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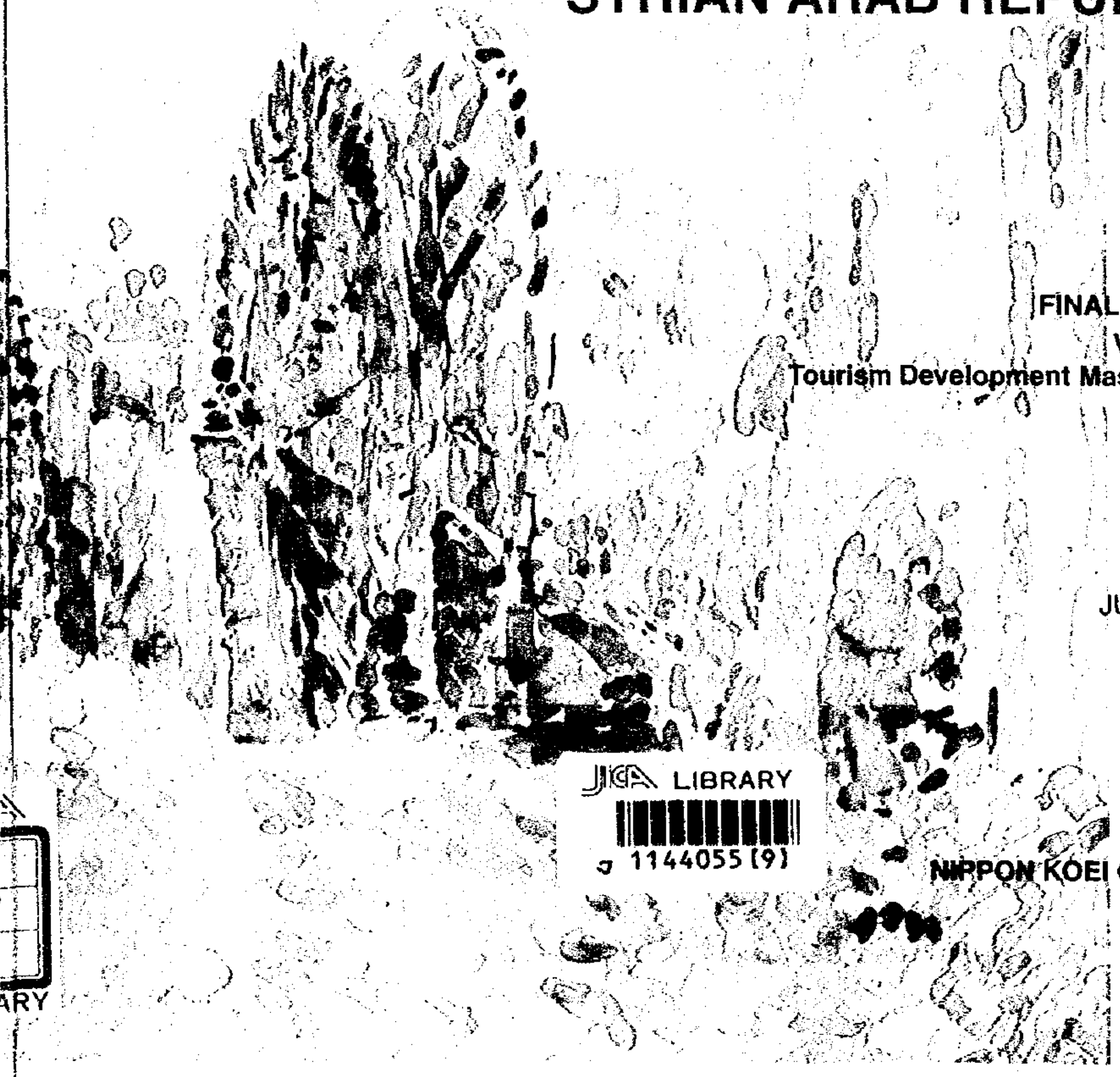
MINISTRY OF TOURISM
SYRIAN ARAB REPUBLIC

JAPAN INTERNATIONAL COOPERATION AGENCY
(JICA)

# THE PREPARATION OF NATIONAL TOURISM DEVELOPMENT PLAN IN

# SYRIAN ARAB REPUBLIC



**FINAL REPORT**
**Volume I**
**Tourism Development Master Plan**

JULY 1998

**PADECO**
**NIPPON KOEI CO., LTD.**

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THE PREPARATION OF NATIONAL TOURISM DEVELOPMENT PLAN IN SYRIAN ARAB REPUBLIC
FINAL REPORT Volume I Tourism Development Master Plan
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US$ 1.00 = SP 45.00.

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The Preparation
of
National Tourism Development Plan
in
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## Final Report

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## Abbreviations

| | |
|---|---|
| AAGR | : Average Annual Growth Rate |
| ALS | : Average Length of Stay |
| CIQ | : Customs, Immigration and Quarantine |
| DGAM | : Directorate General of Antiquities and Museum |
| DGCA | : Directorate General of Civil Aviation |
| EIA | : Environmental Impact Assessment |
| FIT | : Foreign Individual Tourist |
| GCC | : Gulf Cooperation Council (Countries) |
| GCETP | : General Commission for Execution of Tourism Projects |
| GCTHT | : General Commission for Tourism and Hotel Training |
| GDP | : Gross Domestic Product |
| GTZ | : Gesselschaft für Technische Zusammearbeit (Germany) |
| IEE | : Initial Environmental Examination |
| IFAPO | : Institut Français d'Archeologie de Proch-Orient |
| IFEAD | : Institut Français d'Etude Arabe de Damas |
| JATA | : Japanese Association of Travel Agencies |
| JICA | : Japan International Cooperation Agency |
| JNTO | : Japan National Tourist Organization |
| MOC | : Ministry of Culture |
| MOCO | : Ministry of Communications |
| MOE | : Ministry of Environment |
| MOF | : Ministry of Finance |
| MOH | : Ministry of Health |
| MOHU | : Ministry of Housing and Utilities |
| MOLA | : Ministry of Local Administration |
| MOT | : Ministry of Tourism |
| MOTR | : Ministry of Transport |
| OECD | : Organization for Economic Cooperation and Development |
| OECF | : The Overseas Economic Cooperation Fund of Japan |
| RB | : Syrian Arab Airlines |
| SYRTEL | : Syrian Arab Company for Tourist Establishments |
| SATTA | : The Syrian Association of Tourist and Travel Agents |
| SCTT | : Syrian Company for Transport and Tourism (TRANSTOUR) |
| SIT | : Special Interest Tourist |
| SP | : Syrian Pounds |
| SPC | : State Planning Commission |
| WTO | : World Tourism Organization |

# 1 INTRODUCTION

## 1.1 Study Background

In response to the request of the Government of Syrian Arab Republic (hereinafter referred to as the "Government of Syria"), the Government of Japan has decided to conduct the Preparation of National Tourism Development Plan in Syrian Arab Republic (hereinafter referred to as "the Study"). In November 1996, the Japan International Cooperation Agency (hereinafter referred to as "JICA"), the agency responsible for the implementation of official technical cooperation programs, sent a Preparatory Study Team to hold discussions with the Ministry of Tourism (hereinafter referred to as "MOT"). On November 11, 1996, MOT and JICA agreed upon the Scope of Work for the Study.

In February 1997, JICA called technical offers for the selection of consultant which implements the Study. A consortium of PADECO Co., Ltd. and Nippon Koei Co., Ltd. was selected and contracted as the Japanese Study Team (hereinafter referred to as "the Study Team") in March 1997. Then the Study Team immediately mobilized to Syria.

On the part of Government of Syria, MOT which is the counterpart agency to the Study Team, was to coordinate the Study in relation to the other governmental and non-governmental organizations concerned, including formation of a Steering Committee, for the smooth implementation of the Study.

JICA also formulated an Advisory Committee for the Study in Japan in order to supervise the Study. Members of the Study Team and the Committees are listed in Appendix A1.1 in Volume III.

The Study was carried out in Syria and in Japan for a period of a little more than a year since March 1997. This Final Report presents the results of the Study, constituting a draft master plan and its action plan. A diagram of work schedule is presented in Appendix A2 in Volume III.

## 1.2 Objectives of the Study

The objectives of the Study agreed upon in the Scope of Work for the Study are to formulate:

1. National Tourism Development Master Plan with the target year of 2015;
2. Tourism Development Plan for priority zones with the target year of 2015 within the framework of the master plan; and
3. Action Plan for priority projects with the target year of 2005.

## 1.3 Study Methodology

The basic approach adopted in the Study was to understand tourism in Syria as a result of interaction between tourism demand and supply under the prevailing socio-economic and institutional setting. The importance of such a demand-driven approach cannot be overemphasized as the international tourism has become a highly competitive market world-wide. Providers of tourism services in Syria are understanding of their behavior in the context of the local and international market which is critical in policy formulation.

Characteristics of tourism demand and supply were identified, and socio-economic and institutional settings were analyzed. Interrelationships among these factors were clarified. Their integration by SWOT Analysis (strengths, weaknesses, opportunities and threats) led to the formulation of tourism development policies and strategies. Based on a synthesis of overall demand prospects and development policies and strategies, numerical demand projections were generated for different segment of tourism markets, for which specific plans for tourism development were then recommended.

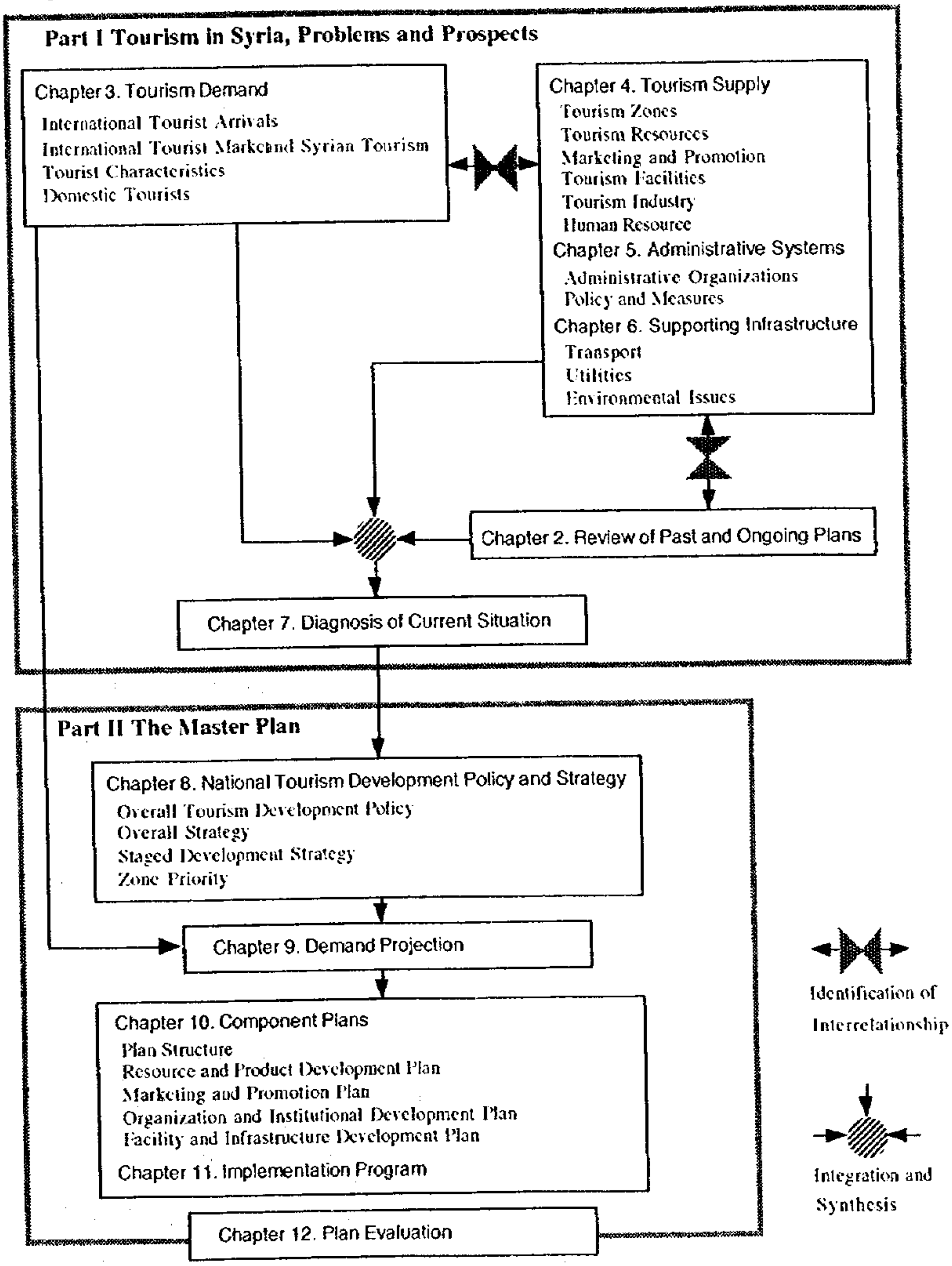
Figure 1.3.1 illustrates the conceptual framework of analytical procedures used in Part I and Part II of the Study. However, in the actual process, activities did not necessarily proceed in the straight-forward manner shown in the figure. Many feedback processes were undertaken. The overall framework of the conceptual work flow as shown in the figure, however, has been used as the guideline of the Study.

Methods and data sources included the following:

- a large number of site visits covering almost all corners of Syria by the varied experts of the Study Team were backed up by a similarly large number of interviews with government and private sector personnel at all levels;
- data from various ministries were collected and analyzed carefully by the Study Team:
  - statistics complied by MOT;
  - statistics complied by DGAM;
  - statistics compiled by Central Bureau of Statistics; and
  - statistics complied by other relevant agencies.
- tourism statistics and projections by WTO were analyzed;
- all relevant reports, books and documents containing matters related to tourism in Syria were assembled and assessed;
- data concerning the tourism in neighboring countries such as Egypt, Jordan, Lebanon, Turkey were also collected through their responsible agencies in tourism and comparative analysis was made; and
- surveys were carried out including the following:
  1 a market survey interviewing over 1,200 tourists visiting Syria;
  2 a market survey interviewing major tour wholesaler in Europe and Japan;
  3 a survey on package tour characteristics in Syria;
  4 a social impact survey interviewing over 400 families in Syria;
  5 an environmental survey to identify environmental issues related to the tourism.

In addition, during the Study, meetings and seminars were held to exchange opinions, and to discuss issues widely. Among those, an official workshop was held in Tokyo in June 1998. The summary of the workshop is attached in Appendix A19.1 in Volume III.

Figure 1.3.1 Conceptual Methodology



## 1.4 Report Organization

This report is Volume I of the Final Report of the Preparation of National Tourism Development Plan in Syrian Arab Republic.

The Final Report consists of four volumes as follows:

1. Executive Summary
2. Volume I: Tourism Development Master Plan
   Part I: Tourism in Syria, Problems and Prospects
   Part II: The Master Plan
3. Volume II: Zone Plans and Priority Action Plan
   Part III: Plans for the Priority Zones
   Part IV: Action Plan
4. Volume III: Appendixes

"Part I: Tourism in Syria, Problems and Prospects" examines past history and existing conditions of tourism development in Syria, identifies issues, and assesses its future prospects.

"Part II: The Master Plan" synthesizes the results of work presented in Part I, recommends the most appropriate policies and strategies for tourism development in Syria, and formulates development plans for various components contributing the sector development. Part I presents background information and analyses and Part II presents plans. Together they constitute a master plan.

"Part III: Plans for the Priority Zones (2015)" illustrates concrete strategies and plans for the four selected zones of Damascus, Aleppo, Homs and Hama, and the Coastal.

Finally "Part IV: Action Plan (2005)" indicates the most necessary and immediate actions to achieve the goals of the formulated Master Plan.

Appendixes of Volume III include detailed data and information supporting the Study.

# PART I

# TOURISM IN SYRIA
# PROBLEMS AND PROSPECTS

# 2 REVIEW OF PAST AND ONGOING PLANS

## 2.1 Syria Today

The geography, demography, and current socio-economic situation in Syria are reviewed and summarized in Appendix A2.1 in Volume III.

## 2.2 National Plan for Tourism Development, 1974

The first national plan for tourism development in Syria was prepared in 1974, which was approved by the Supreme Council of Tourism.

After the preparation of the national plan, several projects have been implemented, which include beach resort facilities along the coast and summer resorts near Damascus as well as hotel construction in major cities. However, the tourism development in Syria has not attained the target level envisaged in the plan mainly due to the following reasons:

- change in tourism trend and resulting optimistic demand projection;
- facilities oriented development plan without practical implementation plan; and
- unclear division of roles between the private and public, and insufficient regulation.

Contents of the plan and the results are summarized in Appendix A2.2 in Volume III.

## 2.3 Five-Year Plans for Tourism Development

### (1) Plan Target and Investment

MOT prepared a Seventh Five-Year Plan for Tourism with the target year of 1995. General objectives contemplated in the plan are to support tourism industry as well as providing new appropriate capabilities and upgrading the existing tourist services and utilities. In the plan, the following targets are set:

- increase the total number of hotel beds from 29,396 in 1990 to 35,138 in 1995 by the public sector, joint companies and the private sector;
- increase the rate of hotel occupancy from 35 percent in 1990 to 79 percent in 1995 by increasing number of tourists, tourist-nights and average length of stay; and
- implement supplementary tourist projects such as tourist information centers, rest houses and handicraft markets.

In due consideration of the specific targets mentioned above, the total investment required was estimated at SP 3,081 million, which includes the cost of construction and improvement for hotels, tourist villages, information centers, other related facilities and capital increases in joint companies.

### (2) Policies to be applied

In the plan a considerable number of tourism development policies are listed for realizing targets mentioned above, which are classified into the following categories:

- Improvement of marketing and promotion;
- Institutional and management improvement;
- Improvement of tourist services;
- Improvement of training and education;
- Enhancement of finance for tourism development; and
- Coordination with other agencies.

(3) Evaluation on the Intermediate Results

An evaluation of intermediate results of the plan covering the period of 1990-1994 was made by MOT.

According to the evaluation report, implementation of the projects has been made successfully in general, which includes increase in total beds and construction of supplementary tourist projects stipulated as the specific objectives of the five-year plan.

Actual investment during 1991-1994 is estimated to attain 79 percent of the planned figures. However, realization of the strategic policies emphasized in the plan has been delayed and most of them remained not implemented.

Summary of 7th Five-Year Plan for Tourism is described in Appendix A 2.3 in Volume III.

## 2.4 Culture Tourism Development Program, EU

An assistance for culture tourism development is being provided by European Union (EU), which aims to develop the tourism sector in Syria through further tourism promotion and protection of the Syrian heritage. Initial reconnaissance survey was conducted for the preparation of the framework for development program from December 1993 to July 1994, followed by a second survey and study for formulating the proposed development program together with its financing plan during the period of September 1995 to March 1996.

Based on these preparatory studies, EU is now finalizing a financing agreement with the Syrian government and plans to proceed selection of consultants for the actual implementation of the development program, the commencement of which is expected in the year 1998.

(1) Summary of the EU Program

Main objectives are to improve the operating efficiency of the tourism sector, in particular, by promoting the cultural valorization of key historical sites and monuments, and to contribute to the national economy by increasing the foreign currency receipt.

The expected activities of the development program are divided into three components, namely, historic sites improvement, marketing and institutional training. For the historic site improvement, eight important sites in Syria (Bosra, Damascus, Aleppo, Palmyra, Crac des Chevaliers, Ugarit, St. Simeon and Ma'alula) were selected. The improvement aims to raise visitor satisfaction by proving visitor orientation centers and other facilities such as fixtures and fittings, lighting, displays, panels and wall maps. The marketing component aims to increase the number, quality and range of European travel wholesalers activity and facilitate close working with these wholesalers to encourage European tourists. The institutional training component aims to train a core of younger officials of MOC and MOT to support the long term sustainability of the development program. This tourism development program is planned to be implemented during 3 years period with an estimated budget of Ecu 3 million.

(2) Coordination with the EU Program

The cultural tourism development program envisaged by EU is well prepared and seems quite timely for receiving the increased international tourists, especially culture-motivated European tourists. However, in view of its expected effects, the EU program is considered as a practical program for the short run.

This JICA study aims to prepare a long term National Tourism Development Master Plan with the target year 2015 encompassing a wide range of markets including Arab countries, other foreign countries (Americas, Asia-Pacific countries, etc.) and Syrian domestic tourists, although with a less depth of planning for the latter. It is, therefore, considered that this JICA study and the EU program are complementary to each other.

In order to avoid duplication, especially in the Action Plan, and contradiction in basic policies, continuous coordination and exchange of opinions were made between the Study Team and the EU office in Damascus during the study period.

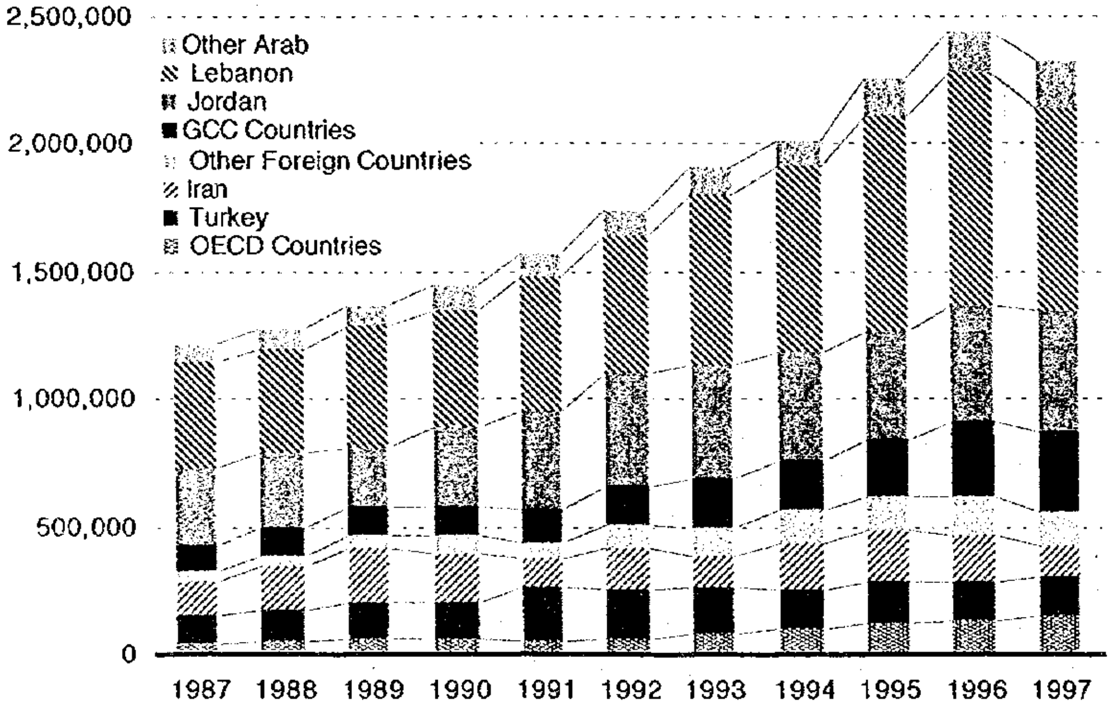
# 3 TOURISM DEMAND

## 3.1 International Tourist Arrivals

### 3.1.1 Frontier Arrivals

In 1996 Syria received 2.4 million frontier arrivals[1]. The majority of frontier arrivals to Syria is from Jordan and Lebanon (56 %), with GCC countries being the second largest source (12 %). In particular, the arrival from Lebanon reached over 900 thousands in 1996, consisting of approximately 40 percent of total frontier arrivals. The share of frontier arrivals from OECD countries is still small at 5 percent of the total frontier arrivals. The detail of frontier arrivals from main OECD countries is shown in Figure 3.1.2.

Figure 3.1.1 Trends of Frontier Arrivals




Source: MOT

The average growth rate per annum between 1987 and 1996 is 8 percent overall: rates by segment are OECD countries (14 %), Turkey (4 %), Iran (4 %), other foreign countries (11 %), Arab countries (excluding Lebanon, Jordan and GCC countries) (9 %), Lebanon (9 %) ,Jordan (5 %) and GCC countries (12 %). The growth rates of OECD and other foreign countries are remarkable in recent years, 13.8 percent and 14.2 percent respectively.

[1] Frontier arrivals means the number of persons to enter Syria through 17 entering points (2 airports, 3 ports and 12 land border crossings)

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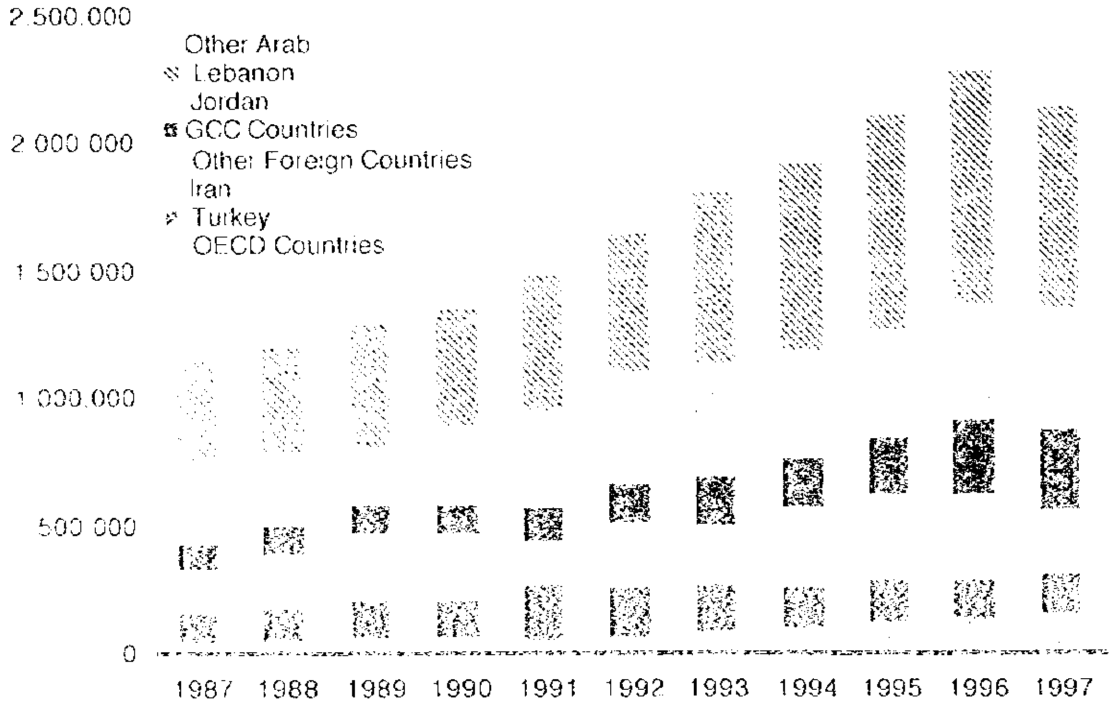


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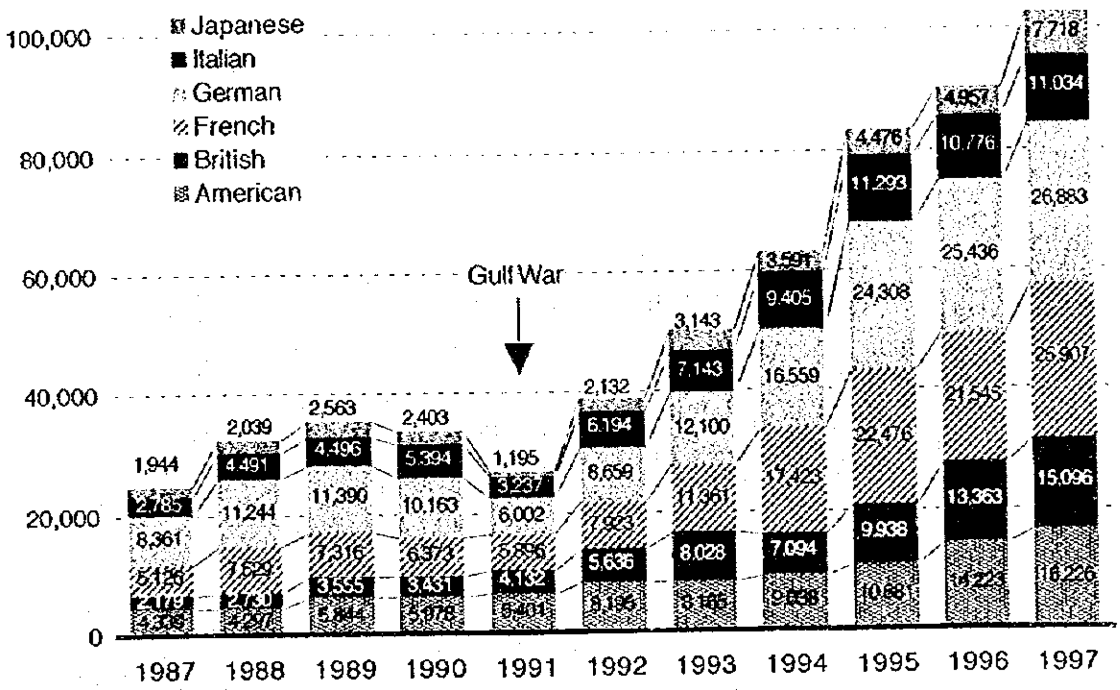
Table 3.1.1 Trends of Frontier Arrivals

| Segment | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|---|---|---|---|---|---|---|---|---|
| OECD Countries | 61,095 | 46,412 | 65,514 | 79,295 | 97,374 | 123,427 | 127,140 | 148,629 |
| Turkey | 142,147 | 212,975 | 191,907 | 188,293 | 151,683 | 162,091 | 156,507 | 156,888 |
| Iran | 193,405 | 119,624 | 154,789 | 117,068 | 181,456 | 203,406 | 181,805 | 119,245 |
| Other Foreign | 71,327 | 58,175 | 90,182 | 112,264 | 132,942 | 129,659 | 152,377 | 133,947 |
| GCC Countries | 106,262 | 124,832 | 157,638 | 191,296 | 192,136 | 221,886 | 285,434 | 312,818 |
| Jordan | 314,275 | 390,156 | 445,607 | 450,174 | 425,174 | 421,072 | 462,501 | 477,233 |
| Lebanon | 461,970 | 526,609 | 531,612 | 666,504 | 728,254 | 839,308 | 908,839 | 791,572 |
| Other Arabs | 91,960 | 91,378 | 102,635 | 105,022 | 103,278 | 151,938 | 160,778 | 191,296 |
| TOTAL | 1,442,441 | 1,570,161 | 1,739,884 | 1,909,916 | 2,012,297 | 2,252,787 | 2,435,381 | 2,331,628 |
| Foreign | 467,974 | 437,186 | 502,392 | 496,920 | 563,455 | 618,583 | 617,829 | 558,709 |
| Arab | 974,467 | 1,132,975 | 1,237,492 | 1,412,996 | 1,448,842 | 1,634,204 | 1,817,552 | 1,772,919 |

Source: MOT

Figure 3.1.2 Trends of Frontier Arrivals from Major OECD Countries




Source: MOT

The trends of frontier arrivals from main OECD countries are shown in Figure 3.1.2. Average growth rate per annum between 1987 and 1996 is: the USA: 14 percent, the UK: 22 percent, Germany: 13 percent, France: 17 percent, Japan: 10 percent respectively. The growth rate of the UK is high. However, the actual number of frontier arrivals of the UK is rather low compared with Germany and France. In considering the number of outbound tourists and the growth trend of the UK, the frontier arrivals of the UK will reach the same level of France at least in the near future. The low growth rate and low number of frontier arrivals in Japan are mainly due to the geographical reason. But, the number and growth rate of frontier arrivals of Japan will grow a little compared with the situation of the USA.

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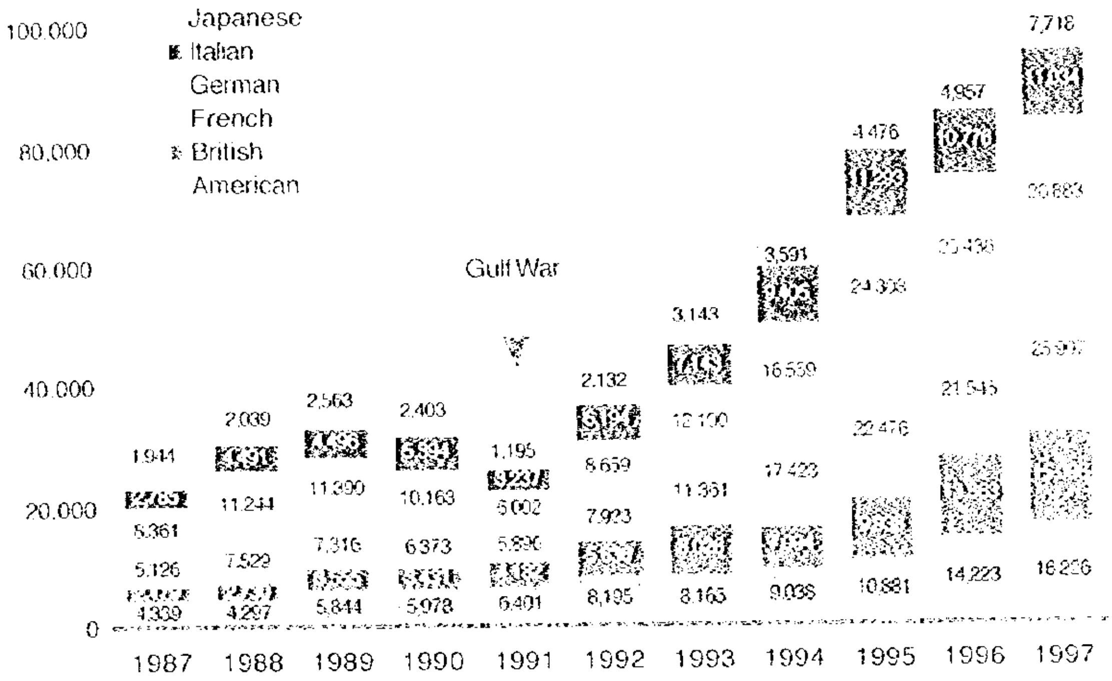


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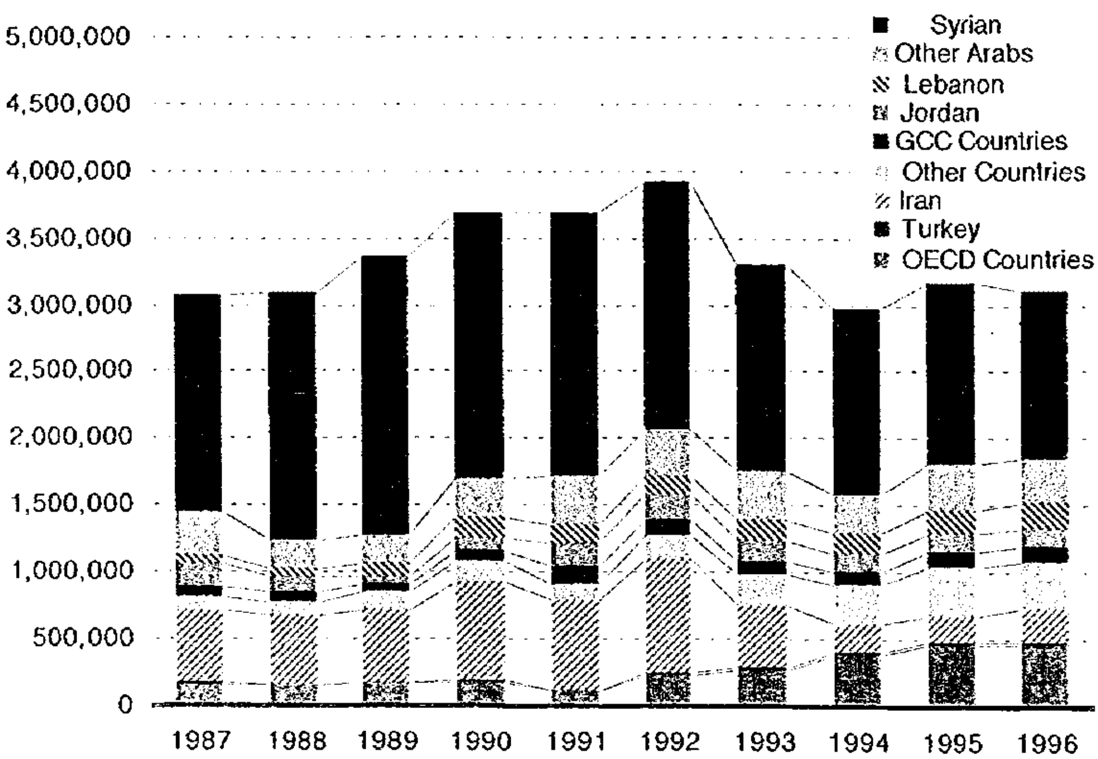
### 3.1.2 Hotel Tourist-Nights

Among 2.25 million of total frontier arrivals in 1995, the number of tourists staying in hotels was estimated as around 441 thousand (about 20 % of total frontier arrivals). The percentages of frontier arrivals staying in hotels are: OECD countries (about 80 %), Turkey (only 2.5 %) of, Iran (about 10 %), Arab countries (about 70 %) excluding Lebanon, Jordan and GCC countries, GCC countries (15 %), Jordan (about 15 %) and Lebanon (about 10 %).

Figure 3.1.3 shows the trends of hotel tourist-nights according to the market segment. The total number of hotel tourist-nights has stagnated.

The number of hotel tourist-nights generated by Iranian tourists has decreased drastically, because most of Iranian pilgrims switched to apartments for pilgrims after a governmental agreement on the provision of specified hotels expired. In addition, the number of hotel tourist-nights generated by Syrians also has decreased since 1992 due to increased availability of non-hotel accommodations (chalets, villas, etc.) and improved highway network.

Figure 3.1.3 Trends of Hotel Tourist-Nights




Source: MOT

The number of hotel tourist-nights generated by tourists from OECD countries has been increasing steadily since 1991. In particular, the number of hotel tourist-nights generated by tourists from France has been increasing rapidly since 1991. On the other hand, the number of hotel tourist-nights made by tourists from the UK and Japan remains stagnant. (Details are shown in Figure 3.1.4)

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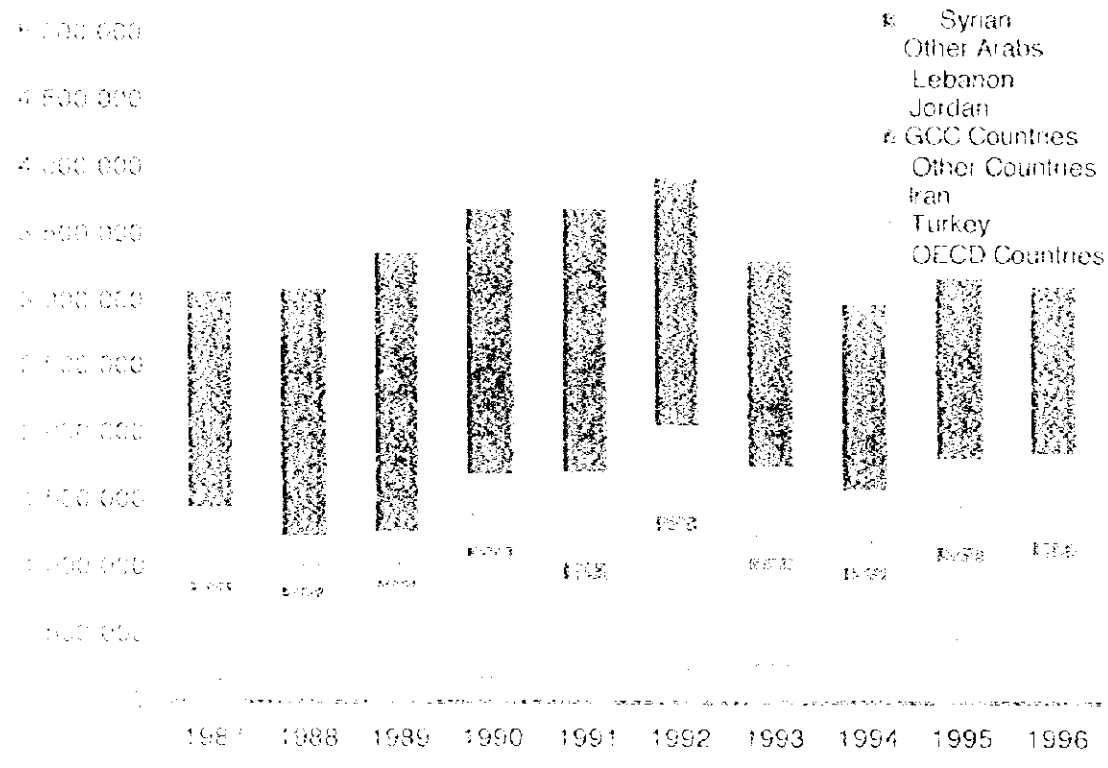


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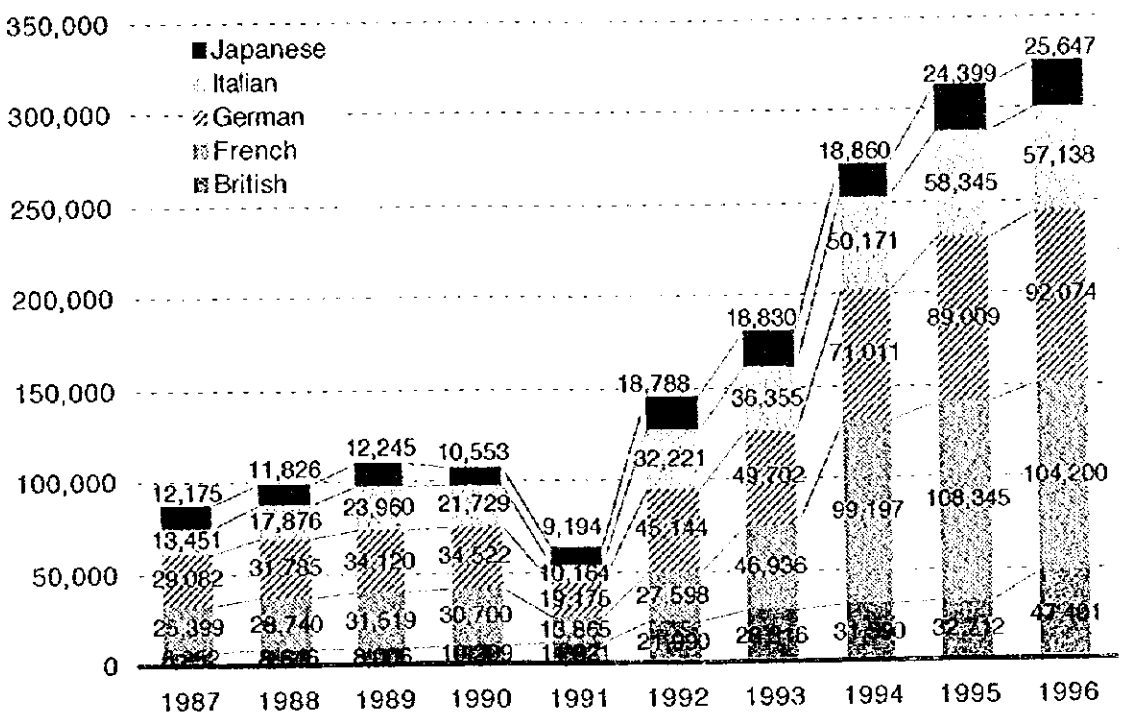
Figure 3.1.4 Hotel Tourist-Nights by Major OECD Countries




Source: MOT

### 3.1.3 Type of Accommodation

In order to understand the tourism market in Syria, the Study Team estimated the structure of type of accommodation for the 2.25 million total frontier arrivals in 1995 by analyzing available statistical data.

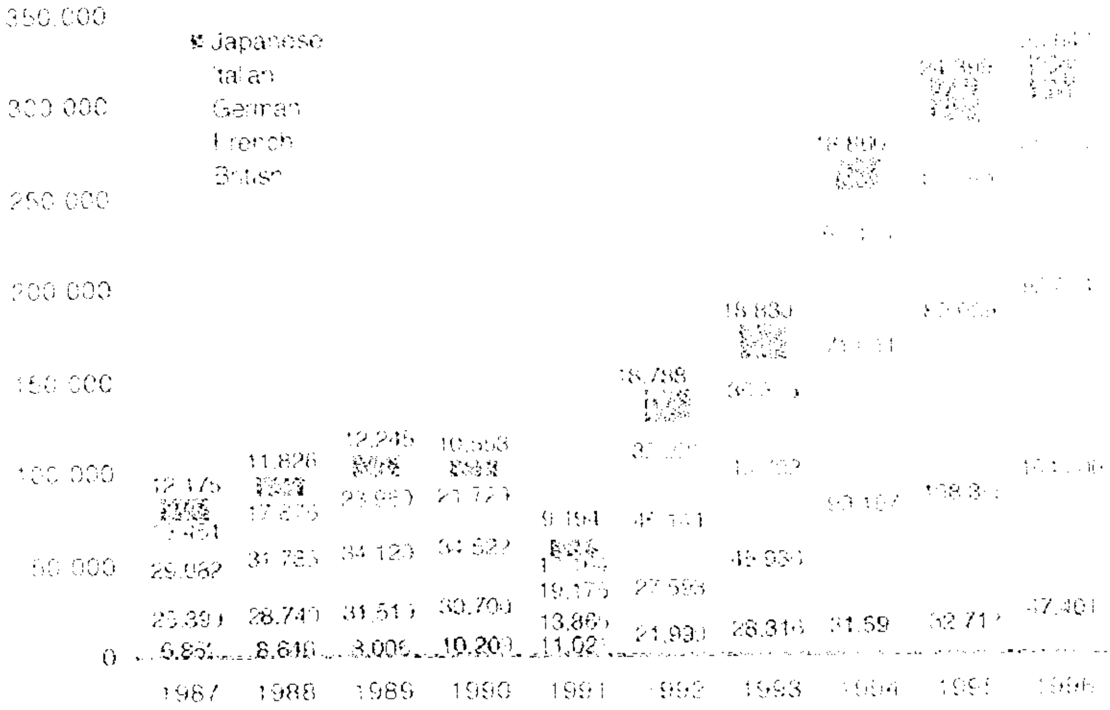
Following four basic statistical data recorded by MOT were used for this analysis:

(1) the number of frontier arrivals by nationality;
(2) the number of hotel tourist-nights by nationality;
(3) the total hotel guest registration number by nationality; and
(4) the hotel guest registration number in Damascus according to Syrian, Arab and foreign tourists.

The method applied here is as follows:

- The total hotel guest registration number in (3) above includes duplicating registrations by the same tourist; most culture tourists to Syria stay in several hotels in the country;
- However, for instance, almost all Japanese tourists to Syria stayed in Damascus at least one night, and the number of hotel guest registrations in Damascus in (4) is considered as the nearest number of tourists really staying in hotels among the frontier arrivals. However, no breakdown by nationality is available;
- This itinerant character is assumed to vary by nationality of tourist because of their major tour purpose to Syria;
- Thus, the estimate of tourists really staying in hotels by nationality were derived by multiplying the total number of hotel guest registrations by nationality in (3) by

Figure 3.1.4 Hotel Tourist Nights by Major OECD Countries

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- However, for instance, almost all Japanese tourists to Syria stayed in Damascus at least one night, and the number of hotel guest registrations in Damascus in (4) is considered as the nearest number of tourists really staying in hotels among the frontier arrivals. However, no breakdown by nationality is available;
- This itinerant character is assumed to vary by nationality of tourist because of their major tour purpose to Syria;
- Thus, the estimate of tourists really staying in hotels by nationality were derived by multiplying the total number of hotel guest registrations by nationality in (3) by

the percentage of hotel guest registrations in Damascus in (4) to the whole country;

- As the percentage of each of the three groups in hotel guest registrations in Damascus to national total is the average of several nationalities (Table 3.1.2) some of the estimated numbers were still larger than the frontier arrivals in (1) (more itinerant nationalities: e.g. Japanese, French, Germany, Italian, etc.);
- Finally, the estimated numbers of tourists staying in hotels among the frontier arrivals by nationality were made with an adjustment taking the smaller number of the estimated number and the frontier arrivals;
- the numbers were classified and summed up by the market segment: OECD countries, Turkey, Iran, other foreign, Lebanon, Jordan and other Arab countries;
- the number of tourists staying at holiday villas were estimated by each market segment with consultation of tourism related persons in Syria including MOT;
- The balance is considered as visitors to friends and relatives, expatriates, excursionist and transit travelers who do not need hotels nor holiday villas; and
- The average length of stay in hotels is calculated with the total number of hotel tourist-nights in (2) above and the estimated number of tourists really staying hotels.

Table 3.1.2 Share of Damascus Hotel Guest Registrations to National Total

| | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 |
|---|---|---|---|---|---|---|---|---|---|---|
| Foreign (%) | 75.79 | 73.97 | 66.38 | 61.81 | 72.79 | 79.57 | 67.46 | 54.07 | 41.35 | 38.56 |
| Arab (%) | 74.54 | 81.60 | 81.71 | 78.54 | 84.66 | 80.02 | 75.10 | 76.17 | 77.25 | 75.51 |
| Syrian (%) | | 43.15 | 42.47 | 39.84 | 42.79 | 43.81 | 39.49 | 44.10 | 42.68 | 42.29 |

Source: MOT

Table 3.1.3 shows the result and Figure 3.1.5 shows the trends in recent years.

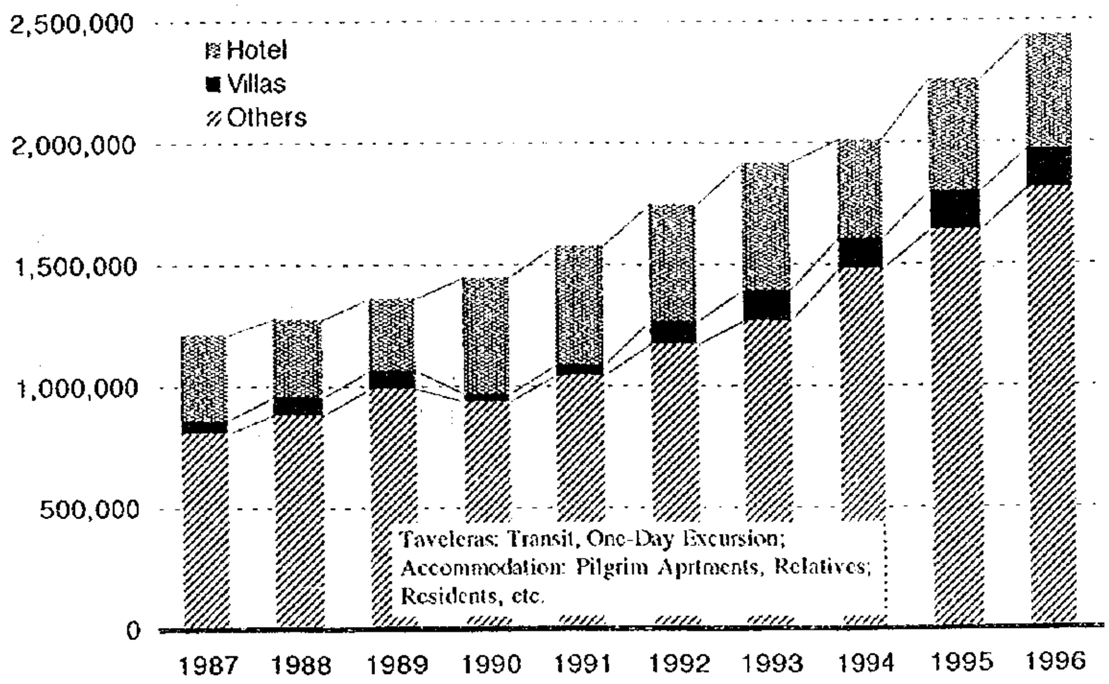
Table 3.1.3 Analysis by the Type of Accommodation in 1996

| | Frontier Arrivals | Tourist-Nights in Hotel | No. Tourists in Hotels | No. Tourists in Holiday Villas | No. Tourists Others | ALS in Hotels |
|---|---|---|---|---|---|---|
| OECD Countries | 127,140 | 466,619 | *99,570* | *0* | *27,570* | *4.69* |
| Turkey | 156,507 | 17,299 | *3,539* | *0* | *152,968* | *4.89* |
| Iran | 181,805 | 254,214 | *24,908* | *0* | *156,897* | *10.21* |
| Other foreign Countries | 156,439 | 345,108 | *41,469* | *0* | *114,970* | *8.32* |
| GCC Countries | 285,434 | 121,666 | *61,318* | *112,058* | *112,058* | *1.98* |
| Jordan | 462,501 | 129,918 | *58,517* | *0* | *403,984* | *2.22* |
| Lebanon | 908,839 | 187,976 | *82,822* | *0* | *826,017* | *2.27* |
| Other Arabs | 160,778 | 332,116 | *95,197* | *52,465* | *13,116* | *3.49* |
| Total | 2,439,443 | 1,854,916 | *467,340* | *164,523* | *1,807,580* | *3.97* |

Note: ALS: Average Length of Stay; *Figures in italic indicate estimated numbers*, "Others" of Turkey and Lebanon include excursionists and transit who do not stay at least one night., Most of Iranian "Others" stay at special apartments for pilgrim.

Source: MOT, JICA Study Team

Figure 3.1.5 Trend of Tourists Staying in Hotels and Holiday Villas




Source: JICA Study Team

## 3.1.4 Purpose of Visit

Similarly, the Study Team estimated the structure by purpose of visit for the 2.25 million of total frontier arrivals in 1995 by analyzing available statistical data taking into account the number of visitors to major cultural sites.

Table 3.1.4 Number of Visitors to Major Cultural Sites, 1996

| | Aleppo Citadel | Palmyra Museum | Temple of Bell | Bosra Amphitheater |
|---|---|---|---|---|
| Foreign | 57,191 | 53,730 | 65,314 | 20,866 |
| Arab | 23,393 | 6,755 | 3,103 | 23,089 |
| Sub-Total | 80,584 | 60,485 | 68,417 | 43,955 |
| Syrian | 135,335 | 20,965 | 16,724 | 178,380 |
| Total | 215,919 | 81,450 | 85,141 | 222,335 |

Source: MOC

The volume of cultural tourists for each market segment was estimated by multiplying the number of tourists staying in hotels (estimated in the analysis above) by an assumed percentage, formulated in consultation with trade leaders and MOT officials. This estimate was compared with MOC visitor counts. Numbers of holiday tourists were estimated similarly.

Table 3.1.5 shows the results of the analysis and Figure 3.1.6 shows the trends in recent years.

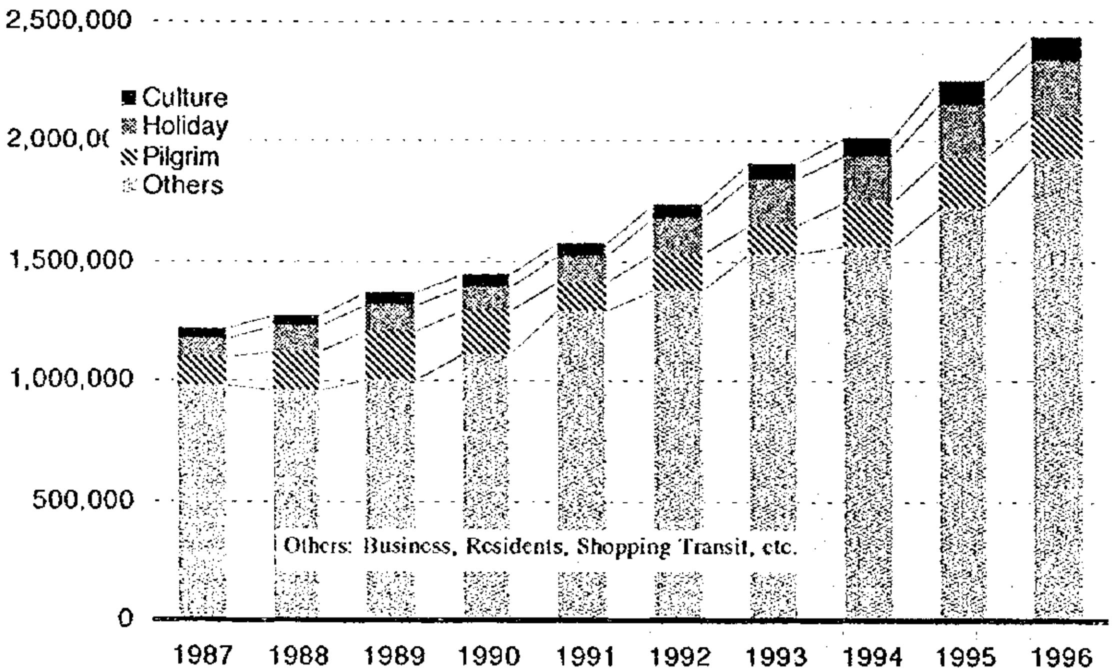
Table 3.1.5 Analysis by Purpose of Visit of Arrivals to Syria in 1996

| | Frontier Arrivals | Tourist-Nights in Hotel | No. Tourists Culture | No. Tourists Holiday | No. Tourists Pilgrim | No. Tourists Business & Others |
|---|---|---|---|---|---|---|
| OECDCountries | 127,140 | 466,619 | *69,699* | *4,978* | | *52,463* |
| Turkey | 156,507 | 17,299 | *177* | *177* | | *156,153* |
| Iran | 181,805 | 254,214 | *498* | *498* | *172,715* | *8,094* |
| Other foreign Countries | 156,439 | 345,108 | *2,073* | *2,073* | | *152,292* |
| GCC Countries | 285,434 | 121,666 | *3,066* | *112,058* | | *170,310* |
| Jordan | 462,501 | 129,918 | *2,926* | *2,926* | | *456,649* |
| Lebanon | 908,839 | 187,976 | *8,282* | *62,116* | *8,282* | *830,158* |
| Other Arabs | 160,778 | 332,116 | *9,520* | *52,465* | | *98,793* |
| Total | 2,439,443 | 1,854,916 | *96,241* | *237,292* | *180,997* | *1,924,913* |

Note: *Figures in italic indicate estimated numbers.* "Pilgrim" is assumed only Islamic Shiites, "Christian Pilgrim" is included in "Culture", "Business & Others" of Turkey and Lebanon include excursionists and transit who do not stay even one night

Source: MOT, JICA Study Team

Figure 3.1.6 Trends by Purpose of Visit of Arrivals to Syria




Source: JICA Study Team

Although Syria is blessed with rich archaeological and cultural resources, the number of culture tourists is still small: one third of holiday tourists and only 4 percent of total frontier arrivals in 1995 according to this analysis. However, the numbers of both culture tourists and holiday tourists seem to be steadily increasing.

## 3.2 International Tourist Market and Syrian Tourism

### 3.2.1 International Tourist Market for Syria

Middle Eastern tourism in general lags behind the recent changes and improvements brought about in the international tourism marketplace. Syrian tourism is no exception. The simple fact that Syria abounds in world-class archaeological ruins and historical monuments does not necessarily guarantee her a position in the global tourist destination map. Modern tourism dictates tourist sites to be provided with a suite of facilities and services to ensure the comfort of tourists and to enhance their site visit experience, while there is almost none of such services made available in Syria at present.

The introduction of jumbo jets has brought revolutionary changes in the tourist market as well as the tourist industry. Syrian tourism has been smug in receiving a niche tourist market catering for a specialist interest such as antiquities. It is neither aware of a variety of larger market segments developing in the global tourism marketplace, nor eager to develop new tourist products to diversify its market potential.

Modern tourism has introduced the concept of "tourism product" in lieu of "tourist attraction" (e.g. archaeological ruins, historical monuments or scenic wonders) commonly used in the first half of the twentieth century. The concept of "tourism product" covers not only traditional tourist attractions, but also a much broader types of attractions and activities that are sometimes artificially created. Typical examples include theme parks, cultural festivals, soft adventure sports, casino and entertainment. Even hotels and resorts (e.g. nostalgic, but totally refurbished hotels or palaces such as Winter Palace, Luxor in Egypt or the Pera Palace in Turkey), means of transportation (e.g. Orient Express in Europe or Hijaz Railway ride in Jordan), and cuisine (e.g. gourmet tours) can motivate modern tourists to travel.

The use of the term "tourism product" therefore indicates a positive attitude toward the tourist market rather than a passive attitude that awaits for tourists being drawn to the "attraction." Thus product management and development are key elements of tourism development today. A thriving tourist industry at any tourist destination will not be sustainable unless it effectively manages the existing tourism products and stimulates the market with a flow of new attractions and ideas.

Modern tourism is also a fiercely competitive market. Tourist destination countries the world over are vying for patronage of the major tourist generating markets of Europe, the Americas and the East Asia, mobilizing every conceivable promotional means and exploring every available marketing channel. Syrian tourism and the Middle Eastern tourism for that matter are apparently left out of the mega tourist movement due to their lack of awareness to the global destination competition and their banal market approach. If Syrian tourism is to succeed, it cannot be left isolated from the ever-changing vista of the world tourist market.

### 3.2.2 Syria's Position in the International Marketplace

#### (1) Tourist Destination vis-à-vis Other Competitive Destinations

Modern marketing dictates an objective assessment of the product and its position in the global marketplace. The tourist destination as one form of tourism product is no exception to this universal formula.

Tourist destinations can be classified into four broad categories:

- tour circuit destination of historical and cultural monuments and ruins (e.g. Palmyra, Petra in Jordan, Luxor in Egypt);
- tour circuit destination of scenic and natural wonders (e.g. Wadi Rum in Jordan, the Sinai Valley in Egypt);
- beach holiday destination (e.g. Latakia, Aqaba in Jordan, Sharm el Sheik in Egypt); and
- urban tourism center destination (e.g. Damascus, Cairo in Egypt, Istanbul in Turkey).

There are, of course, various combinations of destinations. Rome would be a tour circuit destination of historical and cultural monuments as well as an urban tourism destination; Honolulu in Hawaii would be a beach holiday and urban tourism destination.

Syria as a whole may be classified as a tour circuit destination of historical and cultural monuments, although it has a small-scale beach holiday base in Latakia. Its internationally recognized tourism product is Palmyra, followed by Bosra or Crac des Chevaliers. Tour operators in the major tourist generating regions (Europe, Americas, East Asia) generally package Syria in combination with other nearby tourist destinations, notably Jordan and more recently Lebanon, as it recovers from the decades-old civil war. It is rare for Syria to be featured alone as one independent destination in their tour packages.

Table 3.2.1 examines the position of Syria compared with four other destinations in the region by various itemized criteria.

Table 3.2.1 Comparative Position of Syria Viewed by International Tour Operators

| | Stand-Alone Destination | | | Product Representation of Resources | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Destination Type | Recognition in World Market | | Archaeology | History | Folk-life | Culture | Natural Wonders | Beach Holiday | Health /Cure | Themed Attraction |
| Syria | culture tourism, & small beach base | limited for culture tourists | no | fair | weak | weak | weak | weak | weak | fair (GCC) | weak |
| Egypt | all-purpose tourism | established for general touists | yes | strong | strong | strong | strong | fair | strong | weak | strong |
| Jordan | culture tourism, & small beach base | limited for culture tourists | no | fair | weak | weak | fair | weak | fair | weak | weak |
| Lebanon (*1) | all- purpose tourism | established for general touists | yes | fair | strong | strong | fair | fair | strong | fair | strong |
| Syria, after the implementation of the recommended measures | | | | | | | | | | | |
| | all-purpose tourism | culture touists / general touists | yes / no | strong | strong | strong | strong | fair | fair | fair | fair |

Note: This evaluation shows only the current image held by average international tour operators.
*1: Assuming that all ongoing reconstruction / rehabilitation works are completed.
Source: JICA Study Team

It would be a futile exercise to predict the position of Syria among surrounding countries as they will certainly improve their own tourism sector. Extent of their development probably will vary depending on country. One thing, however, is certain. Without improving tourism sector in Syria in the broad direction indicated by this Study, Syria's position vis-à-vis surrounding countries will be weakened.

Syria is endowed with potential resources for historical, cultural, folk life, and health and curative tourism products. However, because of poor product presentation and lack of product development initiatives, its destination appeal in the world market has fallen behind that of the other three destinations. Lebanon, with their earnest effort of national rebuilding, is fast re-emerging as a full-fledged, all-purpose tourism destination, as it once was in the 1960s and 1970s before the civil war.

Policy makers and stake-holders in Syrian tourism should firmly identify and promote the positive features of Syria as a tourist destination. An effective market identification and approach can be devised only through an objective self-analysis of the product range. An objective assessment will also aid in the development of new products to complement shortcomings in the existing product range.

### (2) Tourism Product Development

Syrian tourism so far has been focused only on the early twentieth-century, rather obsolete concept of "tourist attraction," as briefly touched upon before. Out of several categories of "tourist attractions", Syria has been and still is relying heavily on "antiquities" as the highlight of its tourist image, with little effort to exploit the vast potentials that Syria has in many other fields of culture tourism (e.g. souq and its life and customs, old cities, old buildings, etc.).

The standard of access, physical management and presentation of the Syrian "antiquities" are generally well below those provided in the developed tourist destinations, and often betrays the expectation of today's discerning tourist. The EU program for eight major sites are expected to improve the situation.

For Syrian tourism to evolve from "antiquity-based tourism" of relatively smaller market to "culture tourism" of much larger market base, it is imperative for Syria to broaden its market appeal by developing a variety of attractive "tourism products" matching the taste and wants of the modern tourist.

To illustrate the point, some of the potential raw materials for new product development identified in Syria are listed in Table 3.2.2, and compared with the current product availability in Egypt and UAE (Dubai).

### (3) Overseas Tourism Promotion

Some 170 tourist destination countries of the world are said to be competing fiercely each other, mobilizing every conceivable promotional means and exploring every available marketing channel in order to secure a larger share of the global tourist market.

Compared to the activities and efforts of other tourist destinations, Syria's present promotional approach regrettably has to be assessed as old-fashioned and lukewarm at best. One-shot participation in travel fairs in the major markets makes little or no impact on the target market, especially in the travel trade, engulfed by the more aggressive and sophisticated approaches adopted by competitive destinations. There seems to be no repetitive promotional or sales mission to follow up the trade fair participation.

To illustrate the argument, Syria's position in the field of overseas tourism promotion is examined in Table 3.2.3, with the four other competitors in the region, Jordan, Lebanon, Egypt and UAE. The exercise confirms how poorly Syria performs compared with the others, due to the lack of awareness, know-how and resources for modern and sophisticated promotional activities that is needed in the development of modern tourism.

Table 3.2.2 Comparative Position of Syria in Tourism Product Development

| | Syria<br>Potentials not yet developed, as a tourism product | Egypt | Dubai |
|---|---|---|---|
| Sound and Light Show | - Palmyra<br>- Bosra<br>- Crac des Chevaliers<br>- Aleppo Citadel | - Giza Pyramids, Cairo<br>- Isis Temple, Aswan<br>- Carnak Temple, Luxor | |
| Historical Hotels or Old Buildings, renovated into Up-market Boutique Hotel | - Oriental Palace, Damascus<br>- Baron, Aleppo<br>- Zenobia, Palmyra<br>- Neglected Khans in Damascus / Aleppo | - Mena House Oberoi, Cairo (ex Ismail Pasha Palace)<br>- Old Winter Palace Hotel, Luxor<br>- Old Cataract Hotel, Aswan | - Hatta Fort Hotel, old fortress village in the mountain |
| Unique Local / Native Experiences | - Palmyra at Dawn / Sunset | - Giza Pyramid at Sunset, Cairo<br>- Abu Simbel Temple at Dawn, Aswan | - Camel Market Visit<br>- Traditional Dhow Building Yard Visit<br>- Moonlit Arabian BBQ under Bedouin Tent in Desert |
| Desert Experiences | - Palmyra Camel Trekking<br>- Palmyra Desert Camping<br>- Palmyra Jeep Safari | - Camel Trekking, Sinai<br>- Desert Camping, Sinai / West Oases<br>- Jeep Safari, Sinai<br>- Nature Trekking, Sinai | - Camel Caravan<br>- Dune Driving / Wadi Bashing<br>- Sand Skiing<br>- Camel Riding / Falconry |
| Water Cruises | - Arwad Island<br>- Euphrates River by traditional Syrian-style boat | - Nile Cruises (3-4 nights) in Luxury Floating Hotel Boats (variety of choices)<br>- River Outing in Traditional Sailboat "Felucca," Aswan<br>- Dinner / Sunset Cruise, Cairo | - Creek Cruise by purpose-built Traditional Dhow<br>- Creekside Park |
| Water Activities | - Latakia<br>(Activities now offered are much dated, and not up to world market standards.) | - Diving, Snorkeling<br>- Water Skiing<br>- Sailing<br>- Windsurfing<br>- Deepsea Fishing | - Diving, Snorkeling<br>- Water Skiing<br>- Sailing<br>- Windsurfing<br>- Deepsea Fishing<br>- Modern Marinas / Yacht Clubs<br>- Water Wonderland Park<br>- Jumeira Beach Park |
| Sports and Other Soft Adventure | | - Int'l Marathon of Egypt (Luxor)<br>- Int'l Angling Contest (Hurghada)<br>- National Bicycle Contest<br>- Arab Clay Pigeon Contest<br>- Underwater Photography (Sharm el Sheik)<br>- Pharaoh's Rally, etc. many others | - 5 World-class Golf Courses<br>- Go-carting<br>- Horse-riding<br>- Ice Skating<br>- Shooting / Archery<br>- Cycling / Jogging |
| Old Quarters renovated / converted into Tourism Products | - Damascus, Aleppo, Hama<br>(Current tourist utilization of Damascus / Aleppo Souqs is isolated and un-sophisticated, NOT meeting the expectations of modern international tourists ) | | - Bastakia Quarter (Al Fahid Fort converted into National Museum, Galleries, Boutiques)<br>- Deira Quarter Tourist Souq<br>- Bayt Al Wakil Historic Building (converted into Maritime Museum) |
| MICE (Meeting, Incentive, Convention and Exhibition ) | - Damascus International Fair Ground<br>- Conference Palace beside Ebla Cham Hotel in Damascus | - Cairo International Center of Conferences (Planned to be expanded) | - Dubai World Center (39-story business office tower, with world-class conference center / facilities) |

Source: JICA Study Team

Table 3.2.3 Comparative Position of Syria in Overseas Tourism Promotion

| Overseas Representation | National Carrier | Overseas Promotional Events / Campaigns | Efforts in other areas |
|---|---|---|---|
| **Syria** | | | |
| - Nil (Zero location) | - No apparent contribution by Syrian Airlines to enhance Syria's tourist image or destination promotion. | - One shot participation in travel fairs in major markets, making little impact, engulfed by the more aggressive approaches adopted by competitive destinations.<br>- No cohesive collaboration among MOT, Syrian Airlines, travel industry.<br>- No follow-up or repetitive after-sale contact at regular interval toward key operators of major markets. | |
| **Egypt** | | | |
| Europe: Athens, Frankfurt, Madrid, London, Stockholm, Paris, Rome, Vienna, Moscow<br>Americas: Montreal, Chicago, Los Angeles, New York<br>Africa: Johannesburg<br>Asia: Tokyo<br>(15 locations) | - Egyptian Air (MS) very active to promote Egypt's destination image.<br>- MS oversee offices also provide basic tourist information. | Jan: Int'l Cairo Marathon, World Travel & Tourism Market in Arab States<br>Feb: World Shooting Competition, Rising Sun Festival (Abu Simbel)<br>Apr: Tourist Festival, Peugeot Products, Int'l Fishing Competition (Hurghada)<br>May: National Fishing Festival, Int'l Festival of Documentary Films<br>Aug: Wafai el Nil Festival<br>Sep: Int'l Windsurfing Championship, Int'l Experimental Theater Festival, Int'l Film Festival, Int'l Tourist Festival<br>Oct: National Fishing Festival, Pharaoh's Rally, UN 50th Anniversary, Rising Sun Festival<br>Nov: Int'l Fishing Festival, Int'l Nile Rowing Competition, Int'l Cairo Film Festival | |
| **Jordan** | | | |
| - Nil. (Zero location) However, commercial or cultural attach at some Embassy locations acts as part-time tourism promotion officer (e.g. US, Japan) | - Royal Jordanian (RJ) very active to promote Jordan's destination image.<br>- RJ retains a folklore music and dance troupe and dispatches it to key markets in conjunction with Jordan Festival / Show. | - Royal Family creating very favorable image and enhancing Jordan's tourist profile.<br>- Trade, Cultural, Travel Fair and Show in Europe, often hosted by Queen Noor, accompanied by RJ music and dance troupe.<br>- Very high media exposure | - RJ holds air traffic right JPN (Kansai)-Jordan and retains off-line representative sales office in JPN, employing ex-JAL staff<br>- With the effort of above JPN rep office, RJ successfully operating peak-season charter flights Japan-Jordan, for tour packages covering not only Jordan, but also Syria and Egypt (Sinai), establishing Amman as one regional hub of JPN tourist distribution |

Table 3.2.3 Comparative Position of Syria in Overseas Tourism Promotion(Continued)

| Overseas Representation | National Carrier | Overseas Promotional Events / Campaigns | Efforts in other areas |
|---|---|---|---|
| Lebanon | | | |
| - London, Paris, Cairo, Jeddah and Baghdad (5 locations)<br>- Lebanese embassies and consulates also provide basic tourist information. | - Middle Eastern Airline (MEA) very active to promote Lebanon's destination image.<br>- MEA overseas offices also provide basic tourist information. | - Rehabilitation and reconstruction of Old Quarters / Tourist Souq.<br>- International Formula One Grand Prix Race 1998, invited at Al Hariri Beirut Circuit. | - New Modern Airport Terminal Complex scheduled to open in early 1998.<br>- Malaysian Airlines (MH) fly direct KL to Beirut and Malaysian visitors granted tourist visa upon arrival from May 1997. Similar facilitation planned for Japanese and Korean visitors very shortly. |
| Dubai | | | |
| Europe: London, Paris, Frankfurt, Rome, Moscow<br>Americas: Philadelphia, Los Angeles<br>Africa: Johannesburg<br>Asia: Tokyo, Hong Kong<br>(10 locations) | - Emirates (EK) very aggressive to promote Dubai destination sales.<br>- EK overseas offices also provide basic tourist information. | Feb: Dubai Tennis Open, Desert Classic Golf Open, Formula Powerboat Race, regular camel and horse races<br>Mar: DIMC Open Regatta, Dubai Shopping Festival, Dubai World Cup (horse racing), regular horse races<br>Apr: Muscat Sailing Race, Offshore Powerboat Race, Dhow Sailing Race - 43ft, ME Int'l Boat Show, regular camel / horse races<br>May: Laser Sailing Race, Formula S2000 Race, Arabian Travel Mart, Dhow Sailing Race - 60ft,<br>Oct: Asian PGA Golf, Formula 4 Powerboat Race, regular horse races<br>Nov: Formula 4 Powerboat Grand prix, Dubai International Sevens (Rugby), Jet Ski Championship, Desert Challenge Rally, Dubai Int'l Rally, Aviation Cup Tennis, ME Int'l Motor Show, Dubai Int'l Air Show, regular horse races<br>Dec: Dubai Duty Free Golf World Cup, Gulf News 4WD Fun Drive, National Day Camel Races, regular horse races | - Tourist-friendly "14-day Transit Visa System" at a cost (US$60), easily obtain-able through hotels and tour operators that visitors intend to use. |

Source: JICA Study Team

## (4) Market Exposure

Tour catalogues of the leading tour operators in the four major package tourist generating markets of France, Germany, the UK and Japan were examined to identify the comparative exposures of Syria in the international tourist market. Table 3.2.4. summarizes the number of pages devoted to Syria in these catalogues in comparison with those for other competitive destinations in the Middle East and East Mediterranean Regions.

Egypt holds a dominant position in all four markets with 52 pages, followed by Turkey with 38 pages, and UAE with 22.5 pages. The pages for these three destinations exceed by far those allocated to Syria (5 pages) and Jordan (8 pages). This situation indicates that Egypt, Turkey and UAE are recognized as established, all-purpose tourist destinations in the world market; they contain a variety of attractions and products that appeal not only to the culture tourism market, but also to many other categories of the special-interest market (e.g. "themed" tour circuits, desert soft adventures, meetings and conventions, etc.) and ultimately to the mass, general-interest tourist market.

Attention is drawn to the pages dedicated to Lebanon, which is definitely on the increase.

Lebanon in the '60s and '70s was one of the major tourist destinations in the region. Tourist generating markets, notably of Europe, remember the heyday of tourism in Lebanon and are prepared to return. Even in the Japanese market, Lebanon is featured as a "stand-alone" independent destination because of pent-up curiosity about the long sealed-off sites such as Baalbek. Ongoing vigorous effort of national rebuilding and rehabilitation will no doubt contribute to the re-emergence of Lebanon as one of the favored destination in the region.

The rather high profile given to UAE in the European and Japanese catalogues demonstrates the efforts of tour operators to introduce new destinations and products to stimulate the interest of potential holiday tourists. It also reflects a successful destination marketing approach deployed by UAE aimed at European and Japanese buyers (i.e. tour operators).

Table 3.2.4 Exposure of Syrian Tour Packages in Major Markets

| | Syria | Jordan | Lebanon | Egypt | Turkey | UAE |
|---|---|---|---|---|---|---|
| France (AF, JET TOURS) | 4.5 | 4.5 | 1.0 | 17.0 | 15.0 | 0 |
| Germany (DER Tour) | 0 | 2.0 | 0 | 9.0 | 6.0 | 19.0 |
| UK (BA, Holidays) | 0 | 0.5 | 0 | 10.0 | 8.0 | 3.0 |
| Japan (JTB, LOOK Tour) | 0.5 | 1.0 | 0.5 | 16.0 | 9.0 | 0.5 |
| Total | 5.0 | 8.0 | 1.5 | 52.0 | 38.0 | 22.5 |

Note: As for Turkey, separate brochures are provided in France, Germany and the UK.
source: JICA Study Team

### (5) Package Tour Pricing

Tour pricing is one of the most important factors in attracting prospective tourists to choose one particular destination out of many other competitive destinations presented in the package tour catalogues. Again, the tour catalogues of the leading tour operators in the four major package tourist generating markets of France, Germany, the UK, and Japan have been examined, in order to identify the comparative position of Syrian packages vis-à-vis other competitive destinations in the region.

Table 3.2.5. summarizes the result of examination. Two representative tour operators are selected in each source market: the one mainly catering to mass, general tourist market and the other specializing for smaller, culture tourism market. Care has been exercised to choose a median price package for Egypt and Turkey, where many offerings are available from high end to low end, while for Syria and Jordan there usually is one offering with one price due to the smaller size of market.

Allowance has to be made to the fact that the shorter the distance to the market, the cheaper the tour price becomes (because a fair portion of the tour price consists of air fare), hence Turkish packages from EU markets are often cheaper than Egypt and much cheaper than Syria or Jordan.

Out of the four destinations in the region, Syrian package prices are generally the most expensive in most markets, with a very few exception (e.g. British Museum Tour).

From EU markets, there is no great difference in air mileage to Syria, Jordan or Egypt. Yet Egyptian packages are offered 20 to 40 percent cheaper than Syrian or Jordan packages, which testifies that Egypt is an established destination catering the mass, general tourist market consisting of a diversity of travel motivation.

Table 3.2.5 Comparative Position of Syria in Package Tour Pricing

| Tour Operator | Syria | Jordan | Egypt | Turkey |
|---|---|---|---|---|
| Studiosus, Germany (Culture Tourism Specialist) | 10 nights 11 days DM3,570 | 7 nights 8 days DM3,090 | 8 nights 9 days DM2,960 | 8 nights 9 days DM1,770 |
| Deutsches Reisebuto, DER, Germany (General Tourism Operator) | No Package Tour Programmed | 7 nights 8 days DM2,660 | 7 nights 8 days DM1,990 | 7 nights 8 days DM1,045 |
| Jet Tours, France (General Tourism Operator) | 11 nights 13 days F13,800 | 9 nights 9 days F10,950 | 7 nights 8 days F6,990 | 7 nights 8 days F3,650 |
| | Syria / Jordan Combination 12 nights 14 days F15,980 | | | |
| Procure Terre Orient, France (Religious Pilgrim Specialist) | 11 nights 12 days F11,750 | 8 nights 9 days F9,500 | No Package Tour Programmed | 8 nights 9 days F5,750 |
| British Airways Holidays, UK (General Tourism Operator) | No Package Tour Programmed | 10 nights 11 days £1,049 | 7 nights 8 days £400 / 750 | 7 nights 8 days £400 / 650 |
| British Museum Tour, UK (Cultural Tourism Specialist) | 9 nights 10 days £1,495 | 8 nights 9 days £1,595 | No Package Tour Programmed | 8 nights 9 days £995 |
| JTB LOOK Tour, Japan (General Tourism Operator) | 5 nights 9 days ¥338,000 | | 6 nights 8 days ¥328,000 | 6 nights 8 days ¥258,000 |
| | 8 nights 11 days Syria, Lebanon, Jordan Combined ¥440,000 | | | |
| Global Culture Tour, Japan (Culture Tourism Operator) | 9 nights 11 days Syria, Jordan Combined ¥398,000 | | 5 nights 8 days ¥318,000 | 6 nights 8 days ¥298,000 |

DM: Deutsche Mark £: the UK Pound F: French Franc ¥: Japanese Yen
source: JICA Study Team

## (6) How the Market Views Syria

Tour operators has played and will continue to play the key role in the development of modern tourism. They activate an awareness of destination in the market, program the packages, market and hard-sell the product, and ultimately help develop a new flow of tourists to a particular destination. In this sense, it is no exaggeration to say that successful destination development can be achieved only with close collaboration with the tour operators in the source market.

Bearing in mind the importance of tour operator's role, an in-depth interview survey was conducted with the eight operators in the four major OECD countries. Two representative operators were selected in each country, so that the one covers for the mass, general interest market and the other for special interest market such as culture tourism.

The typical issues raised by most of the operators interviewed include:

- Pervasive negative perception toward Syria, linked with images of terrorism;
- Little awareness of Syria as a desirable destination in the tourist generating market;
- Absence of awareness for competition on the Syrian side (fierce competition among tourist destination countries vying for a greater share of the world tourist market); and
- Acute hotel shortage in major locations (especially in peak season), aggravated by limited choice of hotel category and high seasonality.

Various comments obtained from the eight operators are summarized in Table 3.2.6, according to the major issues raised during the course of the individual interview. Comments and observations of the travel experts directly involved in the destination development clearly indicate the immediate issues that need to be addressed if Syrian tourism is to develop and to expand.

## Table 3.2.6 Summary of Comments by Tour Operators in Four Major OECD Markets

| | Tourist Perception | Market's Knowledge/Awareness | Syrian Side's Awareness of Competition | Pricing | Hotel | Seasonality | Beach Holiday Potential | Tourist Support Facilities | Others |
|---|---|---|---|---|---|---|---|---|---|
| Deutsches Reiseburo, DER, Germany (General Tourism Operator) | - Sensitive to political stability in M/E.<br>- Depend on int'l media portrayal.<br>- Jordan least sensitive | - Market (customer / travel trade) not aware of Syria<br>- For Syrian tourism to expand, this situation must change. | | | | | - Can be an add-on feature.<br>- Basically unknown and perceived as being undeveloped. | | - DER has no Syria package now.<br>- New destination, to be combined with Jordan. |
| Studiosus, Germany (Culture Tourism Specialist ) | - Bad reputation (mostly undeserved).<br>- Poor market perception must change.<br>- Jordan least sensitive. | - "Is there any promotion overseas?"<br>- MOT brochures don't sell Syria.<br>- Hire professional marketing agency to avoid expensive mistakes (time / money). | - None.<br>- Studiosus offers longer-distance packages to India, Thailand , Mexico more cheaply than Syria | - Extremely expensive destination.<br>- Dual exchange system is the reason. (misunderstanding NOT YET rectified due to lack of Syrian side publicity efforts.) | - Hotels/restaurants underdeveloped.<br>- 5-star hotels "run-down."<br>- Two Aleppo hotels "catastrophe."<br>- New hotel development desperately needed. | - Bottleneck, especially in Palmyra. | - Can be an add-on feature.<br>- Not well known. | - Syria has yet to acquire infrastructure and know-how to market and operate as a successful tourist destination.<br>- Lack of good way-side establishments. | - Advantages "most unspoiled country and incredibly friendly people."<br>- Contradicting the image of "unsafe, terrorist state, under police control." |
| Jet Tours, France (General Tourism Operator) | - Linked with images of terrorism.<br>- Jordan's perception much better.<br>- It is up to Syria to change the way they perceived. | - Retail travel agents know much more about Jordan than Syria.<br>- Need to educate the travel trade. | - Syria must not forget price competition within the marketplace.<br>- Jordan uses Petra very effectively to increase tourist image. | - Far more expensive (hotel and ground cost) than Jordan | - Polarized between good 5-star and very bad 3-star, no satisfactory intermediate.<br>- Severe capacity / lack of choice needs to be addressed. | - Very high seasonality aggravates hotel capacity problem further. | | | - Hospitality major advantage over the neighbors. |
| Procure Terre Orient, France (Religious Pilgrimage Specialist) | - Less security threat than a few years ago.<br>- Terrorism-linked perception is gone.<br>- An impression persists of heavily controlled state. | - Greater awareness, market image needed<br>- Limited overseas promotion.<br>- High standard of Syrian hospitality not known to the buying public | - Syria needs to compete with other destinations in terms of value for money, both in/ outside M/E. | - More expensive than Jordan. | - Hotel capacity is major limiting factor.<br>- Palmyra bottleneck.<br>- New hotel project in Palmyra seemingly restricted. | - Extreme seasonality worsens the problem.<br>- Why do not try to extend the season. | - By nature of pilgrimage specialist, the operator not interested in beach holiday. | - Touring route not well kept (many potholes in roads).<br>- Why mobile phones not allowed?<br>- Jordan is the best in the region, with comfort and quality of services. | - High standard of hospitality.<br>- Doubt if the same hospitality survives, as volume increases. |
| British Airways Holidays, UK (General Tourism Operator) | - General M/E perception with political / security troubles.<br>- Lack of tourist office a constraint, and reinforces negative perception. | - Little market awareness.<br>- Need 5 years to become a " touring product " comparable to Jordan<br>- Comparable destinations to Syria now is Yemen, Iran or Lebanon. | - BA seeks joint marketing efforts with Syria MOT.<br>- Combined marketing not only save cost but also create a positive perception toward Syria within the market. | | | | - Perceived as lacking suitable coastline.<br>- Believed to be undeveloped, not particularly attractive. | - Level of developed tourist infrastructure not comparable to Egypt / Jordan. | - No Syria package now.<br>- BA plans Syria/Jordan program for 1998 (10 departures a year, 26 pax each = 260 tourists total)<br>- Advantage: Syria's lack of internal strife, Jordan perceived more stable. |
| British Museum Tour, UK (Cultural Tourism Specialist) | - Depends on general ME political situation.<br>- "Safe feel " exists, but it is not known. Syria must try to convey this advantage by promotional effort. | - Average man in the street may not know even Palmyra.<br>- "What do Syria do?" Vacuum of Syrian promotion. Trade education needed.<br>- Efforts needed to create a desirable market image | - Syria is not simply competing regionally, but globally for the tourist dollar.<br>- Ease of access better in Jordan (charter flights). Syrian Air flies too indirect and takes too long. | - Tipping to guides becoming problem (greedy guides). | - Existing hotels reaching capacity.<br>- Growth limited by inability to satisfactorily accommodate demand.<br>- 4-star lowest acceptable, comparable to international 2 / 3 star. | | - General market not aware Mediterranean coastline exists south of Turkey, so Syria not considered as a beach holiday destination. | - Poor site facilities / resthouse. Most signs Arabic/French and few English<br>- Few mini-coaches for smaller -size tour groups<br>- Hygiene major concern (toilets, restaurants) | - More genuinely friendly than Jordan. |
| JTB LOOK Tour, Japan (General Tourism Operator) | - Japanese public is generally free from negative perception by Western media, singling out Syria<br>- Yet, whole M/E region perceived as politically insecure. | - Niche market for archaeology/culture tourists. | | - Lack of Japanese-speaking guides obliges Japanese operators send Japanese-speaking escort/guide from Japan. This makes Syrian package more expensive than, e.g., Egyptian tours. | - Difficulty in securing Palmyra rooms. | | - M/E will never be perceived as beach holiday location for Japanese market. | - Dated airport<br>- Onerous visa acquisition (time- consuming)<br>- Lack of investment from abroad<br>- Poor road in some area | - Lack of direct flight from Japan.<br>- Jordan becoming regional hub by charter flights Japan/ Amman in Japanese peak tourist season. |
| Travel Sekai Tour, Japan (M / E and Culture Tourism Operator) | - Japanese public least influenced by negative perception. (proven by the fact that packages to Iraq, Iran successfully operating.<br>- Yet, stability of whole ME crucial (no terrorism)<br>- Syria alone is free from incidents is of no help. | - Only known to niche repeat tourists keen on archaeology/ culture.<br>- If Syria wants to emulate Egypt and tap broader market base of general culture tourists, need large-scale promotion to build up destination image. | - No market presentation at all. | Lack of Japanese- speaking guides, causing the same problem as above. | - Bottleneck of Palmyra - only one large hotel suitable for foreign tourists. | | - As culture tourism specialist, no interest in beach holiday potential. | | - Lack of direct flight from Japan.<br>- Malaysia now flies Kuala Lumpur/Beirut direct with Japan connection, making Lebanon more accessible than Syria. |

Source: JICA Study Team

### 3.2.3 Comparative Tourism Potential by Key Market Segments

In the interest of understanding the critical differences between the different types or segments of visitors to Syria, this section presents in a summary form a comparison of Syria's strengths and weaknesses for each segment of visitors, and a determination of the economic potential each holds for Syria. A general comparison of segments is presented, followed by a brief review of each segment that highlights key issues in favor or against each segment with regard to economic potential.

#### (1) Comparison of Segments

Table 3.2.7 presents characteristics of foreign and Arab market segments and examines aspects of Syria's competitiveness for each segment. This table synthesizes much of the qualitative analysis contained in earlier sections of this chapter. At the foot of each column appears a determination as to future economic potential for the segment for Syria. Unfortunately, exact arrivals statistics for each segment are not readily available, which signals a very serious data gap.

The key groupings are the geographic origin ones appearing at the top of the table; the OECD and GCC categories are the highest income sources for visitors, and they appear first. The different segments of visitors are identified in the second row; they reflect fundamentally different motives or purposes for travel, and are directly related to the geographic groupings at the top of the table. For completeness, the segments of Arab holiday, merchandise buyers, Moslem pilgrims, and transit traffic (on which this Study will not focus) have been included in this comparison; these segments together make up an unknown but very major part of the statistics of 2 million arrivals. Irrelevant visitor segments including diplomatic, official and immigrant arrivals are not considered.

#### (2) Potential of Specific Segments

##### a. OECD Countries

The segments originating from OECD and GCC countries appear along the left of the table. The high spending power of visitors from these areas is the critical factor in its high economic potential. Regarding OECD arrivals, a related factor (not shown) is the doubling of OECD arrivals during the period 1990-95 to reach a level of over 127,000 visitors in 1996 (all OECD segments combined). To maintain the momentum of strong growth, it will be necessary for Syria to implement a strategy to attract a broader cultural market than the present one that is interested primarily in ancient sites. The beach holiday segment is indicated as a possible future segment, even though presently it is insignificant in volume, and cannot be easily distinguished from today's cultural market. Its potential is judged to be quite limited, and it is assigned a low economic potential.

The Japanese market, a part of the OECD market, is still a minuscule one compared with the European market for Syria. Its growth potential however is judged substantial considering its characteristics and fact that Syria as a destination is hardly known there to date. Characteristics of Japanese tourists are presented in Appendix A3 for reference.

##### b. GCC Countries

The Arab holiday segment from the GCC countries, while representing substantial economic earnings, has an uncertain outlook because of the competitive effect of Lebanon which is finally re-establishing its position as a tourist destination, and will like Syria be offering both seaside as well as mountain resort capacity, as it did before its civil war. MOT will need to implement a strategy to safeguard its business and enact a competitive response as Lebanon attracts more Arab tourism. It is assigned a fair economic potential.

c. All Countries

The segments derived from "all countries" respond to factors largely beyond the control of MOT. The strength of the business segment is generally related to the openness of Syria's economy and her overall business environment; it is not related to tourist attractions. The lucrative MICE market is currently quite limited, but can be actively promoted as the Syrian economy develops more business links with foreign companies and international agencies. It is assigned a high economic potential. To develop the potential of this segment, MOT will need to create a formal meetings and conventions promotional organ with the local hotels or tourism association. The segment of friends & relatives is a function of the wealth of Syria's Diaspora and the strength of family ties. It is assigned fair economic potential.

d. Lebanon & Jordan

The arrivals from Lebanon and Jordan are heavily dominant; however, in the statistics it is not possible to separate the transit traffic from the excursionists and visitor volume. Nonetheless, the visitor traffic is significant, especially as Damascus becomes an increasingly popular weekend destination for Beirut and Amman. Damascus enjoys the unique privilege of being the only major city within easy reach of these national capital cities. The outlook for this type of tourism is good, and overall economic potential is fair.

e. Eastern Europe

Of great importance to Aleppo's travel industry is the segment of tradesmen and buyers from Russia and Eastern European nations buying merchandise and apparel for export abroad. This is not tourism but rather is a form of Syria's international trade. Aleppo's tourist industry complains of a decline in this type of business, so its outlook is designated as only fair and future economic potential low. This situation is a signal to MOT and to the Ministry of Economy that remedial measures will be needed to reverse this decline in export activity.

f. Iran, Lebanon - Pilgrims

The segment of Moslem pilgrims consists of visitors from Iran, with a smaller number from Lebanon. Average spending per day per pilgrim is reported to be quite low. It is assigned low economic potential since it represents a special form of religious tourism which in the case of Iranian pilgrims, is managed by government accords.

g. Lebanon, Jordan, Turkey - Transit

Transit traffic is also assigned a low economic potential because of the brief length of stay (less than one day normally) and minimal expenditure that it represents by definition.

Table 3.2.7 Potential Foreign & Arab Market Segments Compared

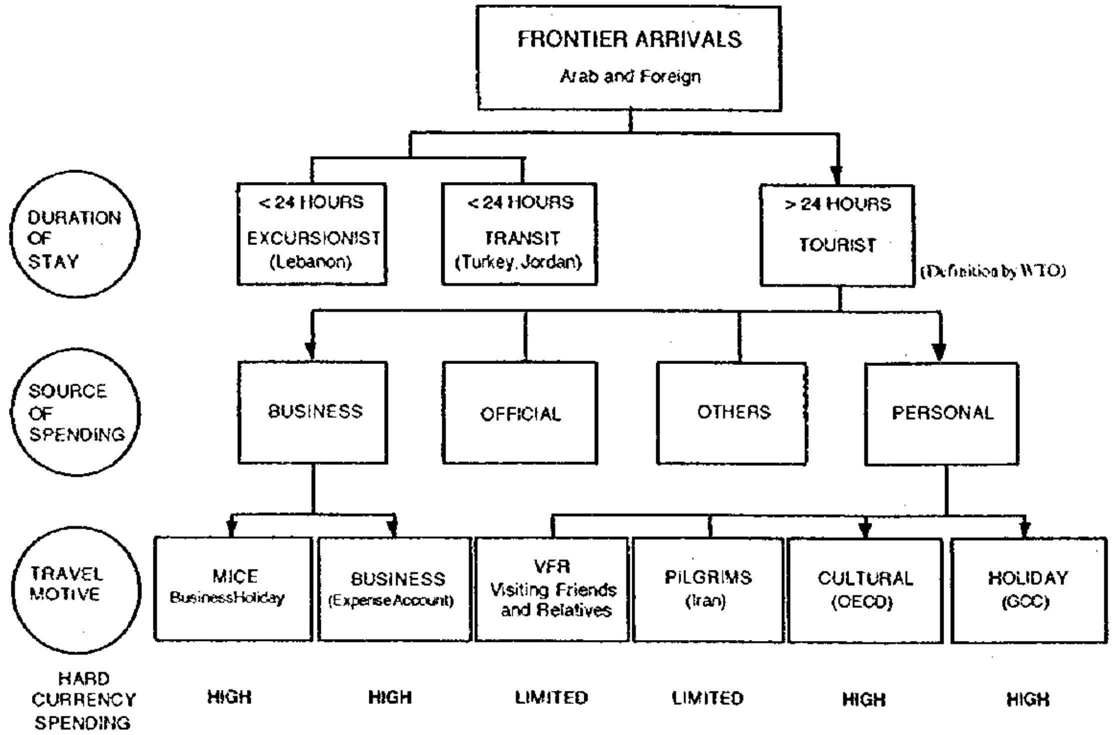
| Origin | OECD Countries | GCC Countries | All Countries | | |
|---|---|---|---|---|---|
| Segment | cultural | beach holiday | Arab holiday | business | MICE |
| Typical length of stay in Syria | 4-8 days on package tour | 7 days | 30-60 days | not known | 3-5 days |
| Estimate of 1995 arrivals | under 70,000 | under 5,000 | under 115,000 | not available | not available |
| Syria's key attractions | antiquities, Arab culture, shopping | beach resort areas | cool summer climate, scenery | business opportunities | meeting facilities |
| Competing nations | Jordan, Turkey Egypt | Egypt, Turkey, Greece, Cyprus | Lebanon, Jordan, Egypt | not relevant | Middle East nations |
| Competitive strengths | ancient sites, old cities, shopping | proximity of ancient sites to coast (castles) | cool, scenic highlands | not relevant | ancient sites, old cities, shopping |
| Competitive weaknesses | poor image of Syria in OECD | unattractive resort areas, water pollution | dull night life | not relevant | limited local market for meetings & events |
| Segment's spending power (high /fair /low) | high per usage of hotel/tour services (often $100/day) | high per usage of hotel/tour services | high per long stay, large party size - 10 person families | all levels | high per usage of lodging, meeting services (typically $100 per day) |
| Key recent factors | increased flows from Jordan, Lebanon, Egypt | reopening of Lebanon to tourism | danger of market loss with reopening of Lebanon | general opening of Syrian economy | growing participation of Syria in regional, world agencies |
| Outlook (good /fair /uncertain) | good | uncertain per limited potential | uncertain per rising Lebanese competition | fair | fair |
| Economic potential | high | low | fair | fair | high |

| Origin | All Countries | Lebanon & Jordan | Eastern Europe | Iran | Lebanon, Jordan Turkey |
|---|---|---|---|---|---|
| Segment | friends & relatives | short visit | buyers | Moslem pilgrims | transit |
| Typical length of stay in Syria | not known | 1-2 days | 3-5 days | not known | less than one day |
| Estimate of 1995 arrivals | not available | not available | not available | possibly 190,000 | not available |
| Syria's key attractions | family ties in Syria of overseas Syrians | business ties, entertainment, shopping, family ties | Aleppo's variety-affordability of merchandise | holy shrines in Damascus vicinity | not applicable |
| Competing nations | not relevant | none | Istanbul, Dubai | none | not applicable |
| Competitive strengths | not relevant | good shopping, affordably priced entertainment | low cost of doing business in Aleppo | holiest Shiite sites outside of Mecca, Medina, Jerusalem | not applicable |
| Competitive weaknesses | not relevant | border congestion at peaks times | growing regional competition | Iraq | not applicable |
| Segment's spending power (high /fair /low) | low to moderate per home stay | all levels | low to moderate | low | low |
| Key recent factors | reopening of Lebanon to tourism | improvements to Amman, Beirut highways & to border | visa restrictions on young female visitors | shrine upgrading, opening of Iran | none |
| Outlook (good /fair /uncertain) | good | good per rising tourism in Jordan & Lebanon | fair | good | good |
| Economic potential | fair | fair | low | low | low |

Note: Estimates of 1995 visitor arrivals by segment are inexact and shown for indicative purposes only.

Source: JICA Study Team

Figure 3.2.1 Diagram of Terminology




Source: WTO, JICA Study Team

## 3.3 Tourist Characteristics

### 3.3.1 Tourist Interviews

The Study Team conducted a marketing survey interviewing more than 1,200 foreign tourists to Syria comprising various nationalities: French, Italian, German, American, South African, etc. including some Arab nationalities. The summary of the results is shown in Appendix A3.3 in Volume III.

Figure 3.3.1, showing the results of the tourist interview survey, indicates the percentages of tourists who rated various items as "good." However, one should discount the results by as much as 50 percent, as people ordinarily are polite in answering questions asked by host country people in the host country.

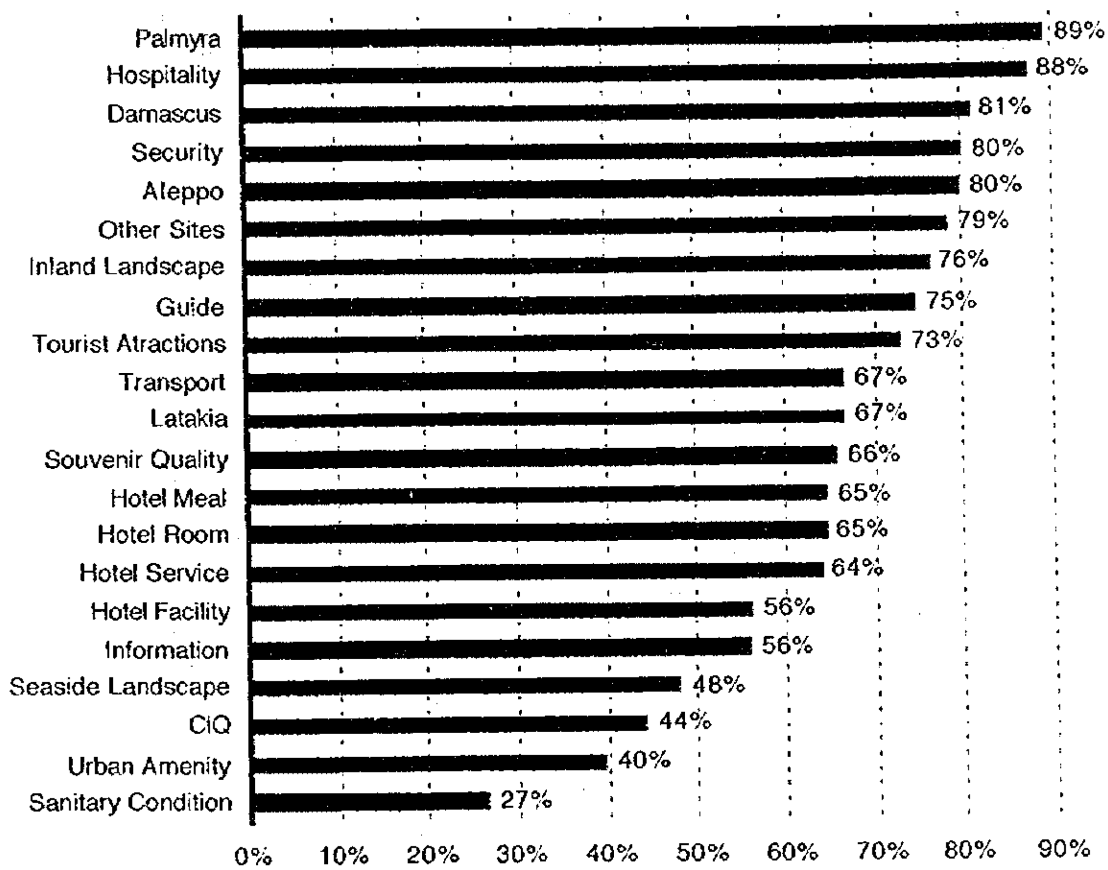
"Palmyra", "Hospitality", "Damascus" and "Security" were rated highest. On the other hand, "Sanitary Conditions", "Urban Amenity" and "Custom Immigration and Quarantine (CIQ)" were rated lowest.

"Palmyra", "Damascus" and "Aleppo" were rated high. It means that cultural resources in Syrian tourism can attract a good number of international tourists to Syria. Syrian potential for cultural tourism can be considered high, but seaside or mountain holiday tourism in Syria can not be highly popular among international tourists judging from the low rank of "Seaside landscape" and "Latakia".

Tourist services such as "Information", "Hotel Facility" and "Souvenir Quality" were not rated high. "Sanitary Conditions" and "Urban Amenity" also rated low. These results shows that software parts including services need further improvement to attract international tourists.

It is important to improve Syria's tourism supply considering how it is viewed by international tourists. What international tourists are indicating is that Syria offer falls short of what modern tourism require.

Figure 3.3.1 Percentages of Tourists who Rated "Good" for




Source: JICA Marketing Survey

### 3.3.2 Package Tours

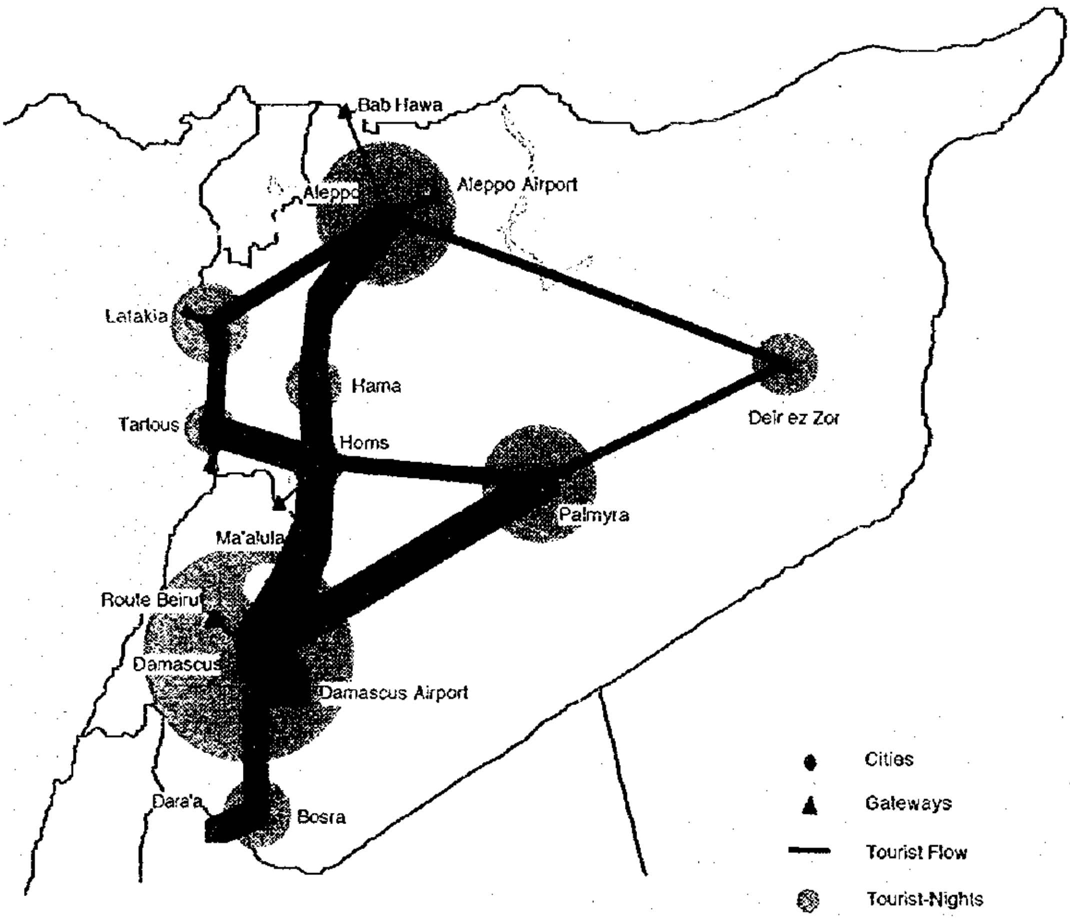
The Study Team obtained from MOT a set of extensive data on package tours conducted in the whole year of 1996 and analyzed them in order to identify actual characteristics of package tours. The number of sample package tours is 3,881 and the number of tourists who traveled using these tours is 99,265. More than 90 percent of the tourists are from OECD countries. Results of the data analysis are summarized in Appendix A3.3 in Volume III. Major findings of the analysis are as follows:

- Volumes of package tourist flows on the major tour routes are much larger than tourist flow volumes on other tour routes; and
- Some country-specific tendencies are apparent. Japanese package tourists for example

stay in Palmyra longer than Aleppo, though other package tourists clearly show otherwise. The average lengths of stay of Japanese and French package tourists in Syria are shorter than the overall average length of stay. Italian package tourists stay longer in Syria and are more likely to stay in Hama and Deir ez Zor than other package tourists. German package tourists are likely to travel on the Aleppo - Latakia tour route.

Figure 3.3.2 shows itinerary made by package tourists in 1996. The existence of Figure 8-Shaped Circuit and Tourism Cores were identified. In this analysis, the tourist flow on each tour route was obtained by calculating the number of package tourists who moved between cities and towns on the tour route. Despite the fact that the data only show itinerary in terms of lodging places, and therefore do not show places of visits without lodging, overall characteristics of package tourists revealed by this analysis are adequately informative about actual package tourist movements. Flows of individual tourists may somehow differ from the flows of package tourists.

Figure 3.3.2 Package Tour Itinerary and Places of Stay




Source: MOT, 1996

## 3.4 Domestic Tourists

Major domestic tourism activities in Syria are recognized as follows:

- beach and mountain holidays in summer (Tartous, Latakia, Zabadani, Kassab, Suleifeh, etc.); and
- visiting nearby holiday sites on weekends (Zabadani, Bludan, etc.).

In addition, following activities of one day trip are considered as a part of domestic tourism:

- picnicking to the outskirts of cities on weekends (Zabadani, Bludan, Gouta, etc.);
- visiting cultural sites nearby (museums, theaters, cultural centers, etc.); and
- visiting recreation or amusement parks.

These activities are important and should be encouraged in terms of welfare, culture, education and recreation of the Syrian people. However, domestic cultural tourism is rather limited in its distance and duration. It is necessary to promote more domestic cultural tourism in order to fill the gap made by high seasonality.

# 4 TOURISM SUPPLY

## 4.1 Tourism Zones

For the analysis of the tourism supply in Syria, the country is divided into the following eight tourism zones with due consideration to the distribution of resources, their relative location, nature of the tourism, and existing and likely future tour circuit routes:

1. Damascus Zone;
2. Aleppo Zone;
3. Coastal Zone;
4. Homs and Hama Zone;
5. Palmyra Zone;
6. Euphrates Zone;
7. Northeast Zone; and
8. South Zone.

## 4.2 Tourism Resources

### 4.2.1 Current Conditions

Figure 4.2.1 to 4.2.4 shows locations of major holiday and natural resources, cultural sites and religious sites in Syria.

Tables 4.2.1, 4.2.2 and 4.2.3 are also presented, summarizing the current conditions, main threats and the implications for the Tourism Development Plan. Details are described in Appendix A4.2 in Volume III.

### 4.2.2 Capacity Constraints

#### (1) Natural Resources

The resorts in the coastal and mountain areas handle mainly Syrian and Arab holiday tourists, and the season is concentrated during June-September with July-August being the peak. Much of the hotel and flats capacity remains empty for the remainder of the year, with many chalets closing for all but these summer months. In recent years the private sector has funded the construction of thousands of rooms of capacity in these areas.

#### (2) Ancient Sites and Museums

There is no evidence of significant congestion of visitor volumes or of their vehicles at any sites in Syria. The sites containing the Crusader castles, the monuments at Palmyra, the St. Simeon, and other key sites seldom receive crowds, outside of Fridays when many local citizens will visit and picnic. The festivals at Palmyra and Bosra create heavy traffic for those special events. At Palmyra, there is a highly peaked visitor season, with the volume in the two months of March and April reaching 40 to 50 percent of the annual total. Some crowd management techniques may become needed in the short run such as issuing groups with entrance times or dispersing them on different touring routes.

(3) Old Cities of Damascus and Aleppo

In these old neighborhoods, there often is crowding on the main streets such as Straight Street with the unsafe mingling of motor and foot traffic. There is intense auto traffic and pedestrian congestion at the Damascus Citadel-Souq Hamidiye entrance and also heavy foot traffic inside this Souq for much of the business day. The reported annual hotel occupancies are quite low in Syria, suggesting that there are few periods of short supply, although Aleppo with their higher occupancy, are somewhat of an exception. As regards public parking, in these old cities it is definitely in short supply for private vehicles as well as for buses.

### 4.2.3 New Developments

Table 4.2.4 summarizes new developments affecting the different types of tourism resources. Just as the resources are very different in nature, the developments described are also very different in nature, involving the intervention of many different organizations.

(1) Natural Resources

Part of the problem that ancient sites suffer from is that of abuses from visitors picnicking among the ruins. This problem may be partially alleviated once protected areas are set up around the country that Syrians can use for recreational purposes. The dam development along the Euphrates River is also creating new recreational and sightseeing opportunities in the north of the country.

(2) Ancient Sites and Museums

Excavations continue at various locations around the country revealing more ancient structures and raising the interest levels of the sites for cultural tourism. A team of Japanese experts is assisting DGAM in the excavation of an underground tomb in Palmyra, for example. It is important that the DGAM continue this valuable work in the vital interest of science as well as of tourism. Similarly, the French cultural authorities are currently assisting with improvements at three museums. A new archeological institute is now being set up in Damascus with sponsorship from Denmark. The upcoming EU program will set up visitor orientation centers and provide urgently needed interpretive information at the sites of Bosra, Palmyra, St. Simeon, Ugarit, Crac des Chevaliers and Ma'alula.

(3) Old Cities of Damascus and Aleppo

Old Damascus

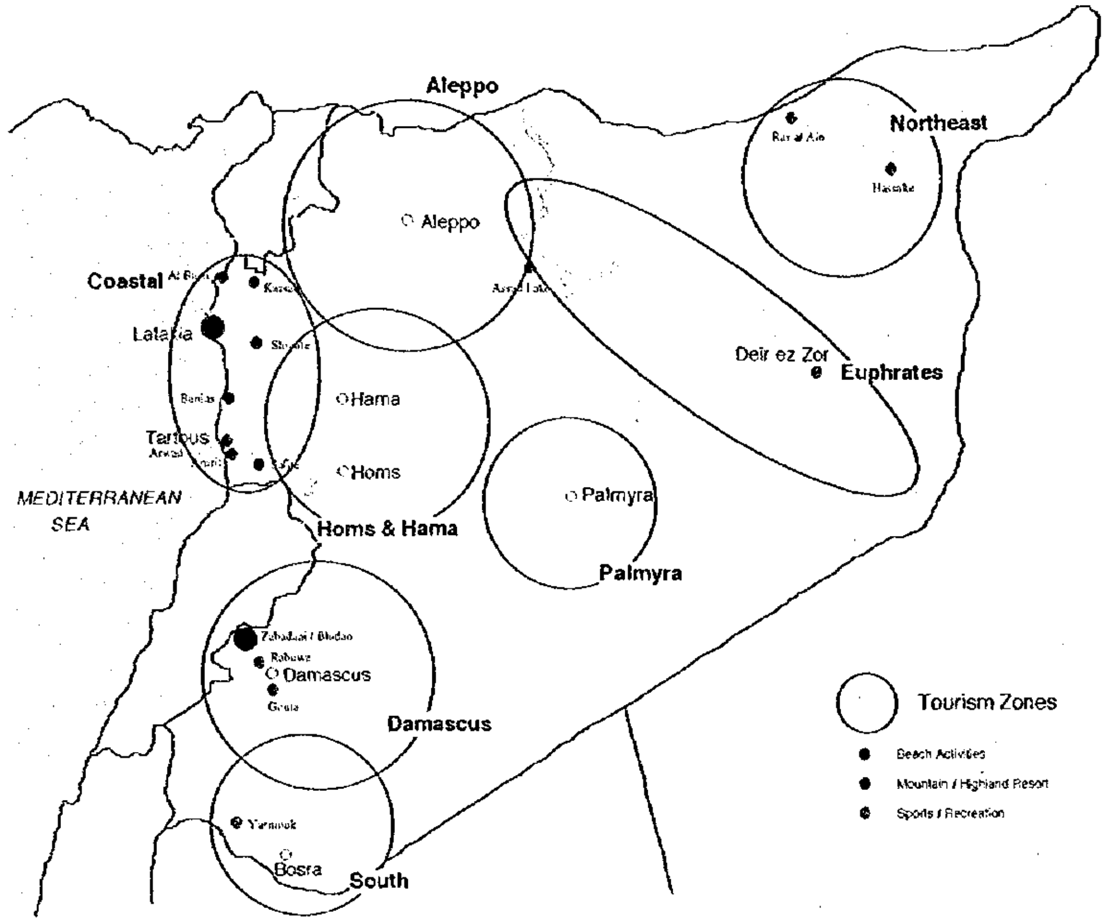
Several government bodies and NGOs are involved in the efforts to improve the old sections of Damascus. As indicated in Table 4.2.4, some development efforts are under way to improve planning in the city of Damascus. However, it seems unlikely that these planning efforts and urban management techniques can reverse the trend of decay in the old city.

Old Aleppo

The main new development for central Aleppo is the vacant lot east of the clock tower. The

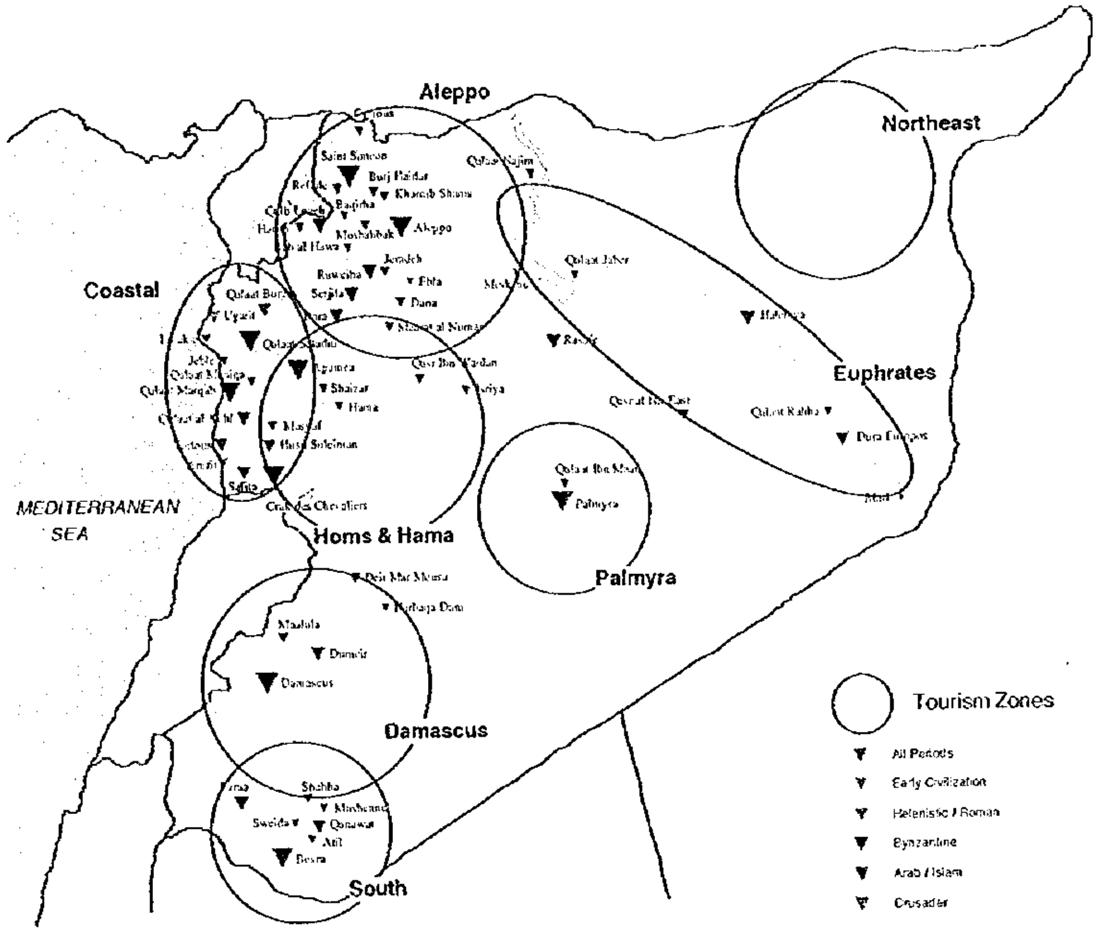
Rehabilitation Project is funding some focused neighborhood improvements at points in the walled city. The EU program will set up visitor orientation centers at the citadel of Aleppo.

Figure 4.2.1 Major Holiday and Natural Sites in Syria




Source: JICA Study Team

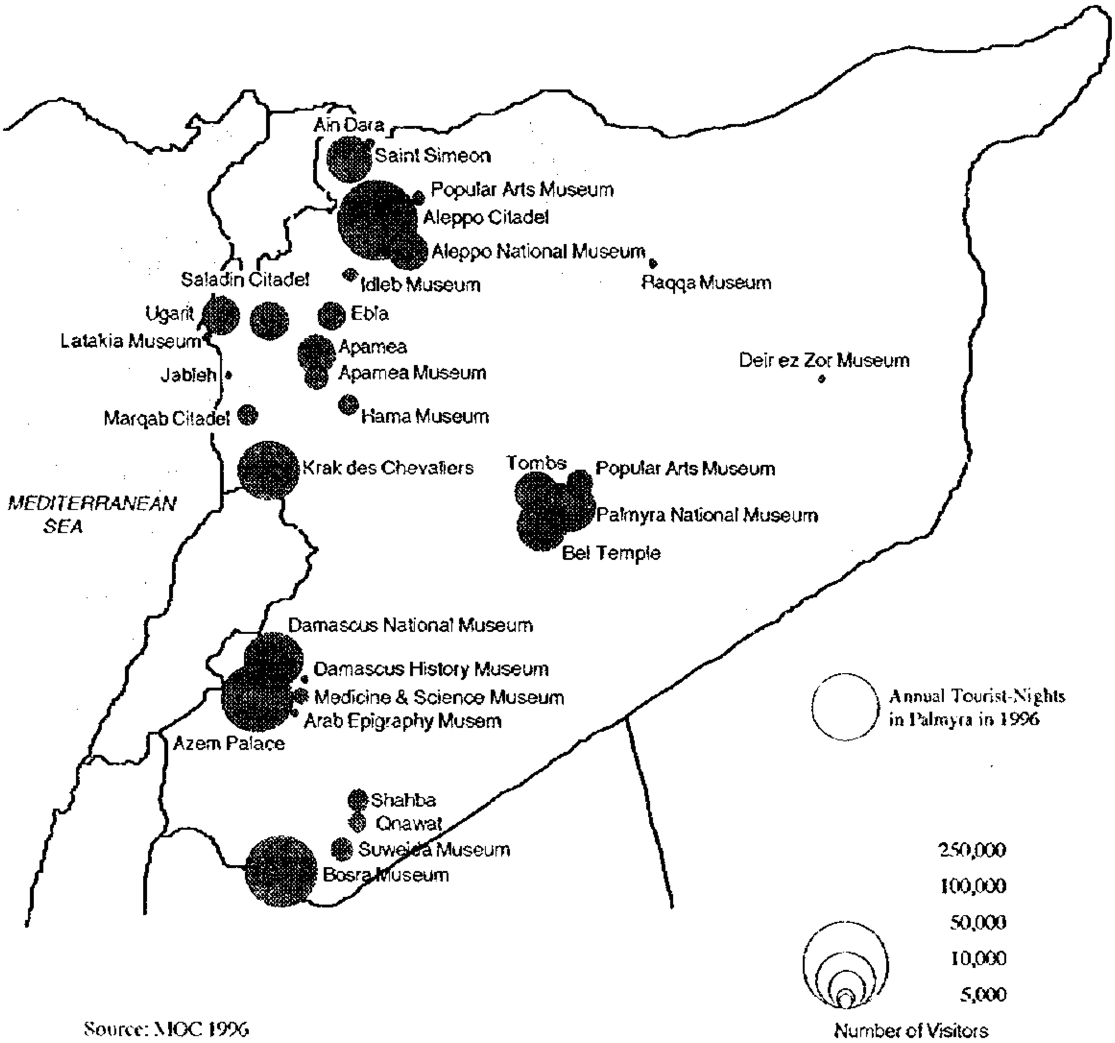
Figure 4.2.2 Major Cultural Sites in Syria




Source: Monuments of Syria, Ross Burns

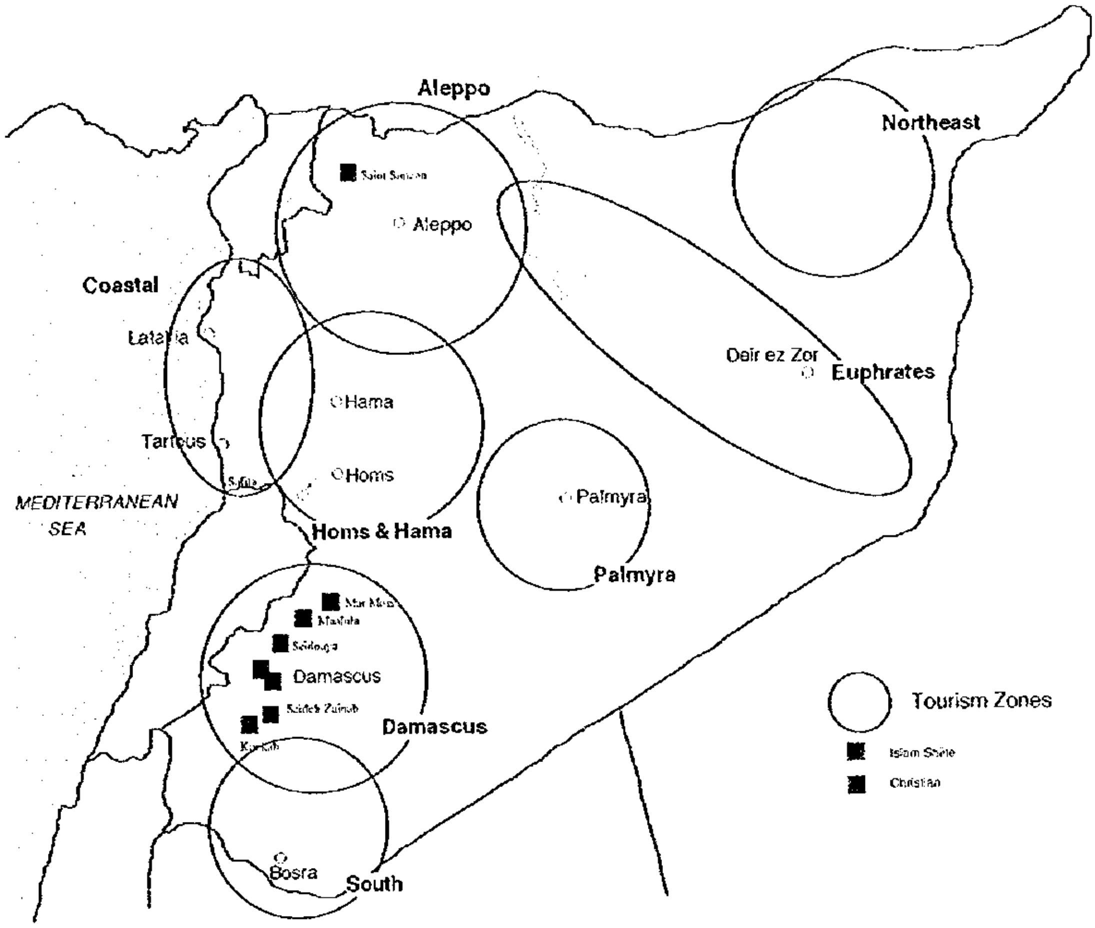
*Note: Ross Burns' book include more sites, but this map is only showing the cultural sites rated as 1 to 3 star. The book is one of the most internationally recognized information resources, however the book does not include the most recent excavation or study results.*

Figure 4.2.3 Major Cultural Sites and Number of Visitors




Source: MOC 1996

Figure 4.2.4 Major Religious Sites in Syria




Source: JICA Study Team

## Table 4.2.1 Current Conditions of Tourism Resources: Natural Resources

| | current conditions | key threats | implications for tourism plan | possible areas for action |
|---|---|---|---|---|
| Mediterranean Coast | - key region for domestic & Arab holiday tourism, secondary for cultural tourism<br>- extensive villa & high rise flats development in Latakia, Banias, Tartous areas<br>extreme seasonality of usage (July-August peak) with little/no activity most of the year<br>- limited pleasure boating & water sports activities or marinas<br>- highly scenic and less developed coastline between Latakia and the Turkish border with broad forested sections<br>- Arwad Island marred by shabbiness of the village and its fishing port<br>- virtual absence of high standard hotels with the exception of Le Meridien and Côte d'Azure de Cham in Latakia | - trash accumulation on some beach areas (solid waste pollution)<br>- illegal discharge of raw sewage into seas near beaches (water pollution)<br>proximity of unsightly industrial uses to resort/urban areas (visual pollution)<br>- illegal sand removal from beaches by builders | - limited market potential of coastal areas for cultural tourism<br>- low competitiveness with other Mediterranean destinations for beach tourism | - improved urban planning to avoid over building and separate industrial development from resort areas<br>improved monitoring of construction to create urban environments suited to resort use<br>- improved management of solid waste in all urban areas<br>- introduction of sewage treatment systems to entirely eliminate pollution of seas |
| Mountain Highlands | - pollution free environment and favorable climate for much of the year<br>- major villa & flat development in high altitude towns<br>- extreme seasonality (July-August concentration of traffic) with little/no activity most of the year<br>- largely developed by private investors for Arab Holiday and Syrian tourists<br>- absence of urban problems of noise, congestion, and air pollution | - none mainly because of the small year-round population and small low-income population | - positive prospect of rising popularity and visitor volumes | - none proposed |
| Desert | - little relevance for tourism with exception of Palmyra oasis<br>- intense summer heat and winter cold limiting the touring season to April-May and October-November<br>- minor attractions of Rasafa, two Qasr al Heir castles at remote locations<br>- low to fair interest level of scenery for motor touring<br>- absence of any desert park with exhibits to explain desert ecology & history | - problem of solid waste dumping near populated areas<br>- widespread problem of windblown plastic bags strewn across fields | - none | - solid waste management in urban areas |
| Euphrates River | - stretches offering considerable scenic beauty near Deir ez Zor & ancient sites of Halabiya & Zalabiya, Dura Europos<br>- increasing tourism road traffic but no waterborne traffic<br>- recent creation of scenic Lake Assad to stimulate recreation and limited tourism activity<br>- creation of a second dam & lake upriver from Lake Assad currently in planning<br>- shallow water depth limiting opportunities for pleasure boating and tourist cruises | - pollution in urban areas from illegal solid waste dumping | - improved solid waste management in Raqqa, Deir ez Zor urban areas | - solid waste management in urban areas |

Source: JICA Study Team

## Table 4.2.2 Current Conditions of Tourism Resources: Ancient Sites & Museums

| | current conditions | key threats | implications for tourism plan | possible areas for action |
|---|---|---|---|---|
| Palmyra | - easily accessible via a 2.5 hour drive from Damascus over desert roads<br>- visually striking site of ancient buildings and tombs in an oasis near mountains<br>extreme of visitor volumes in March-May, September-October<br>- the region's only highway directly crossing the area of antiquities<br>- the urban and plantation areas immediately adjacent to the ancient town<br>- total absence of posted interpretation for visitors (signs, panels) | - serious loss of forested area (loss of trees)<br>- vibration of heavy trucks on the highway<br>- growing road and foot traffic day and night through the ancient site leaving trash<br>- poorly managed urban growth in the town beyond the present population of 50,000 | - continued strong market appeal of the site<br>- compliance of future hotel construction with the existing urban development plan | - review & strengthening of the existing urban development plan to ensure an optimal pattern of urban growth |
| Sites in near urban areas (Bosra, Hama, Homs, etc.) | - generally good directional signs identifying locations<br>- museums at all key sites presenting local artifacts and traditions and containing basic rest facilities<br>- sites such as Bosra, Hama, Homs marred by trash, graffiti, unsanitary conditions created by local residents<br>- total absence of posted interpretation for visitors (signs, panels) and few site guides adequately fluent in English | - continued abuses on sites including vandalism per limited monitoring by DGAM<br>- picnic causing trash problems and trash burning<br>- in some sites (Bosra) residents living on the ancient site | - need for increased policing of sites by DGAM<br>- need for fencing of sites to control access | - development of new revenue generating means for DGAM to fund site improvements including fencing<br>- also to fund increased policing for site security |
| Sites in remote locations (castles, Dead Cities, etc.) | - relatively good condition because of remoteness from populated areas and from human threats<br>- minimal posted interpretation for visitors (signs, panels) and few site guides adequately fluent in English<br>- generally good paved road access and parking but variable directional signage for motorists | - same as for urban sites but generally not acute because of distance from populations<br>- recreational use on weekends for lack of recreational country parks<br>- increased recreational usage (picnicking) on Fridays & holidays as car ownership rises | (same as above) | (same as above) |
| Euphrates sites | - stretches offering considerable scenic beauty near Deir ez Zor & ancient sites of Halabiya & Zalabiya, Dura Europos<br>- increasing tourism road traffic but no waterborne traffic<br>- recent creation of scenic Lake Assad to stimulate recreation and limited tourism activity<br>- creation of a second dam & lake upriver from Lake Assad currently in planning<br>- shallow water depth limiting opportunities for pleasure boating and tourist cruises | - pollution in urban areas from illegal solid waste dumping | - improved solid waste management in Raqqa, Deir ez Zor urban areas | - solid waste management in urban areas |
| Museums | - lack of posted interpretive materials (labels, texts, diagrams, etc.) in English language at many museums<br>- recent upgrading of presentations at some museums Deir ez Zor, Suweida with foreign assistance and funding | - no key threats<br>- slow pace of upgrading of presentations in the museums | - need to improve quality of presentation in museums at key locations | - possible inclusion of a limited presentation upgrade component |

Source: JICA Study Team

## Table 4.2.3 Current Conditions of Tourism Resources: Old cities

| | current conditions | key threats | implications for tourism plan | possible areas for action |
|---|---|---|---|---|
| Damascus | - some successful renovations of old houses for private use or tourist businesses (restaurants, shops)<br>- several completed streetscape improvement projects near the Citadel, Omayyad Mosque and off Straight Street, and in adjacent Qanawat sector<br>- discoloration of facades of many of the oldest mosques and schools from air pollution (auto emissions, heating fuel soot)<br>- 20th century trend of loss of many old structures through abandonment or demolition in Old City, Sarouja, Midan and old Salihiya and rise of incompatible uses such as warehouse and industrial workshops<br>- unplanned construction of modern structures irreversibly destroying the historic character of old sections<br>- uneven public utilities services for drinking water, waste management, electric power, street cleaning, etc. in different neighborhoods<br>- trees and weeds cracking the walls of the Citadel & other old structures<br>- existence of blocks of houses under sole ownership (Mohafazat, Waqf) suitable for redevelopment | - continued decay of urban fabric and middle class exodus, further change in uses from residential to warehouse & industrial<br>- inability of Mohafazat & DGAM agencies to stop deterioration per ineffective construction controls and weak incentives promoting renovation<br>- deterioration of formerly splendid old houses and palaces into irreparable conditions<br>- deterioration of neglected monuments per human abuses, natural encroachments (trees, weeds, birds) per limited DGAM resources for care-taking of properties<br>- possible humidity damage to ancient walls and to lower sections of the Citadel<br>- growing inconvenience of old sections for lack of parking capacity as Syria's reliance on the private automobile grows | - shrinking supply of old buildings suitable for redevelopment as historic structures for businesses<br>- need to provide incentives to spur private investment in building renovations<br>- need for integrated development projects in focal areas to address multiple problems and create attractive urban areas | - expanded financial incentives to renovate old buildings<br>- preparation of an updated land use plan with technical preservation expertise<br>- implementation of pilot projects to stimulate commercial development including lodging<br>- preparation of computerized mapping and structure inventory for selected areas as permanent planning & management tools<br>- study of techniques for washing of fragile historic building facades |
| Aleppo | - generally similar conditions as for Old Damascus<br>- good condition of Citadel, Syria's premier castle, example of Arab military architecture but totally lacking in interpretation<br>- largest covered souq in the Middle East containing a few improved, thriving retail areas and large blighted areas idle or with incompatible industrial uses (workshops, warehouse)<br>- presence of several ancient caravansaries and other distinctive old buildings and religious structures some idle and in deplorable condition<br>- little high quality retail and restaurant development suitable for recreation and international tourism<br>- worsening living environment (poor utilities, trash) with exodus of middle class and rising dominance of poor migrant families from the provinces<br>- absence of diagrams or mapping of ancient underground water, drainage, sewage systems impeding systems repair or redesign work | - threats similar to those for Damascus<br>- continued exodus of compatible businesses and activities to modern sections where utilities are reliable and parking available | - same implications as for Damascus | - same areas as for Damascus<br>- need to coordinate actions with Aleppo Rehabilitation Project (Aleppo City and GTZ) |

Source: JICA Study Team

## Table 4.2.4 New Developments Affecting Tourism Resources

Natural Resources

1. The Ministry of Agriculture is responsible for the management of areas with any special protected designation. It is studying the creation of reserves and parks for recreational purposes as well as for preservation of plant and animal species. With the creation of formal areas suitable for family recreation, there will be less spontaneous picnicking and camping along roadsides, on beaches and on the ancient sites, reducing the level of abuse that they currently suffer, mainly the parking of vehicles, litter and burning fires.
2. There are plans for development of tourism and recreational facilities along Lake Assad including resort communities offering water sports and the full scope of recreational activities. Thus far no major project has commenced; no foreign capital has been secured for the projects, but Kuwaiti interests have been seriously examining the area for investment.
3. The new Tishreen Dam is being developed upriver from Lake Assad, and it will have its own reservoir, creating new possibilities for recreation and tourism. This area will be easily accessible from the Aleppo area in about one hour by road.
4. Implementation of the UNDP-funded National Environmental Plan in coming years is intended to improve the environment for tourism and recreation nationwide.

Ancient Sites and Museums

1. The Palmyra local administration is enacting a plan to quadruple the area of the modern town over the long run to handle urban expansion arising from future growth in tourism. It is also implementing a plan to create a highway bypass route around the ancient site to remove highway traffic from the ancient site.
2. The EU has finalized a project to improve the presentation of sites at eight key locations with various visual and audio-visual aids (Aleppo, Palmyra, Damascus, Bosra, St. Simeon, Ugarit, Crac des Chevaliers, Maalula)
3. Also at Palmyra, a new underground tomb containing artifacts and interesting decoration in the southeast necropolis is being excavated by a Japanese archeological team and is to be prepared for public exhibition within 2-3 years. As meaningful new finds of this kind are prepared for public viewing, Palmyra will offer a broader choice of sites to visitors.
4. In the ancient city adjacent to the Bosra Citadel, new sites are being excavated including a church and bathhouse, by a French-Syrian team and will be prepared for public viewing.
5. Cultural authorities sent by the French government are planning a program of museum improvements.

Old Cities

Damascus

1. For Old city Damascus, a new traffic scheme is being attempted to limit congestion along Straight Street and increase safety for pedestrians.
2. The city is having a land use plan drawn up for the old city, due to be completed before the end of this year. The adequacy of this plan is uncertain.
3. A Structure Plan for the entire metropolitan area is being prepared which will define long term development patterns and major infrastructure changes for the city.
4. An Urban Transport Master Plan for Damascus is planned by JICA, which when implemented, will improve transport conditions in the central city containing the old city.

Aleppo

1. The Rehabilitation Project has created four funds through which to finance urban improvements in the old city for both infrastructure and private projects. It will also create pilot projects for major improvements in selected residential sections of the old city.
2. The city is to undertake a major redevelopment project between the old city and Jedaide quarter east of the clock tower to have a major impact on the dynamics of the city center

Source: JICA Study Team

## 4.3 Marketing and Promotion

Interviews with key persons in public, joint and private sectors show that the marketing and promotion activities by the public sector have been pursued at a limited level due to the shortage of budget and skilled staff, which is a reflection of little understanding on modern marketing and promotion. There are no overseas branch offices for marketing and promotion for Syria utilizing modern tools. This situation has made Syria less competitive in the world tourism market.

### 4.3.1 Current Condition

Current condition of Syrian tourism marketing and promotion by the public and private sectors, including marketing and promotion materials, activities, association and public-private cooperation, is summarized in Appendix A4.3 in Volume III.

### 4.3.2 Major Issues

From the promotion and marketing point of view, there are several issues calling attention:

(1) Promotional Materials

Classification, Inventory Control, New Type Materials and Revision

Explanatory promotion materials for the gateway cities (Damascus and Aleppo) are insufficient in kinds and quantity. Sufficient numbers of materials must be available to tourists at each of the information offices.

Other promotion materials are generally insufficient and new kinds of media such as video film and CD-ROM are hardly used.

The available materials have rarely been updated and thus giving recipient a feeling of inadequacy. or change. At the coming revision period attractive photos or illustrations be included.

A comprehensive tourist map available for major cities in the world has not been prepared in Syria. Such a map should indicate locations and information of the following:

- hotels;
- restaurants;
- fast food shops;
- tea houses;
- shopping places (souqs, handicrafts center, other souvenir shops) ;
- how to use taxis, rent a cars, other transportation facilities;
- police stations and hospitals (in case of emergency); and
- resthouses,

All above information must be together with telephone numbers and location instructions.

(2) Promotional activities

Syrian Tourism Offices Abroad

For the international and external promotion activities, the establishment of the tourist information offices abroad is important. But, the situation did not allow MOT to have such office abroad. Then the Syrian Airlines overseas offices or Syrian embassies abroad could have taken the role, but they have done so only in an extremely limited scale. The other choice would be to select an private company/agency overseas and to entrust them to do the overseas promotion jobs. This has not been done either.

Syrian Overseas Presentation

Syria's marketing directions have been mainly to European countries and neighboring Arab countries. Diversification of marketing and promotional activities has not been done, except by the private sector in a limited scale, to other areas such as East Asia including Japan, Korea, and Taiwan.

International Festivals and Events

Though there are several kinds of promotional activities sponsored by the government, the Palmyra festival, the World Tourism Days, International flower shows are executed by MOT with its own budget. They have not attracted the attention of overseas tourists or industries.

With some effort MOT can make the festivals more attractive not only for local people but also for international tourism markets. For example, the flower shows are held at the Tishreen Park in Damascus. Several representatives are invited from neighboring countries. Opening ceremonies including speeches and dance shows are held on the first day, and the rest is the flower markets with souvenir shops, some of them are from Arab countries.

The effective way is for Syria to express her initiative and let other countries see the present Syrian face.

## 4.4 Tourism Facilities

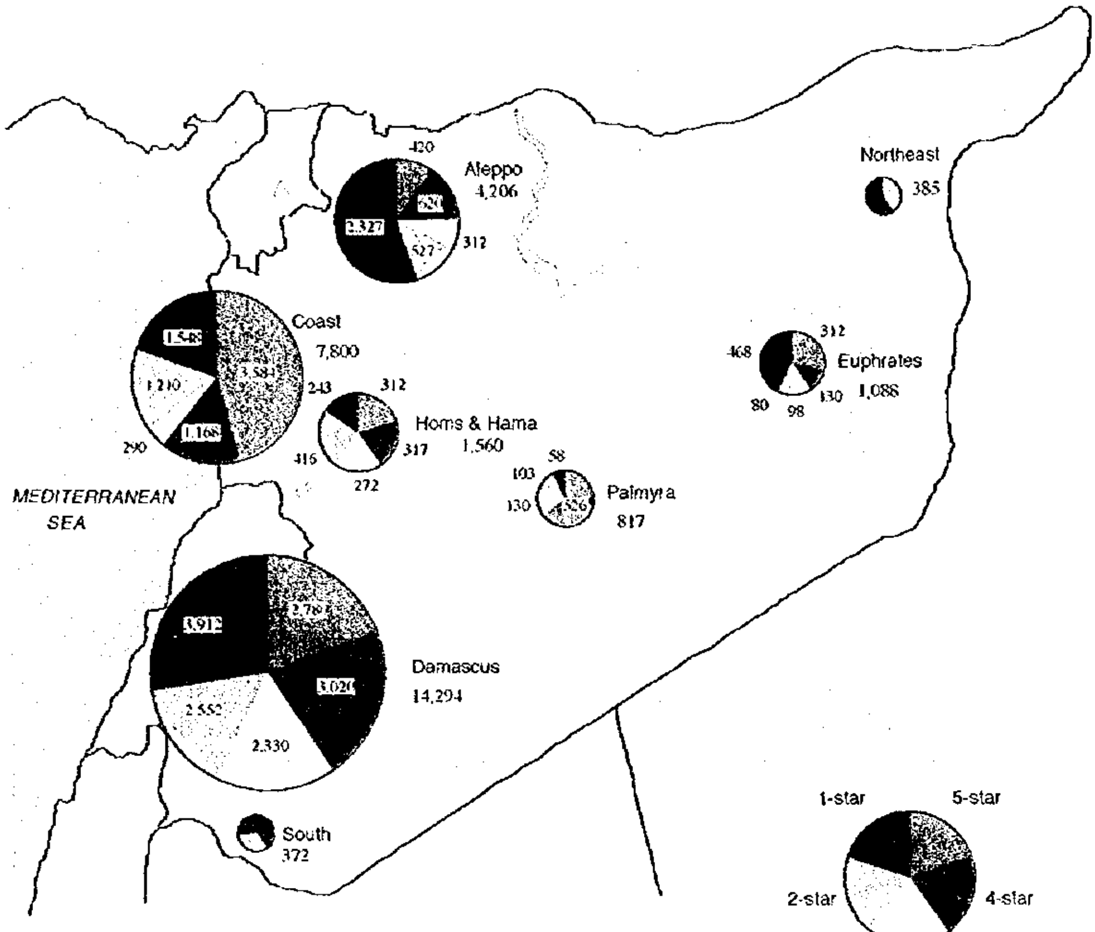
### 4.4.1 Hotels

(1) Distribution

In 1995, there were 454 hotels and hostels with 14,420 rooms and 31,449 beds in Syria. Figure 4.4.1 shows the distribution of hotel beds (excluding hostels) according to the 8 tourism zones. Most of hotel beds are concentrated in Damascus zone, followed by Coastal and Aleppo zones. Followings are observed:

- Damascus and, Homs and Hama: the hotel provision according to each classification seems balanced, at least on paper;
- Aleppo: there are comparatively a few 5-star and 4-star hotels, very few 3-star hotels and many 1-star hotels;
- Coastal: 5-star hotels occupy almost half of total capacity and also very few 3-star hotels are provided; and
- Palmyra: the only 5-star hotel occupies almost two third of total capacity and the second hotel is 3-star with 41 rooms and 72 beds.

Figure 4.4.1 Distribution of Hotel Beds




Source: MOT 1995
*Notes: Hostels, Villas, Chalets are not included.*

## (2) Occupancy

In 1995, 3.16 million tourist-nights were spent by foreign, Arab and Syrian tourists in hotels and hostels. The gross bed occupancy rate in whole Syria in 1995 was calculated at 27.5 percent. The gross room occupancy rate in 1995 was estimated at around 40.0 percent on the assumption that the average occupied room density of 1.5 persons[2].

Table 4.4.1 shows a comparison of hotel occupancy rates among neighboring countries. The estimated occupancy rate in Syria is comparatively low, 18 percent lower than Egypt and 10 percent lower than Jordan.

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[2] According to interviews to Syrian land operators, an average is 4 single occupancies in a tour group of 25 members, which means that 10.5 double occupancy rooms and 4 single occupancy rooms are used for the group. The average occupied room density is calculated at 1.72. Business use guests usually tend to lower density and family trip guests tend to higher density. The applied room density of 1.5 is considered conservative and reasonable for analytical purpose.

Table 4.4.1 Comparison of Hotel Occupancy

| | Hotels | Rooms | Beds | Tourist-Nights Spent | Annual Occupancy Rate | Note |
|---|---|---|---|---|---|---|
| Syria | 454 | 14,420 | 31,449 | 3,160,108 | 40.0 % | 1995 |
| Egypt | 761 | 64,958 | 129,275 | 20,451,364 | 58.0 % | 1995 |
| Jordan | 262 | 8,881 | N/A. | 3,819,526 | 50.3 % | 1994 |
| Dubai | 191 | 11,322 | 20,335 | 3,373,414 | 60.6 % | 1994 |
| Turkey | 1,625 | N/A. | 254,379 | 25,812,490 | 39.1 % | 1994 |

Note: Syria: assumed room density of 1.5 (conservative estimation)

Source: Ministry of Tourism of Egypt, Ministry of Tourism and Antiquities of Jordan, Ministry of Tourism of Turkey and Department of Tourism and Commerce Marketing of Dubai

Figure 4.4.2 shows the monthly hotel occupancy in 1996 according to the 8 tourism zones. The height of each graph indicates the accommodation capacity of each zone in 1995, assuming the average occupied room density as 1.5 persons. As more hotels are provided in 1996, estimated occupancy rates indicated below are considered very conservative.

Damascus:

- high demand (55.3 percent of national total tourist-nights) because Damascus is the gateway or the destination for most of tourists;
- the highest occupancy rate was made in August at around 55 percent (178 thousand tourist-nights spent) and annual average rate was at around 45 percent; and
- almost equal quantity of tourist-nights made by foreign, Arabs and Syrian tourists.

Coastal:

- 10.8 percent of national total tourist-nights was spent in this zone;
- strong seasonality: high demand in summer by Arab and Syrian tourists (64 thousand tourist-nights spent at around 45 percent occupancy rate in August); but
- relatively low occupancy compared to the supply (annual average occupancy rate was less than 20 percent), because many prefer chalets or villas to hotels for long stay.

Aleppo:

- high demand and shortage of hotels: 22.7 percent of national total tourist-nights were spent and annual average occupancy was at around 60 percent, the highest in Syria; and
- comparatively fewer Arab tourists.

Homs and Hama

- demand by foreign, Arab and Syrian tourists is fair: 4.7 percent of national tourist-nights were spent;
- annual average occupancy rate was around 35 percent, almost the national average.

Palmyra:

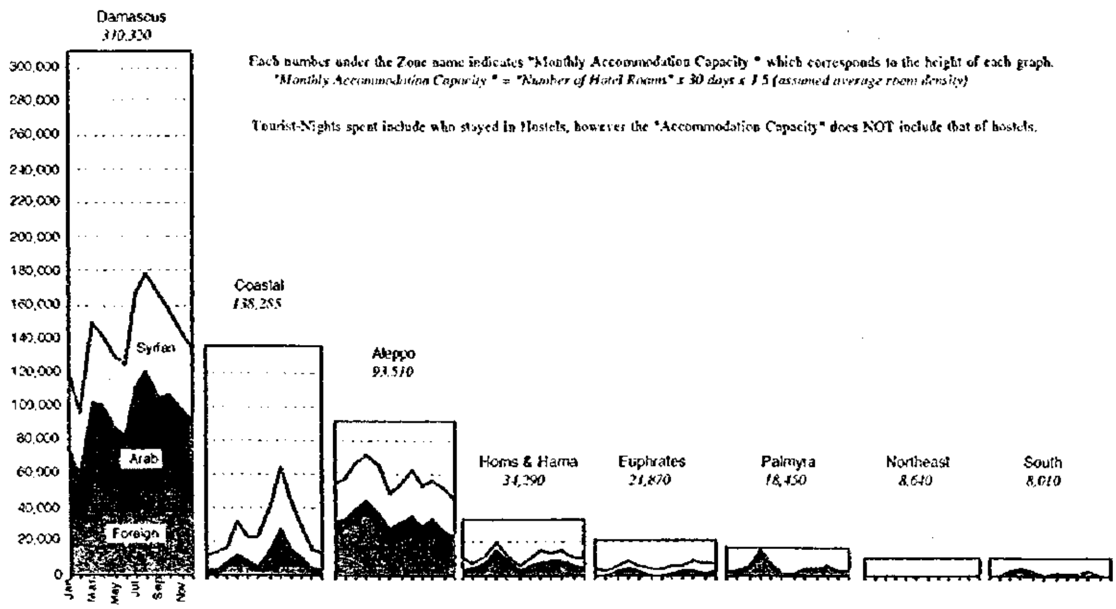
- strong seasonality: high demand in spring (16 thousand tourist-nights spent in April at around 85 percent occupancy rate which is the highest monthly rate in Syria);
- but, only 2.2 percent of national tourist-nights was spent here and the annual average occupancy rate was only around 30 percent; and
- almost exclusively by foreign tourists, Arab and Syrian tourists should be encouraged.

Other zones:

- low demand for all other zones at present (less than 5 percent of national tourist-nights was spent in other zones);
- little demand by Arab tourists in all other zones;
- high demand by Syrians in Euphrates zone because of business travel; and
- comparatively little demand of foreign tourists.

In Palmyra and Aleppo where the demand is high and supply is insufficient in the peak period, several hotel projects have already got approvals and started. They should be expedited, once the projects complete then, the hotel supply will not be the problem. It may be more important how to overcome the seasonality of demand especially in Palmyra and Coastal zones.

Figure 4.4.2 Monthly Hotel Occupancy by Zones in 1996




Source: MOT 1996 (Tourist-Nights), MOT 1995 (Number of Hotel Rooms)

## 4.4.2 Other Type of Accommodation

There are many completed and uncompleted apartments in Zabadani area, to which Syrians invested in expectation of high return by Arab holiday tourists from Gulf countries. Investment in resort real estate was made in earnest several years ago by a large number of private individual and public and semi-public institutions in the face of the government determined interest on bank deposit barely covering inflation.

In Latakia, the number of beds in service other than hotels in 1994 is estimated by MOT at about 16,000 which is more than 2.5 times larger than hotel beds. Similarly in Tartous, the number in 1994 is estimated at 12,000 which is 6.8 times larger than hotel beds.

Expectations shared by many caused rapid increase in the price of such real estate, which in turn attracted more investors who wanted to protect their money. Villas, chalets, and apartments were constructed well exceeding demand and the situation became untenable.

Price of such real estate came down significantly since. The current situation is that there is a significant excess capacity. Additional investment in this field is unlikely to take place for some time to come.

### 4.4.3 Supporting Facilities

(1) Tourist Amenity

In general, toilet is well provided at every tourist sites. Public telephones, small souvenir shops, etc. are provided at major cultural sites. DGAM provides such standardized tourist facilities fairly. However, in the ordinary part of cities including old cities, it is difficult for foreign tourists to find such facilities easily.

In addition, poor maintenance and cleaning often cause complaints of visitors. According to the international tourist interviews under this study, the sanitary conditions in Syria was rated very low. Further investigation by the Study Team found that more frequently visited tourist sites are worse. A well studied management plan, including concession of shops, is needed.

Amelioration of strong seasonality in isolated cultural sites can be realized by effort in both promotion and provision of amenity (shelter, gazebo, kiosk, etc.) to lessen the disadvantage in low seasons.

(2) Visitor Information and Interpretative Signs

Most of tourist sites provide "tourist information" facilities. However, the information materials available there is nil in practice. There is rarely appropriate map, sign or scale model to explain the site.

At least one map explaining the site is needed for each tourist site. Further improvement including guiding sings and interpretation boards is needed in accordance with the increase of visitors.

(3) Foreign Currency Exchange

In Syria, foreign currency exchange is only allowed at the Commercial Bank of Syria (CBS). In Damascus, CBS exchange offices are located only at the airport, 2 major 5-star hotels and 3 offices in tourist quarters. Their service including tellers, service hours and procedure quickness, is acceptable but the number of only "five" is too few. Most of other CBS branches are not convenient for foreign tourists because of its procedure (lack of computer system) and service hours (close at 12:30).

## 4.5 Tourism Industry

### 4.5.1 Major Components of Tourism Industry

The current situation of major components of the tourism industry including tourist and travel agents, tour guides, restaurants and souvenir shops was analyzed and is presented in Appendix A4.5.1 in Volume III. The estimated sizes of the inbound package tour market are shown in Table 4.5.1.

By a linear regression analysis of the national disposable incomes and the national final consumption expenditures between 1988 and 1995, the marginal consumption propensity in Syria was calculated at 0.738 and the theoretical multiplier at 3.817. The spread effect of the annual total package tourist spending is therefore estimated at US$ 285.5 million not considering the leakage to abroad.

Table 4.5.1 Estimated Sizes of Inbound Package Tour Market in Syria

| Component | Annual Income from PT (US$ million) | Inside/Outside of Tour Prices | Notes |
|---|---|---|---|
| Tour Operators | 3.9 | Inside | 3,000 employees, 6-7,000 av. wage |
| Tour Guides | 1.2 | Inside | 270 working, 198,000 av. income |
| Hotels | 37.1 | Inside | Incl. 2 compulsory meals |
| Local Restaurants | 5.9 | Outside | $8 meal, once a day |
| Souvenir Shops | 13.2 | Outside | SP800 /person/night |
| Others | 13.5 | Inside | |
| TOTAL | 74.8 | - | |
| Spread Effect | 285.5 | - | Multiplier = 3.817 (1/(1-mpc)) |
| | 156.1 | - | Multiplier = 2.087 (derived from expenditure structure) |

Source: JICA Team

The Study Team also estimated the spread effects of the package tourist spending by analyzing income and expenditure structures of the major components in the tourism industry, with consideration of the leakage to abroad. The provisional multiplier of the tourism industry as a whole is obtained as 2.087. Using this figure, the spread effect of the package tourist spending is estimated at US$ 156.1 million.

### 4.5.2 Institutional Issues

The institutional issues of the tourism industry including government control and legal obligations, status of trade associations and environment of finance are presented in Appendix A4.5.2 in Volume III. Major findings of the analysis are shown below:

#### (1) Tour Operators

SATTA set a minimum profit rate at 7 percent in order to avoid excessive competition. It may weaken the competitiveness of the Syrian tourism industry in the international market, through spoiling environment of competition.

#### (2) Tour Guides

Efforts by MOT are needed for the following objectives:

- to maintain updating tour guide registration with consideration of the actual supply of tour guides;
- to establish effective quality improvement measures;
- to introduce measures enabling tourists to identify skilled and reliable tour guides; and
- to develop measures against seasonality (i.e. low income in low seasons and possible future shortage of guides in high seasons).

#### (3) Restaurants

The classification criteria are not clear and the classification may not reflect actual service standards of restaurants. Also, the price control by MOT does not clearly provide economic benefits. It is therefore recommended to abolish the current classification and price control systems. MOT should play an important role rather by upgrading database on restaurants and providing more useful information through the Tourist Information Center or other media.

(4) Hotels

Individual hotels' policies to oblige tour operators to have two meals per night for package tours may reduce the range of tourism attraction diversities.

(5) Souvenir Shops

Cooperation is necessary among MOT, the Chamber of Commerce, and the Ministry of Internal Trade who are responsible for souvenir retailers and wholesalers, in order to promote development of variety of better souvenirs.

(6) Trade Association

SATTA is the only active trade association in the tourism industry. Establishment and vitalization of trade associations are recommended to secure collective economies of scale. Collective economies of scale can be realized if a trade association works to provide education and training based on commonly accumulated information and experience and to provide promotional activities, for example. Trade associations however sometimes work to reduce competitions and to increase rigidity. In such cases, trade associations may hamper the development of the industry. Equality among agents should be given by providing equal opportunities and environment of fair competition rather than constraining by regulations.

(7) Finance

Largely because outward capital transfer and profit remittance are prohibited, little foreign investment has been observed in the tourism industry. Modification of the Decision No. 186 or the incorporation of the tourism sector into the Law No. 10 is required.

Local private companies also face difficulty in foreign exchange savings and outward money transfer. Hard currency transfers are not procedurally efficient. Hard currency can be only transferred into and from a Commercial Bank's foreign exchange account held by a local entrepreneur. However, withdrawal of the hard currency from the account is not allowed.

## 4.6 Human Resources

### 4.6.1 Labor Force and Employment in the Tourism Sector

Total number of employment in Syria was about 3.3 million in 1994. Number of employment related to the tourism sector was 573 thousand (17.2% of the total employment).

### 4.6.2 Training System

In the governmental sector, there exist a Hotel and Tourism Training Center (HTTC) in Dummar, Damascus under MOT and three institutes under jointly MOT and Ministry of Higher Education (MHE) at college-level (two years education). In addition, there are 10 hotel schools of high school level (three years education) under MOT and MHE.

HTTC was originally established under the cooperation of ILO and WTO in 1976. Three more institutes were established in 1987, and are located in Damascus, Aleppo and Latakia. New institutes are planned to be established in Tartous and Homs within a few years. The ten existing hotel schools are located in Damascus, Aleppo. Latakia, Hasake, Homs, Hama Tartous, Sweida, Dara'a and Idleb. In addition, hotel schools will be established in Raqqa, Palmyra, Damascus Countryside, Deir ez Zor and Quneitra in the near future. They have study courses for restaurant and kitchen as well.

In addition to the school education, a seminar for guide is being carried out under MOT. MOT is responsible for tourist guides and gives license by Law 401 established in 1957.

In archeological field, High Institute of Ruins and Museums (HIRM) was set up under DGAM of MOC.

In the private sector, most hotels and agencies have their own staff training system such as new staff training, technical training, on-the-job training, training on hygiene and safety, etc.

### 4.6.3 Major Issues

In general, there is much to be improved in the human resource quality in the Syrian tourism sector. This deficiency comes from lack of efficient training system in the both pre-service (mainly by the public sector) and in-service (mainly by the private sector).

Teaching methods, facilities, equipment and materials are not sufficient and out-dated to keep up with the modern tourism in most hotel schools. Most teachers do not have enough experience and knowledge. Maintenance program of facilities and equipment is also needed.

After graduated from hotel schools, almost all the students can find jobs in the Syrian tourism sector. The demand is quite high. However, some graduates, especially superior graduates, go abroad such as GCC countries, where they can get better salary.

There is also a need for management level trained staff. Establishment of a university degree course is required, which is currently no-existent.

### 4.6.4 Gender Issues in Human Resource

Number of female employees in the tourism sector was about 19 thousand in 1994, which was 3.4 percent of the total female employment.

Generally, there exists few problems for the female working in the tourism sector except in some fields and special working time. Through further development of tourism in Syria, opportunity for woman employment will be surely increased. During the field survey, it was recognized that most women were quite positive to participate in social activities even in the rural area.