

KEYWORDS Georgia; Green financing; Small and Medium Enterprises (SMEs); Banks; Tourism; Solar energy; Sustainable development