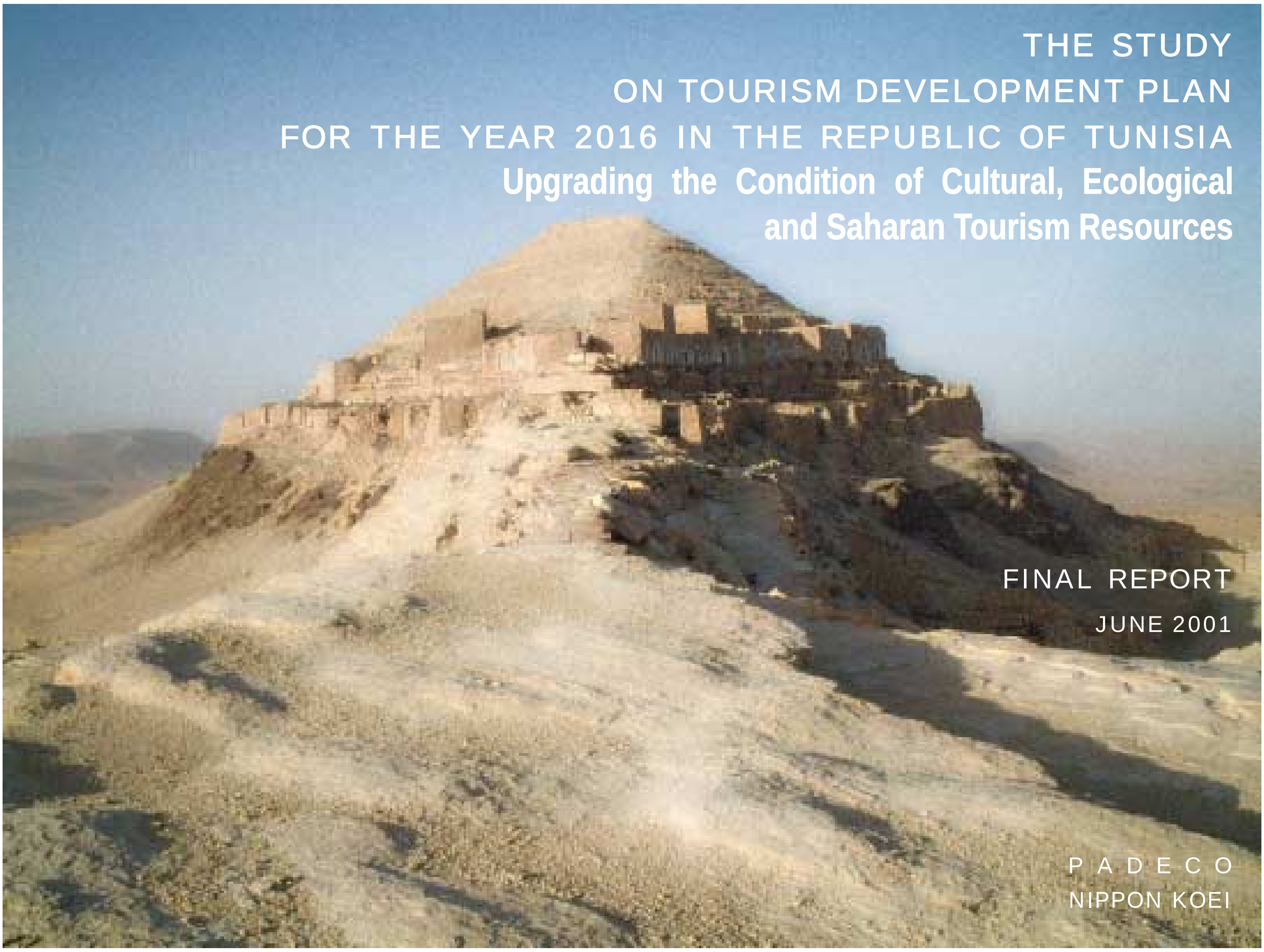
REPUBLIC OF TUNISIA
MINISTRY OF TOURISM, LEISURE AND HANDICRAFT
TUNISIAN NATIONAL TOURIST OFFICE

JAPAN INTERNATIONAL COOPERATION AGENCY

VOLUME I: NATIONAL PLAN

THE STUDY ON TOURISM DEVELOPMENT PLAN FOR THE YEAR 2016 IN THE REPUBLIC OF TUNISIA

Upgrading the Condition of Cultural, Ecological and Saharan Tourism Resources



FINAL REPORT

JUNE 2001

P A D E C O
NIPPON KOEI

SSF
JR
01-62

REPUBLIC OF TUNISIA
MINISTRY OF TOURISM, LEISURE AND HANDICRAFT
TUNISIAN NATIONAL TOURIST OFFICE

JAPAN INTERNATIONAL COOPERATION AGENCY

VOLUME I : NATIONAL PLAN

THE STUDY ON TOURISM DEVELOPMENT PLAN FOR THE YEAR 2016 IN THE REPUBLIC OF TUNISIA

Upgrading the Condition of Cultural, Ecological and Saharan Tourism Resources

FINAL REPORT

JUNE 2001

PADECO, Co., Ltd.

NIPPON KOEI, Co., Ltd.

PREFACE

In response to a request from the Government of the Republic of Tunisia, the Government of Japan decided to conduct the Study on Tourism Development Plan in the Republic of Tunisia and entrusted the study to the Japan International Cooperation Agency (JICA).

JICA selected and dispatched a study team headed by Mr. ISONO Tetsuo, PADECO Co., Ltd., and consist of PADECO Co., Ltd. and NIPPON KOEI Co., Ltd., to Tunisia, three times between March 2000 and May 2001. In addition, JICA set up an advisory committee headed by Mr. SUZUKI Mitsuo, Executive Director, Harbor Transport Modernization Fund, which examined the study from specialist and technical point of view.

The team held discussions with the officials concerned of the Government of Tunisia, and conducted field surveys at the study area. Upon returning to Japan, the team conducted further studies and prepared this final report.

I hope that this report will contribute to the tourism development in the Republic of Tunisia and to the enhancement of friendly relations between our two countries.

Finally, I wish to express my sincere appreciation to the officials concerned of the Government of Tunisia for their close cooperation extended to the team.

June 2001

SAITO Kunihiko

President
Japan International Cooperation Agency

June 2001

Mr. Kunihiko Saito

President

Japan International Cooperation Agency

Tokyo, Japan

Letter of Transmittal

Dear Mr. Kunihiko Saito,

We are pleased to formally submit herewith the final report of "the Study on Tourism Development Plan for the year 2016 in the Republic of Tunisia, Upgrading the Condition of Cultural, Ecological and Saharan Tourism Resources".

This report compiles the results of the study, which was undertaken in the Republic of Tunisia, from March 2000 to June 2001 by the Study Team, organized jointly by PADECO Co., Ltd. and Nippon Koei Co., Ltd.

We owed a lot to many people for the accomplishment of this report. First, we would like to express our deep appreciation and sincere gratitude to all those extended their kind assistance and cooperation to the Study Team, in particular, the concerned officials of the Tunisian National Tourism Office and the Ministry of Tourism, Leisure and Handicraft in the Republic of Tunisia.

We also acknowledge the officials of your agency, the JICA Advisory Committee, the Ministry of Foreign Affaires and the Ministry of Land, Infrastructure and Transport of the Government of Japan.

We wish the report would contribute effectively to facilitating further socio-economic development in the Republic of Tunisia.

Very truly yours,

Tetsuo Isono

Team Leader
The Study Team for Tourism Development Master Plan in the Republic of Tunisia

For the currency conversion, in case necessary,
exchange rate in January 2001 is applied:

JPY 100 = TD 1.14

Map of Tunisia and its Tourism Resources

Tourism core and resources

- Beach related resources
- Culture related resources
- Sahara related resources
- MICE related resources
- Nature related resources

THE STUDY
ON
TOURISM DEVELOPMENT PLAN
FOR
THE YEAR 2016
IN
THE REPUBLIC OF TUNISIA

Upgrading the Condition of
Cultural, Ecological and Saharan Tourism Resources

FINAL REPORT

TABLE OF CONTENTS
(Volume I: National Plan)

1. INTRODUCTION
- 1.1 Background of the Study 2
- 1.2 Objectives of the Study 4
- 1.3 Main Questions 4
- 1.4 Methodology of the Study 5
- 1.5 Methods and Data Sources 6
- 1.6 Tourism Regions 7
- 1.7 Report Organization 8

PART I: DIAGNOSIS OF CURRENT SITUATION

2. ASSESSMENT OF TUNISIAN TOURISM
- 2.1 International Tourism Market for Tunisia 10
- 2.2 Major Markets for Tunisia 14
- 2.3 Tunisia’s Position vis-à-vis Competitive Destinations 16
  - 2.3.1 Comparative Position of Tunisia 16
  - 2.3.2 Product Development 21
  - 2.3.3 Visitor Information Offices 22
  - 2.3.4 Overseas Tourism Promotion 23
  - 2.3.5 Tourism Development Policies in Competing Countries 24
- 2.4 Typical Tour Patterns by Different Markets 37
  - 2.4.1 Western Europe 37
  - 2.4.2 Eastern Europe 39
  - 2.4.3 Japan 40
- 2.5 How European Tour Operators View Tunisia 41
- 2.6 How Tourists View Tunisia 45

2.6.1 What Vacationers Coming For ... 45
2.6.2 Level of Satisfaction ... 47
2.6.3 Value and Visitor Facilitation of Cultural Sites ... 48
2.6.4 Saharan Tourism and Attractions ... 49
2.6.5 Environment and Amenity ... 50
2.6.6 Tourist Information ... 51
2.6.7 Tourist Expenditure ... 52

3. SWOT ANALYSIS
3.1 Strengths ... 56
3.2 Weaknesses ... 59
3.3 Opportunities ... 62
3.4 Threats ... 64
3.5 Conclusion of the Diagnosis ... 66

PART II: NATIONAL PLAN (2016)

4. TOURISM DEVELOPMENT OBJECTIVES AND STRATEGIES
4.1 Overall Tourism Development Objectives ... 73
4.1.1 Competitiveness ... 73
4.1.2 Profitability ... 74
4.1.3 Sustainability ... 74
4.2 Tourism Development Strategies ... 75
4.2.1 Strategies for Competitiveness ... 76
4.2.2 Strategies for Profitability ... 79
4.2.3 Strategies for Sustainability ... 81

5. DEMAND PROJECTION FOR 2016
5.1 Overall Prospect of Tunisia’s Tourism ... 88
5.1.1 Global Trend of World Tourism Market ... 88
5.1.2 Overall Trend and Prospect of Tunisia’s Tourism ... 90
5.1.3 Recent Trend and Prospect by Market Segment ... 92
5.2 Projection of Foreign Visitor Arrivals ... 95
5.2.1 Assumptions for the Projection ... 95
5.2.2 Visitor Arrivals Projection ... 96
5.3 Projection of Foreign Visitor-Nights ... 100
5.4 Projection of Accommodation Capacity ... 102
5.4.1 Methodology ... 102
5.4.2 Projection of Total Visitor-Nights by Region ... 106
5.4.3 Projection of Bed Capacity Needed by Region ... 111

6. TOURISM DEVELOPMENT CONCEPT
6.1 Tourism Development Themes ... 120
6.2 Culture, Sahara, Quality and Environment ... 121

6.3 Spatial Development Concept 131
6.3.1 Target Markets...131
6.3.2 Visions for Spatial Tourism Development 134

7. COMPONENT DEVELOPMENT PLANS
7.1 Plan Structure 140
7.2 Tourism Product Development Plan 142
7.2.1 Cultural Products 142
7.2.2 Sahara Products 147
7.2.3 Natural-Based Products 147
7.2.4 Accommodation 149
7.2.5 Other Measures..158
7.3 Tourism Resource and Environment Preservation Plan 161
7.3.1 Urban-Related Measures 161
7.3.2 Natural Environment 163
7.4 Marketing and Promotion Plan..166
7.4.1 Measures for Improved Marketing 166
7.4.2 Measures for Improved Promotion and Information Delivery ..170
7.4.3 Measures for Building Differentiated Images 173
7.5 Tourism Industry Vitalization Plan 175
7.5.1 Measures for the Lodging Industry...175
7.5.2 Measures for Other Industries 181
7.5.3 Measures for Public Entities..186
7.6 Human Resource Development Plan...192
7.7 Infrastructure Development Plan...199
7.7.1 Tourist Transport Related Measures...199
7.7.2 Other Types of Measures...202

8. IMPLEMENTATION PROGRAM FOR 2016
8.1 Structure Plan 204
8.2 Proposed Implementation Schedule 209

9. PLAN EVALUATION
9.1 Socio-Economic Evaluation 218
9.1.1 Expected Economic Impacts of National Plan Implementation 220
9.1.2 Employment Creation...227
9.1.3 Social Impacts..230
9.1.4 Overall Socio-Economic Impacts 231
9.2 Environmental Evaluation 234
9.2.1 Methodology..234
9.2.2 Initial Environmental Examination 235
9.2.3 Examination of Carrying Capacity for Beach Development 244
9.3 Overall Evaluation..251

TABLE OF CONTENTS
(Volume II: Regional Plans and Action Plan)

10. INTRODUCTION

PART III: PLANS FOR SELECTED REGIONS (2016)

11. COMMON PLANNING ISSUES
- 11.1 Selected Regions 4
- 11.2 Methodology for Regional Tourism Development Plan 8

12. PLANS FOR SELECTED REGIONS (2016)
- 12.1 Greater Tunis Region Development Plan 10
  - 12.1.1 Potentials and Constraints 10
  - 12.1.2 Development Concept 13
  - 12.1.3 Target Markets 14
  - 12.1.4 Spatial Development Plan 16
  - 12.1.5 Product and Facility Development Plan 20
  - 12.1.6 Infrastructure Development Plan 23
- 12.2 Central Region Development Plan 25
  - 12.2.1 Potentials and Constraints 25
  - 12.2.2 Development Concept 27
  - 12.2.3 Target Markets 28
  - 12.2.4 Spatial Development Plan 30
  - 12.2.5 Product and Facility Development Plan 33
  - 12.2.6 Infrastructure Development Plan 35
- 12.3 Southwest Region Development Plan 37
  - 12.3.1 Potentials and Constraints 37
  - 12.3.2 Development Concept 39
  - 12.3.3 Target Markets 40
  - 12.3.4 Spatial Development Plan 42
  - 12.3.5 Product and Facility Development Plan 45
  - 12.3.6 Infrastructure Development Plan 47

PART IV: ACTION PLAN (2006)

13. MEASURES FOR 2006
- 13.1 Candidate Projects and Programs 50
  - 13.1.1 Identification of Candidate Priority Projects and Programs 50
  - 13.1.2 Candidate Priority Projects and Programs 51
- 13.2 Selected Priority Projects and Programs 55

14. PRIORITY PROJECTS (2006)
14.1 Package A: Carthage Heritage Park....58
14.1.1 Rationale....58
14.1.2 Objectives....58
14.1.3 Package Components....59
14.1.4 Related Projects....70
14.2 Package B: Islamic Urban Heritage....73
14.2.1 Rationale....73
14.2.2 Objectives....73
14.2.3 Package Components....74
14.2.4 Related Projects....101
14.3 Package C: Sahara and Oasis Life....103
14.3.1 Rationale....103
14.3.2 Objectives....103
14.3.3 Package Components....104
14.3.4 Related Projects....117
14.4 Package D: Cultural Circuit Upgrading....118
14.4.1 Rationale....118
14.4.2 Objectives....118
14.4.3 Package Components....118
14.4.4 Related Projects....144
14.5 Package E: Improved Competitiveness for Beach Resort....146
14.5.1 Rationale....146
14.5.2 Objectives....146
14.5.3 Package Components....147
14.6 Package F: MICE Tourism Promotion....155
14.6.1 Rationale....155
14.6.2 Objectives....155
14.6.3 Package Components....156
14.6.4 Related Projects....159

15. IMPLEMENTATION OF PRIORITY PROJECTS
15.1 Implementation and Management Structure....162
15.1.1 Implementation Schedule of Priority Projects....162
15.1.2 Implementation Structure....165
15.1.3 Implementation and Management of Project Components....169
15.1.4 Staff Allocation for Major Project Components....172
15.1.5 Funding Sources....173
15.2 Cost Planning of Priority Projects....174
15.2.1 Premises....174
15.2.2 Project Cost....175
15.2.3 Operation and Maintenance Cost....187

15.3 Feasibility of Priority Projects....189
15.3.1 Overview of Economic Evaluation....189
15.3.2 Economic Benefits of Priority Projects....190
15.3.3 Economic Costs of Priority Projects....200
15.3.4 Economic Evaluation of Priority Projects....200
15.3.5 Sensitivity Analysis....204
15.3.6 Financial Evaluation of Priority Projects....205
15.4 Environmental Consideration....213
15.4.1 Methodology....213
15.4.2 Result of Prelimary-EIA....215

16. RECOMMENDATIONS

TABLE OF CONTENTS
(Volume III: Appendixes-Sector Analysis)

A1. INTRODUCTION

A2. SOCIO-ECONOMIC IMPACT OF TOURISM SECTOR
- A2.1 Overview 4
  - A2.1.1 Demography 4
  - A2.1.2 Administrative Structure 9
  - A2.1.3 Economic Structure and Policy 10
  - A2.1.4 National Development Plan 15
- A2.2 Impact of Tourist Receipts to Tunisian Economy 17
  - A2.2.1 Methodology 18
  - A2.2.2 Estimated Multiplier 20
  - A2.2.3 Spread Effect to Related Sectors 22
- A2.3 Impact on Employment 24
  - A2.3.1 Direct and Indirect Employment 24
  - A2.3.2 Estimated Employment 28
- A2.4 Social Impact Survey Result 31

A3. NATURAL ENVIRONMENT
- A3.1 Overview 38
  - A3.1.1 Geographical Characteristics 39
  - A3.1.2 Climate 39
  - A3.1.3 Land Use 42
  - A3.1.4 Flora and Fauna 43
- A3.2 Environmental Management 44
  - A3.2.1 Policy and Strategy 44
  - A3.2.2 Relevant Organizations 47
- A3.3 Protected Areas 53
  - A3.3.1 Natural Parks and Reserves 53
  - A3.3.2 Sensitive Areas 56
- A3.4 Key Issues Related to Tourism Development 62
  - A3.4.1 Natural Environment Protection 62
  - A3.4.2 Environmental Rehabilitation and Beautification 64
  - A3.4.3 Sustainable Use of Natural Resources 65

A4. TOURISM DEMAND
A4.1 Visitor Arrivals 68
A4.2 Visitor Stay 71
A4.2.1 Trend of Visitor-Nights 71
A4.2.2 Length of Stay 72
A4.2.3 Visitor-Nights by Region and Source Market 73
A4.2.4 Mobility of Visitor Stay 80
A4.2.5 Seasonal Fluctuation of Visitor Stay 81
A4.3 Purpose of Visit 83
A4.3.1 Types of Visitors 83
A4.3.2 Visitor Arrivals by Estimated Purpose 85
A4.4 Types of European Outbound Travelers 87
A4.5 Result of Tourist Survey 90

A5. TOURISM RESOURCES AND PRODUCTS
A5.1 Seaside Tourism 96
A5.1.1 Coastal Environment 96
A5.1.2 Golf Courses 98
A5.1.3 Marina for Pleasure Boating 98
A5.1.4 Casinos 99
A5.1.5 Thalassotherapy 100
A5.2 Resource for Cultural Tourism 101
A5.3 MICE Tourism 105
A5.4 Natural Resources 107
A5.4.1 Spa Resorts 107
A5.4.2 National Parks and Reserves 107
A5.4.3 Marin Parks 108
A5.5 Visitor Facilitation 109
A5.5.1 On-Site Visitor Facilities 109
A5.5.2 Directional Signs and Parking 111
A5.5.3 Tourist Amenities 111
A5.5.4 Visitor Centers 112
A5.6 Tourist Zone Development 113
A5.6.1 Past Development of Tourist Zones 113
A5.6.2 Private Sector Involvement in Tourist Zone Development 114
A5.6.3 New Tourist Zones 115
A5.7 Key Issues 120
A5.7.1 Tourism Resources 120
A5.7.2 Visitor Facilitation 120
A5.7.3 Tourist Zones 121

A6. MARKETING AND PROMOTION
A6.1 Public Sector....124
A6.1.1 ONTT Department of Marketing....124
A6.1.2 ONTT Department of Communications....132
A6.1.3 Tourism Promotion Budget....132
A6.2 Private Sector and Non Profit Organizations....134
A6.3 Result of Tour Operator Interview in Germany....136
A6.3.1 Tourism Promotion....136
A6.3.2 Tourism Representation Survey....140
A6.4 Need for Building Differentiated Images....144
A6.5 Key Issues....149

A7. TOURISM INDUSTRIES AND THEIR PERFORMANCE
A7.1 Hotels....152
A7.1.1 Accommodation Capacity....152
A7.1.2 Choice of Accommodation Type....155
A7.1.3 Bed Occupancy Rates....156
A7.1.4 Hotel Operation and Management....159
A7.1.5 Facility and Service Norms....161
A7.1.6 Financial Performance....165
A7.1.7 Hotel Investment....169
A7.2 Restaurants....176
A7.3 Travel Agencies....178
A7.4 Souvenir and Handicraft....180
A7.5 Tourist Transport Services....182
A7.5.1 Car Rentals....182
A7.5.2 Air Transport....182
A7.6 Key Issues....185
A7.6.1 Hotels....185
A7.6.2 Restaurants....188
A7.6.3 Travel Agencies....189
A7.6.4 Souvenir and Handicraft Industry....190
A7.6.5 Car Rentals....191
A7.6.6 Air Transport....192
A7.6.7 Response to Competition and Globalization in International Tourism....192

A8. HUMAN RESOURCES
A8.1 Labor Force in the Tourism Sector....196
A8.2 Training System....197
A8.2.1 Strategy for Hotel and Tourism Training....197
A8.2.2 ONTT Activities....198
A8.2.3 Relevant Training Institutions at Vocational Level....199

A8.2.4 Professional Level Training 203
A8.3 Key Issues 205

A9. ADMINISTRATIVE SYSTEMS
A9.1 Tourism Administration 208
A9.1.1 Tourism Administrative Organizations 208
A9.1.2 Related Organizations 217
A9.1.3 Coordination in Tourism Development 219
A9.1.4 Trade Associations and Private Entities 220
A9.1.5 Public-Private Partnership 221
A9.1.6 Donor Activities 225
A9.2 Laws and Regulations 229
A9.2.1 Laws and Regulation for Tourism 229
A9.2.2 Incentives for Investment 230
A9.3 Budgets for Tourism Administration 232
A9.4 Key Issues 233

A10. SUPPORTING INFRASTRUCTURE
A10.1 Tourist Transport 238
A10.1.1 Airports and Air Transport 238
A10.1.2 Roads and Road Transport 243
A10.1.3 Rail Network and Rail Transport 246
A10.1.4 Ports and Water Transport 248
A10.2 Utilities 250
A10.2.1 Water Supply 250
A10.2.2 Sewerage Treatment 251
A10.2.3 Power Supply 252
A10.2.4 Telecommunication 252
A10.3 Key Issues 253
A10.3.1 Tourist Transport 253
A10.3.2 Utilities 254

A11. APPENDIXES
A11.1 Study Organization and Members 256
A11.2 Study Schedule 261
A11.3 Summary of the Seminar in Japan 262
A11.4 Survey Questionnaires 268
A11.5 Bibliography 284

LIST OF TABLES
(Volume I: National Plan)

Table 2.1.1	Visitor Arrivals-Tunisia and the Four Competing Destinations	12
Table 2.2.1	Ranking of European Arrivals to Tunisia	14
Table 2.3.1	Comparative Position of Tunisia as a Tourist Destination	17
Table 2.3.2	Outbound Travelers from Major Europeans Countries by Type	19
Table 2.3.3	Comparison of Tourism Earnings per Visitor Arrival in 1999	20
Table 2.3.4	Comments of “Lonely Planet – Tunisia”	22
Table 2.3.5	Selected Points of National Tourism Development Policies/Projects of Neighboring Countries	26
Table 2.5.1	Summary of Comments made by Representative Tour Operators	43
Table 2.6.1	Composition of Vacationers by Purpose	45
Table 2.6.2	Information Source Considered Useful for Tourists by Purpose	46
Table 2.6.3	Only-for-Beach Vacationers Visited Major Cultural Sites	46
Table 2.6.4	Visitors to Tozeur among Vacationers in Other Destinations	50
Table 2.6.5	Ratings of Environmental Aspects	51
Table 2.6.6	Ratings by Vacationers on Availability of Tourist Information	51
Table 2.6.7	Spending Behaviors of Vacationers by Purpose	54
Table 5.1.1	Annual Average Growth Rate Forecast for Outbound Tourists to 2020	89
Table 5.1.2	Recent Growth of Outbound Tourists vs Foreign Visitor Arrivals in Tunisia	90
Table 5.1.3	Tunisia’s Shares and Recent Growth Trend for Foreign Visitor Arrivals by Source Country	92
Table 5.2.1	Projections of Visitor Arrivals in Tunisia by Source Region	99
Table 5.3.1	Assumptions of Average Length of Stay at Hotels by Source Region	101
Table 5.3.2	Projections of Foreign Visitor-Nights at Hotels by Source Region	101
Table 5.4.1	Projection of Visitor-Nights by Region for Non-Residents	107
Table 5.4.2	Projection of Visitor-Nights by Region for Residents	109
Table 5.4.3	Projection of Total Number of Hotel Registration by Region	110
Table 5.4.4	Projection of Total Visitor-Nights by Region	110
Table 5.4.5	Projection of Annual Average Occupancy Rates by Region	111
Table 5.4.6	Projection of Bed Capacity Needed by Region	113
Table 5.4.7	Indicative Projection of Bed Capacity by Category in 2016	116
Table 6.3.1	Projection of Total Numbers of Target Market Segments	131
Table 7.2.1	Number of Package Tours Using Apartment-Type Hotels Offered by Major European Tour Operators	154
Table 7.4.1	Recommended Marketing Approach to Cultivate Themed Products	168
Table 7.4.2	A New Set of Desired Printed Materials - Promotion and Site Information	171
Table 7.4.3	A Model Example of New Format Sales Mission “Traveling Workshop”	172
Table 7.6.1	Estimates of Impacts of National Plan Implementation on Employment	192
Table 7.6.2	Proposed Subjects	193
Table 7.6.3	Practical Training at OHAP	196
Table 8.2.1	Implementation Schedule and Cost of Component Plans	211
Table 9.1.1	Projection of Tourism Earnings: Scenario A	221
Table 9.1.2	Projection of Tourism Earnings: Scenario B	222

Table 9.1.3	Cost-Benefit Analysis for National Plan Implementation	225
Table 9.1.4	Return on Hotel Investment in 2002-2006	227
Table 9.1.5	Estimates of Impacts of National Plan Implementation on Employment	229
Table 9.1.6	Expected Social and Economic Impacts of the Proposed Master Plan	233
Table 9.2.1	Result of Initial Environmental Examination	236
Table 9.2.2	Classification of Coastal Land	247
Table 9.2.3	Average number of beds per ha in Planned tourism zone	248
Table 9.2.4	Estimated Numbers of Beds with Development of Category D Areas	248
Table 9.3.1	Evaluation of the Master Plan	251

LIST OF TABLES
(Volume II: Regional Plans and Action Plan)

Table 11.1.1	Evaluation of Tourism Regions	7
Table 12.1.1	Main Characteristics of Greater Tunis Region	10
Table 12.1.2	Result of Interview Surveys relevant to Greater Tunis Region	11
Table 12.1.3	Accommodation Capacity Requirement in Greater Tunis Region	21
Table 12.2.1	Main Characteristics of the Central Region	25
Table 12.2.2	Results of Interview Surveys relevant to Central Region	26
Table 12.2.3	Accommodation Capacity Requirement in Central Region	34
Table 12.3.1	Main Characteristics of Southwest Region	37
Table 12.3.2	Visitors to Tozeur among Visitors Stayed in Other Regions	38
Table 12.3.3	Accommodation Capacity Requirement in Southwest Region	46
Table 13.1.1	Identified Candidate Priority Projects and Programs	52
Table 14.2.1	Function of Visitor Center of Medina of Tunis	77
Table 14.2.2	Function of Art and Craft Center	81
Table 14.2.3	Function of Visitor Center of Kairouan	91
Table 14.3.1	Display Concept of Sahara-Oasis World	107
Table 14.3.2	Characteristics of International Joint Operation	108
Table 14.3.3	Sample Menu of Desert Sports	115
Table 14.4.1	Function of On-Site Visitor Center	136
Table 14.5.1	Example of Beach Resort Type and Development Process to be Used	151
Table 14.5.2	Training Programs	153
Table 14.5.3	Implementation Structure	153
Table 15.1.1	Provisional Implementation Schedule of the Priority Projects	162
Table 15.1.2	Implementation Schedule of Priority Projects	163
Table 15.1.3	Project Implementation and Management Responsibility	170
Table 15.1.4	Staff Allocation Plan	172
Table 15.2.1	Summary of Project Cost Planning	176
Table 15.2.2	Cost Planning of Priority Projects	179
Table 15.2.3	Cost Planning of Priority Projects from 2002 to 2006	187
Table 15.3.1	Tourism Earnings per Foreign Visitor Arrival, 1996-1999	195
Table 15.3.2	Total Economic Benefits of the Priority Projects	197
Table 15.3.3	Summary of Economic Evaluation	201
Table 15.3.4	Economic Evaluation of Priority Projects	202
Table 15.3.5	Sensitivity of Economic Internal Rate of Return (EIRR)	204
Table 15.3.6	Proposed Admission Fees for Facilities to be Built	206
Table 15.3.7	Assumption of Rent for Facilities to be Built	206
Table 15.3.8	Assumptions for Estimating the Numbers of Visitors	208
Table 15.3.9	Estimated Number of Visitors to Facilities to be Built (2007-2026)	209
Table 15.3.10	Estimated Admission Fees (2007-2026)	210
Table 15.3.11	Revenues from Facilities to be Built and Total O/M Costs for the Priority Projects (2007-2026)	210
Table 15.3.12	Ratio of Total Tax Revenue to GDP	212
Table 15.3.13	Repayment Schedule of Soft Loan and Incremental Tax Revenue	212

LIST OF TABLES
(Volume III: Appendixes-Sector Analysis)

Table A2.1.1	Population Distribution (1998)	4
Table A2.1.2	Employment by Sector	7
Table A2.1.3	Administrative Units in Tunisia	9
Table A2.1.4	Trend of GDP in Tunisia	10
Table A2.1.5	GDP by Sector	11
Table A2.1.6	Real GDP Growth by Sector	11
Table A2.1.7	Trade Balance and Tourism Receipt	12
Table A2.1.8	Trend of Composition by Value of Exports and Imports of Tunisia	12
Table A2.1.9	Foreign Direct Investment Flows into Tunisia by Sector	13
Table A2.1.10	9th Plan Key Indicators for the Tourism Sector	16
Table A2.2.1	Economic Impact by Tourism Operation (Intermediate Consumption)	19
Table A2.2.2	Estimated Multiplier	20
Table A2.2.3	Spread Effect Structure and Multiplier	21
Table A2.2.4	Intermediate Consumption by Tourism Sector	22
Table A2.3.1	Estimation of Employment for Consumption from Value Added by Tourism Sector	26
Table A2.3.2	Estimation of Employment in Construction for Tourism Sector	27
Table A2.3.3	Employment in Handicraft	27
Table A2.3.4	Estimation of Current Level of Employment	28
Table A2.3.5	Breakdown of Indirect Employment A	28
Table A2.3.6	Hotel Employment per Bed by Category	29
Table A2.3.7	Estimate of Hotel Employment	29
Table A2.3.8	Direct and Indirect Employment per Tourism	30
Table A2.4.1	Geographic Composition of the Social Impact Survey Sample	31
Table A2.4.2	Importance of Tourism to the Economic Activity	31
Table A2.4.3	Impacts of Tourism to the Region	32
Table A2.4.4	Cultural Impacts of Tourism	33
Table A2.4.5	Contribution of Tourism to Employment	33
Table A2.4.6	Intention to Provide Tourism Services	34
Table A2.4.7	Willingness to Start Tourism Services for Those Who Show Interests	34
Table A2.4.8	Overall Assessment on Social Impacts of Tourism	35
Table A3.1.1	Geographical and Climatic Characteristics of Tunisia	41
Table A3.1.2	Land Use Classification	42
Table A3.1.3	Types of Land Ownership in Tunisia	43
Table A3.1.4	Flora and Fauna of Tunisia	43
Table A3.2.1	Environmental Management and Conservation Projects	45
Table A3.2.2	Land Use Plans and Documents	45
Table A3.2.3	Environment and Ecological Projects of MEAT	46
Table A3.2.4	Management Authorities Related to Environment Conservation	47
Table A3.2.5	Environmental Laws	49
Table A3.2.6	International Conventions Signed by Tunisia	49
Table A3.2.7	Environmental Projects by International Organizations	51
Table A3.3.1	Types of Protected Nature Areas	53

Table A3.3.2 Sensitive Issues in Each Region 56
Table A3.3.3 Sensitive Sites and Areas 61
Table A3.4.1 Population Projection 63
Table A3.4.2 Rating of Environmental Aspects by Vacationers 65
Table A4.1.1 Trends of Visitor Arrivals 1994-1999 69
Table A4.2.1 Trend of Visitor-Nights in Hotels 72
Table A4.2.2 Trend of Length of Stay in Hotels 73
Table A4.2.3 Trends of Visitors and Visitor-Nights by Tourism Region 75
Table A4.2.4 Visitor-Nights by Tourism Region and Market in 1994 and 1998 80
Table A4.3.1 Estimated Number of Visitors by Purpose 86
Table A4.4.1 Estimated Outbound Travelers from Major European Countries 87
Table A4.4.2 Types of Holiday for Outbound Tourists from Major European Countries 88
Table A4.4.3 Estimated Number of Outbound Tourists from Major European Countries 88
Table A4.4.4 Summary of Outbound Travelers from Major European Countries 88
Table A5.1.1 Key Golf Courses 98
Table A5.1.2 Key Marinas in Operation or Under Construction 99
Table A5.1.3 Casinos in Operation or Under Construction 99
Table A5.1.4 Key Centers for Thalassotherapy 100
Table A5.2.1 Evaluation of Major Resources for Cultural Tourism by Tour Guidebooks 103
Table A5.3.1 Key Meeting Facilities 105
Table A5.5.1 Assessment of on-site Facilities 110
Table A5.6.1 List of New Tourist Zones 117
Table A5.6.2 Plans of New Tourist Zones 118
Table A5.7.1 Strengths & Weakness of Tunisia's Product by Type of Tourism 120
Table A6.1.1 Number of Staff Engaging Tourism Promotion 124
Table A6.1.2 Promotional Materials Produced by ONTT (1/2) 127
Table A6.1.2 Promotional Materials Produced by ONTT (2/2) 128
Table A6.1.3 National Publicities Abroad 129
Table A6.1.4 Familiarization Tours Organized (FAM) 130
Table A6.1.5 Fairs and Exhibitions Predicated by ONTT 131
Table A6.1.6 Annual Tourism Promotion Budget 132
Table A6.1.7 Promotional Budget by Country 133
Table A6.3.1 Promotion Activities of Competing Destinations in Germany 143
Table A6.4.1 Composition of Vacationers by Purposes 146
Table A6.4.2 Information Source Considered Useful for Tourists by Purpose 146
Table A7.1.1 Growth of Hotel Capacity by Classification 152
Table A7.1.2 Distribution of Hotels by Region in 1998 155
Table A7.1.3 Bed Occupancy Rates by Region 157
Table A7.1.4 Bed Occupancy Rates by Hotel Class 157
Table A7.1.5 Evaluation of Hotel Supply and Occupancy 158
Table A7.1.6 Presence of Foreign Hotel Chains in Tunisia in 1998 160
Table A7.1.7 Comparison of Public Facilities of 5-Star Hotels among 4 Destinations 162
Table A7.1.8 Outline of "Classification of Hotel 2000" 163
Table A7.1.9 Operating Performances and Profitability of Hotels in 1996 165
Table A7.1.10 Gross Operating Profitability of Hotels 166

Table A7.1.11	Performance of Middle East Hotels	168
Table A7.1.12	Performance of Hotels in Tunisia	168
Table A7.1.13	Bed Occupancy Rates and Seasonal Fluctuation	169
Table A7.1.14	Employment in Hotels by Hiring Regime	169
Table A7.1.15	Fixed Capital Formation for Hotels, Cafes, and Restaurants	170
Table A7.1.16	Number of Hotel Rooms in Egypt	171
Table A7.1.17	Distribution of Hotel Rooms in Egypt by Category in 1997	171
Table A7.1.18	Number of Beds in Turkey (1997)	172
Table A7.1.19	Number of Beds in Turkey by Category (1997)	172
Table A7.1.20	Marginal Productivity of Capital by Sector	173
Table A7.1.21	Primary Investment Incentives in Tunisia, Egypt and Turkey Applicable to Hotel Investment	175
Table A7.2.1	Regional Distribution of Rated Restaurants in 1998	176
Table A7.3.1	Number of Licensed Travel Agencies by Region	178
Table A7.4.1	Available Souvenirs and Handicrafts in Tunisia	181
Table A8.1.1	Employment in Hotels and Restaurants	196
Table A8.1.2	Estimates of Impacts of National Plan Implementation on Employment	196
Table A8.2.1	Action Plan for the Development of Hotel and Tourism Training	198
Table A8.2.2	Distribution of Graduates by Courses at Public Hotel Schools	201
Table A8.2.3	Alternation Calendar	201
Table A8.2.4	Practical Training at OHAP	201
Table A8.2.5	Distribution of Graduates by Courses at Private Schools in 2000	202
Table A9.3.1	Contribution from State Budget	232
Table A9.3.2	Competitiveness Fund (Hotel Contribution)	232
Table A10.1.1	Number of Planes and Passengers at 7 International Airports	239
Table A10.1.2	Programs of Scheduled Flights by Tunisair	240
Table A10.1.3	Domestic Flight Routes and Fares (As of October, 2000)	242
Table A10.1.4	Metro and TGM Service Outline	247
Table A10.1.5	Rail Transport in Tunisia	247
Table A10.1.6	Seaway Passengers Entering the Tunis-Goulette Port	248
Table A10.1.7	Trend of Cruise Traffic	249
Table A10.1.8	Cruise Traffic by Port	249
Table A10.2.1	Water Volume for Production and Consumption (1999)	250
Table A10.2.2	Covering Ratio of Drinking Water Service by Region	250
Table A10.2.3	Covering Ratio of Sewer Pipes Network by Region	251
Table A10.2.4	Covering Ratio of Electricity Service by Province	252
Table A10.2.5	Covering Ratio of Telephone Service by Province	252

LIST OF FIGURES
(Volume I: National Plan)

Figure 1.1.1 Study Organization 2
Figure 1.4.1 Conceptual Study Framework 5
Figure 1.6.1 ONTT Tourism Regions 7
Figure 2.1.1 Visitor Arrivals-Tunisia and he Four Competing Destinations 11
Figure 2.3.1 Comparison of European Outbound Travelers and Visitors to Tunisia 19
Figure 2.3.2 Photo Analysis of Site Presentation 27
Figure 2.4.1 Typical Tour Pattern from Netherlands 38
Figure 2.4.2 Typical Tour Pattern from Spain 38
Figure 2.4.3 Typical Tour Pattern from Poland 39
Figure 2.4.4 Typical Tour Pattern from Japan 40
Figure 2.6.1 Level of Vacationers' Satisfaction by Purpose 47
Figure 2.6.2 Visitors Rating Major Cultural Sites as "Good" 49
Figure 2.6.3 Vacationers Rating Tourist Attractions as "Good" 50
Figure 2.6.4 More Information Needed by Vacationers 52
Figure 2.6.5 Expenditure Spent in Tunisia by Purpose 53
Figure 2.6.6 Age Distribution of Vacationers by Purpose 53
Figure 3.5.1 Strengths and Their Implications for Opportunities 67
Figure 3.5.2 Structure of Weaknesses and Primary Measures for Overcoming Them 69
Figure 4.2.1 Conceptual Role of Strategies 75
Figure 4.2.2 Tourism Development Objectives and Strategies 85
Figure 5.1.1 WTO Forecast of International Tourist Arrivals 89
Figure 5.1.2 Outbound International Tourist Forecast by Generating Region 89
Figure 5.2.1 Projections of Visitor Arrivals in Tunisia 98
Figure 5.4.1 Projection of Bed Capacity Needed by Tourism Region 104
Figure 6.1.1 Tourism Development Objective, Strategies and Principal Themes 120
Figure 6.2.1 Principal Development Concepts: CULTURE 123
Figure 6.2.2 Principal Development Concepts: SAHARA 125
Figure 6.2.3 Principal Development Concepts: QUALITY 127
Figure 6.2.4 Principal Development Concepts: ENVIRONMENT 129
Figure 6.3.1 Spatial Development Concept: Existing Situation (2001) 135
Figure 6.3.2 Spatial Development Concept (2006) 136
Figure 6.3.3 Spatial Development Concept (2016) 137
Figure 7.1.1 Objectives, Strategies and Component Development Plans 140
Figure 7.2.1 Development of High Density Seaside Resort Towns 156
Figure 7.7.1 Selected Road Network Improvement 200
Figure 8.1.1 Spatial Tourism Development Structure (2001) 206
Figure 8.1.2 Spatial Tourism Development Structure (2006) 207
Figure 8.1.3 Spatial Tourism Development Structure (2016) 208
Figure 9.1.1 Social and Economic Impacts of the Master Plan 219
Figure 9.1.2 Improving Profitability of the Hotel Industry 219
Figure 9.2.1 Classification of Coastal Land 246

LIST OF FIGURES
(Volume II: Regional Plans and Action Plan)

Figure 11.1.1 Tourism Development Objective, Strategies and Principal Themes 4
Figure 11.1.2 Selected Regions 5
Figure 11.2.1 Formulation of Regional Plans and Priority Projects 8
Figure 12.1.1 Development Concept of Greater Tunis Region 15
Figure 12.1.2 Spatial Development Plan of Greater Tunis Region 18
Figure 12.2.1 Development Concept of Central Region....................................29
Figure 12.2.2 Spatial Development Plan of Central Region....................................32
Figure 12.3.1 Development Concept of Southwest Region....................................41
Figure 12.3.2 Spatial Development Plan of Southwest Region....................................44
Figure 13.1.1 Formulation of Priority Projects and Programs....................................50
Figure 14.1.1 Package Components 59
Figure 14.1.2 Package A: Carthage Heritage Park 60
Figure 14.1.3 Carthage Visitor Center and Water Circuit Museum in La Malga Cisterns 62
Figure 14.1.4 Carthage Visitor Center: Example of presentation....................................63
Figure 14.1.5 Beautification of Avenue Habib Bourguiba 65
Figure 14.1.6 Advanced Presentations at Archaeological Museum 1 67
Figure 14.1.7 Advanced Presentation at Archaeological Museum 2 68
Figure 14.1.8 Related Projects 70
Figure 14.2.1 Package Components 75
Figure 14.2.2 Package B: Islamic Urban Heritage 76
Figure 14.2.3 Location and Sub-components in Tunis....................................78
Figure 14.2.4 Tunis Visitor Center....................................80
Figure 14.2.5 Art and Craft Center....................................82
Figure 14.2.6 Creation of Visiting Circuits: Interpretative Panel at Gates 84
Figure 14.2.7 Creation of Visiting Circuits-Interpretive Panel of Monuments....................................85
Figure 14.2.8 Creation of Visiting Circuits-Direction Sign....................................85
Figure 14.2.9 Rehabilitation of Medina: Rue des Andalous....................................87
Figure 14.2.10 Rehabilitation of Medina: Place de Bab Menera 88
Figure 14.2.11 Rehabilitation of Medina: Place du Tribunal 89
Figure 14.2.12 Rehabilitation of Medina and Tourist Coach Parking: Place du Leader 90
Figure 14.2.13 Location of Sub-components in Kairouan....................................92
Figure 14.2.14 Kairouan Visitor Center 94
Figure 14.2.15 Location and Sub-components in Sousse:....................................97
Figure 14.2.16 Location and Sub-components in Mahdia 99
Figure 14.3.1 Package Components 104
Figure 14.3.2 Package C: Sahara and Oasis Life....................................105
Figure 14.3.3 Sahara Oasis World - Area Plan....................................109
Figure 14.3.4 Sahara Oasis World - Main Museum 110
Figure 14.3.5 Sahara Camelback Trekking Center with Sahara Field Museum 113
Figure 14.4.1 Package Components 119
Figure 14.4.2 Package D: Culture Circuits Upgrading....................................120
Figure 14.4.3 Culture Circuits Upgrading: Tunis/Carthage Base....................................122

Figure 14.4.4 Creation of Site Visiting Circuit: Bulla Regia ... 125
Figure 14.4.5 Creation of Site Visiting Circuit: Aqueduct ... 127
Figure 14.4.6 Tourist Road Sign ... 129
Figure 14.4.7 Cultural Circuits Upgrading: Sousse/Hamammet Base ... 132
Figure 14.4.8 Establishment of On-site Visitor Center and Creation of Site Visiting circuit in El Jem.. 133
Figure 14.4.9 Culture Circuits Upgrading: Jerba/Tataouine Base ... 137
Figure 14.4.10 Tataouine Visitor Center 1 ... 139
Figure 14.4.11 Tataouine Visitor Center 2 ... 140
Figure 14.4.12 Road Improvement ... 142
Figure 14.5.1 Package Components ... 147
Figure 14.5.2 Creation of World-Class Type Resorts with High Competitive Process ... 150
Figure 14.6.1 Package Components ... 156
Figure 15.1.1 Project Implementation Structure ... 166
Figure 15.3.1 Estimate of Number of Tourists for Cultural Circuit and Natural Wonder ... 192
Figure 15.3.2 Allocation of Total Economic Benefits to Each Project Package ... 198
Figure 15.4.1 List of Annex I and II for EIA ... 214

LIST OF FIGURES
(Volume III: Appendixes-Sector Analysis)

Figure A2.1.1 Population Distribution in Tunisia 5
Figure A2.2.1 Spread Effect Structure for the Tourism Sector 20
Figure A3.1.1 Monthly Temperature and Rainfall in Selected Areas in Tunisia....40
Figure A3.1.2 Geographical and Climatic Characteristics of Tunisia 42
Figure A3.2.1 Flow Chart of Environmental Impact Assessment (EIA) in Tunisia 50
Figure A3.3.1 National Parks and Nature Reserves in Tunisia 55
Figure A3.3.2 Coastal Erosion Area, Sensitive Area and Tourist Zones 57
Figure A3.3.3 Ground Water Conditions 58
Figure A3.3.4 Soil Conditions....59
Figure A4.1.1 Trends of Visitor Arrivals 1994-1999....68
Figure A4.2.1 Geographical Distribution of Overall Visitor Stay 1998....74
Figure A4.2.2 Geographical Distribution of Visitor Stays 1998 (1/3) 77
Figure A4.2.2 Geographical Distribution of Visitor Stays 1998 (2/3) 78
Figure A4.2.2 Geographical Distribution of Visitor Stays 1998 (3/3) 79
Figure A4.2.3 Mobility of Stay by Selected Source Countries....81
Figure A4.2.4 Seasonality of Visitors by Tourism Region in 1998....82
Figure A4.3.1 Visitor Types in Tunisia....83
Figure A4.3.2 Estimated Trend of Visitor Arrivals by Purpose 86
Figure A4.4.1 Composition European Outbound Travelers and Visitors to Tunisia....89
Figure A4.5.1 Composition of Nationality....90
Figure A4.5.2 Evaluation of Visited Tourism Region....90
Figure A4.5.3 Rating of Tunisian Tourism 91
Figure A4.5.4 Frequency of Visit....93
Figure A4.5.5 Reasons of Choosing Tunisia....93
Figure A4.5.6 Information Source 94
Figure A5.1.1 Map of Selected Products for International Tourism 97
Figure A5.2.1 Locations of Cultural Interest....104
Figure A5.6.1 Locations of the Existing and Planned Tourist Zones....116
Figure A5.6.2 Layout of “S.E.D. Hammamet Sud” Tourist Zone 117
Figure A6.1.1 Organization Chart of the Direction of Marketing (Under Study) 125
Figure A7.1.1 Regional Distribution of Hotel Beds in 1998....154
Figure A7.1.2 Trend of Choice of Accommodation Type....155
Figure A7.1.3 Choice of Accommodation Type by Nationality in 1998....156
Figure A7.1.4 Monthly Fluctuation of Bed Occupancy Rates by Region 157
Figure A7.6.1 Immediate Financing Source for Service Quality Improvement (Schematic) 186
Figure A9.1.1 Structure of the Central Government of Tunisia 209
Figure A9.1.2 Organization Chart of MTLA 210
Figure A9.1.3 Organization Chart of ONTT....212
Figure A10.1.1 Flight Route of Tunisair....242
Figure A10.1.2 Road and Railway Network 245
Figure A11.2.1 Study Schedule....261

ABBREVIATIONS

AAGR	: Average Annual Growth Rate
AFT	: Tourism Estate Agency
ALS	: Average Length of Stay
AMVPPC (or APPC)	: Heritage Valorization and Cultural Promotion Agency
ANPE	: National Agency for Environment Protection
ATEP	: Tunisian Agency for Professional Training
ATPNE	: Tunisian Association for Protection of Nature and Environment
BNDT	: National Tourism Development Bank
BOO	: Build-Operate-Own
BOT	: Build-Operate-Transfer
BTP	: Degree of Professional Technician
BTS	: Degree of Superior Technician
CAP	: Certificate of Professional Aptitude
CIQ	: Customs, Immigration and Quarantine
CMR	: Restricted Ministerial Council
CNDD	: National Commission for Sustainable Development
CRDA	: Regional Commission for Agricultural Development
CTN	: Tunisian Navigation Company
DESS	: Diploma of Specialized Higher Study
DGAT	: General Direction of Land Development, MEAT
EIA	: Environmental Impact Assessment
EIE	: Environmental Impact Assessment
EU	: European Union
FDI	: Foreign Direct Investment
FIT	: Foreign Individual Tourist
FTAV	: Tunisian Travel Agency Federation
FTH	: Tunisian Hotel Federation
GDP	: Gross Domestic Product
ICOMOS	: International Council on Monuments and Sites
IHEC	: Institute of High Commercial Studies
IMF	: International Money Fund
INP	: National Heritage Institute
INS	: National Statistic Institute
ISHT	: High Institute of Hotel Business and Tourism
IUCN	: World Conservation Union
JBIC	: Japan Bank for International Cooperation
JICA	: Japan International Cooperation Agency
MA	: Ministry of Agriculture
MAE	: Ministry of Foreign Affaires
MAP	: Mediterranean Action Plan
MAS	: Ministry of Social Affaires
MC	: Ministry of Culture

MCIIE	: Ministry of International Cooperation and Foreign Investment
MDE	: Ministry of Economic Development
MEAT	: Ministry of Environment and Land Planning
MEDA	: Euro-Med Heritage Program
MEH	: Ministry of Equipment and Housing
MF	: Ministry of Finance
MFPE	: Ministry of Professional Training and Employment
MI	: Ministry of Interior
MICE	: Meetings, Incentives, Conventions and Exhibitions
MS	: Ministry of Public Health
MT	: Ministry of Transport
MTLA	: Ministry of Tourism, Leisure and Handicraft
OACA	: Civil Aviation and Airport Authority
OECD	: Organization for Economic Cooperation and Development
OMMP	: Merchant Marine and Port Authority
ONAS	: National Sewerage Office
ONAT	: Tunisian National Handicraft Office
ONTT	: Tunisian National Tourist Office
SIT	: Special Interest Tourist
SMLT	: Tunisian Rapid Transit Company
SNCFT	: Tunisian Railroad Company
SNTRI	: National Interurban Transport Company
SOCOPA	: Handicraft Product Marketing Company
SONEDE	: National Company for Water Supply and Distribution
STEG	: National Company for Electricity and Gas
TCB	: Tunisian Convention Bureau
TD	: Tunisian Dinar
UNEP	: United Nations Environmental Plan
UNESCO	: United Nations Educational, Scientific and Cultural Organization
VAT	: Value Added Tax
VFR	: Visiting Friends and Relatives
WB	: World Bank
WTO	: World Tourism Organization
WWF	: World Wide Fund for Nature

1 INTRODUCTION

1.1 BACKGROUND OF THE STUDY

In response to the request of the Government of the Republic of Tunisia (hereinafter referred to as the "Government of Tunisia"), the Government of Japan has decided to conduct the Study on Tourism Development Master Plan in the Republic of Tunisia (hereinafter referred to as "the Study").

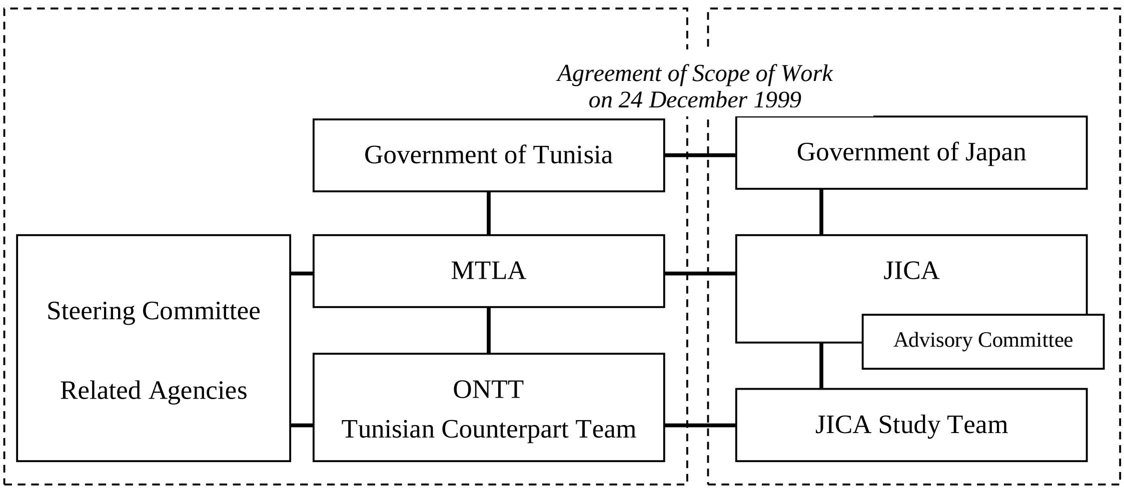
In December 1999, the Japan International Cooperation Agency (hereinafter referred to as "JICA"), the official agency responsible for the implementation of technical cooperation programs, sent a Preparatory Study Team to hold discussions with the Ministry of Tourism, Leisure and Handicraft (hereinafter referred to as "MTLA") and the Tunisian National Tourism Office (hereinafter referred to as "ONTT". On December 24, 1999, MTLA, ONTT and JICA agreed upon the Scope of Work for the Study.

In January 2000, JICA called for technical offers for the implementation of the Study. A team of experts organized by PADECO Co., Ltd. and Nippon Koei Co., Ltd. was engaged as the JICA Study Team (hereinafter referred to as "the Study Team") in March 2000. Then the Study Team immediately mobilized to Tunisia.

On the part of the Government of Tunisia, MTLA and ONTT, which are the counterpart agencies to the Study Team, formulated Tunisian counterpart team for the smooth implementation of the Study, and a Steering Committee for the purpose of coordination in relation to the other governmental and non-governmental organizations concerned.

JICA also formulated an Advisory Committee for the Study in Japan, in order to supervise the Study. The organization of the Study is shown below and members of the Study Team, Tunisian counterpart team and the Committees are listed in Volume III: Appendixes – Sector Analysis (Chapter A11: Appendixes).

Figure 1.1.1 Study Organization



The Study was carried out in Tunisia and in Japan for a period from March 2000 through June 2001. A diagram of the work schedule is presented in Volume III: Appendixes – Sector Analysis (Chapter A11: Appendixes).

From the commencement of the Study, the Inception Report, the Progress Report (1), the Interim Report, the Progress Report (2), and the Draft Final Report were submitted to the Government of Tunisia. This Final Report was prepared at the end of the Study, presenting a draft national tourism development plan, regional tourism development plans and action plans as well as the results of the sector analysis.

When the Team submitted the Draft Final Report, ONTT proposed to change the Study name to the one that reflects the report contents more precisely. JICA agreed to the proposal. Thus the Study name has been changed in the following way;

Old name:

The Study on Tourism Development Master Plan in the Republic of Tunisia

New name

The Study on Tourism Development Plan for the Year 2016 in the Republic of Tunisia, Upgrading the Condition of Cultural, Ecological and Saharan Tourism Resources

1.2 OBJECTIVES OF THE STUDY

The objectives of the Study defined in the Scope of Work for the Study are the following five items:

1 to review and analyze present conditions including policies and strategies on tourism industry;
2 to formulate a comprehensive national tourism development master plan with target year of 2016;
3 to formulate a regional tourism development plan in the selected priority areas with target year of 2016;
4 to implement a feasibility study for selected priority projects with target year of 2006; and
5 to transfer technology on tourism development through the Study.

1.3 MAIN QUESTIONS

The tourism sector in Tunisia has continuously been developed since 1950s and contributed considerably to the national economy. However, as a maturing Mediterranean destination, well established as a mass-market beach destination, Tunisia’s tourism sector is currently facing some major critical questions.

The foremost issue at present in the minds of most of the concerned people in Tunisia, be they public officials or private businessmen, is how to increase the competitiveness of Tunisian tourism to hold a steady position in the world tourism marketplace where the competition is getting fiercer. Tunisia needs to develop authentic and unique Tunisian tourism products out of what Tunisia possess.

Another concern is how to attract higher spending tourists to raise profitability. Tunisia needs to diversify its products on offer and improve their quality so that Tunisia can satisfy demanding tourists.

Therefore, the main questions are: what kind of tourists should Tunisia attract, to what extent, and how? The key to answer these questions is to examine these factors against the tourism market for Tunisia which is increasing but always changing.

The report is the result of an attempt to answer those questions concerning mainly the international tourism for Tunisia.

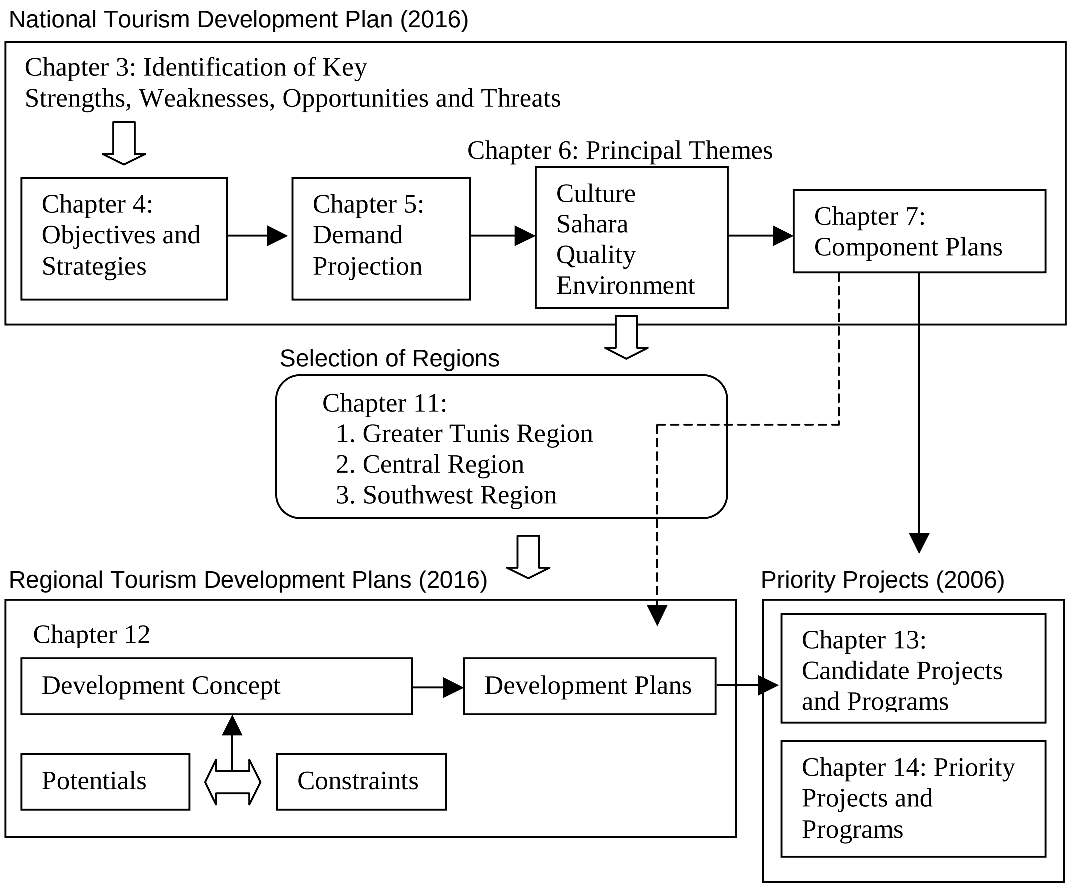
1.4 METHODOLOGY OF THE STUDY

The basic approach adopted in the Study was to understand tourism in Tunisia as a result of interaction between the tourism demand and supply under prevailing socio-economic and institutional settings.

Their integration by SWOT analysis (strengths, weaknesses, opportunities and threats) led to the formulation tourism development objectives and strategies. Based on a synthesis of overall demand prospects and development strategies, numerical demand projections were generated for different segments of the market, for which specific and concrete measures were then recommended. Four themes of “Culture”, “Sahara”, “Quality” and “Environment” were used as tools indicating clear and precise directions of future tourism development for Tunisia.

This methodology was consistently applied through overall Study process. Figure 1.4.1 illustrates the conceptual overall framework of the Study.

Figure 1.4.1 Conceptual Study Framework



Source: JICA Study Team

1.5 METHODS AND DATA SOURCES

Methods and data sources included the following:

- A large number of site visits covering almost all corners of Tunisia 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 ONTT;
  - Statistics complied by AMVPPC;
  - Statistics compiled by INS; 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 Tunisia were assembled and assessed;
- Data concerning the tourism in the competing countries such as Egypt, Morocco, Turkey, Greece 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 3,600 tourists visiting Tunisia in July and August 2000,
  2 A market survey interviewing major tour operators in Spain, Netherlands, Italy, Poland and Japan,
  3 An interview survey of major tour operators in Germany by comparing Tunisia with other destinations,
  4 A socio-economic impact survey interviewing over 350 families and number of tourism related enterprises in the several parts of Tunisia, and
  5 An environmental impact assessment to identify possible environmental issues and mitigation measures for the proposed priority projects.

1.6 TOURISM REGIONS

Tunisia is currently divided into 10 tourism regions for the purpose of ONTT administration. Until 1999, it was divided into 8 tourism regions and starting from 2001, it will be divided into 11 tourism regions.

Although this partition dose not always correspond to the distribution of tourism resources and products, major tour itineraries, patterns of tourism activities, etc., however, the tourism administration including tourism related statistics and studies is undertaken according to the partition of these tourism regions.

The Study will basically follow this partition of 8 or 10 tourism regions for the analytical purpose. However, the names of tourism regions will be abbreviated as indicated in Figure 1.6.1.

Figure 1.6.1 ONTT Tourism Regions

1 Tunis-Zaghouan (Tunis-Z),
2 Nabeul-Hammamet (N-Hammamet),
3 Sousse-Kairouan (Sousse-K),
4 Monastir-Mahdia-Sfax (Monstir-S),
5 Jerba-Zarizis,
6 Gafsa-Tozeur,
7 Bizerte-Beja,
8 Tabarka-Ain Draham

(9 Monastir-Mahdia)
(10 Sbeitla-Kasserine)
(11 Hammamet Sud)

Source: ONTT

1.7 REPORT ORGANIZATION

This report is Volume I of the Final Report of the Study on Tourism Development Plan for the Year 2016 in the Republic of Tunisia, Upgrading the Condition of Cultural, Ecological, and Saharan Tourism Resources.

The Final Report consists of an executive summary and three volumes as follows:

1 Executive Summary
2 Volume I: National Plan
   - Part 1: Diagnosis of the Current Situation
   - Part 2: National Plan (2016)
3 Volume II: Regional Plans and Action Plan
   - Part 3: Plans for the Selected Regions (2016)
   - Part 4: Action Plan (2006)
4 Volume III: Appendixes – Sector Analysis

Volume I: National Plan

“Part I: Diagnosis of the Current Situation” assess the past history and the current situation of tourism development in and around Tunisia, identifies issues, and surveys future prospects.

“Part II: National Plan (2016)” recommends the most appropriate objectives and strategies for the tourism development in Tunisia based on the result of Part I, and formulates development plans for various components contributing the sector development.

Volume II: Regional Plans and Action Plan

“Part III: Plans for the Selected Regions (2016)” illustrates concrete strategies and plans for the three selected regions of Greater Tunis, Central and Southwest.

Finally “Part IV: Action Plan (2006)” indicates the most necessary and immediate actions to achieve the goals of the proposed National Plan.

Volume III: Appendixes – Sector Analysis

This volume presents the results of the sector analysis including detailed data and information supporting the Study.

2 ASSESSMENT OF TUNISIAN TOURISM

This chapter analyzes the position of Tunisia in the international tourism market. The focus is primarily on its relative position vis-à-vis competing tourist destinations in the Mediterranean basin. The chapter also examines how marketers (European tour operators) and visitors to Tunisia view its tourism in various aspects in order to derive important and useful implications for devising effective tourism development strategies.

More comprehensive assessment of Tunisian tourism is conducted in Volume III: Appendixes – Sector Analysis, which describes current conditions of the country's tourism sector as well as key issues facing the sector. Assessment was made on various areas, which include the following (with the chapter number in the parentheses):

- Socio-economic impact of the tourism sector (A2)
- Natural environment (A3)
- Tourism demand (A4)
- Tourism resources and products (A5)
- Marketing and promotion (A6)
- Tourism industries and their performance (A7)
- Human resources (A8)
- Administrative systems (A9)
- Supporting infrastructure (A10)

The results of the analyses made in Volume III as well as those in this chapter are the basis on which tourism development strategies, plans and programs are formulated in this study.

2.1 International Tourism Market for Tunisia

There is no doubt that Tunisia is one of the leading pioneer destinations in the Mediterranean beach holiday tourism for the masses of Western European holiday market as early as the mid-1950s. This is definitively underlined by the fact that Club Med, that celebrated innovator of the twentieth century holiday tourism, opened its fifth tent holiday village in Jerba in 1954, following the first ones in the Spanish island of Majorca in 1950 and in Corfu, Greece a few years later.

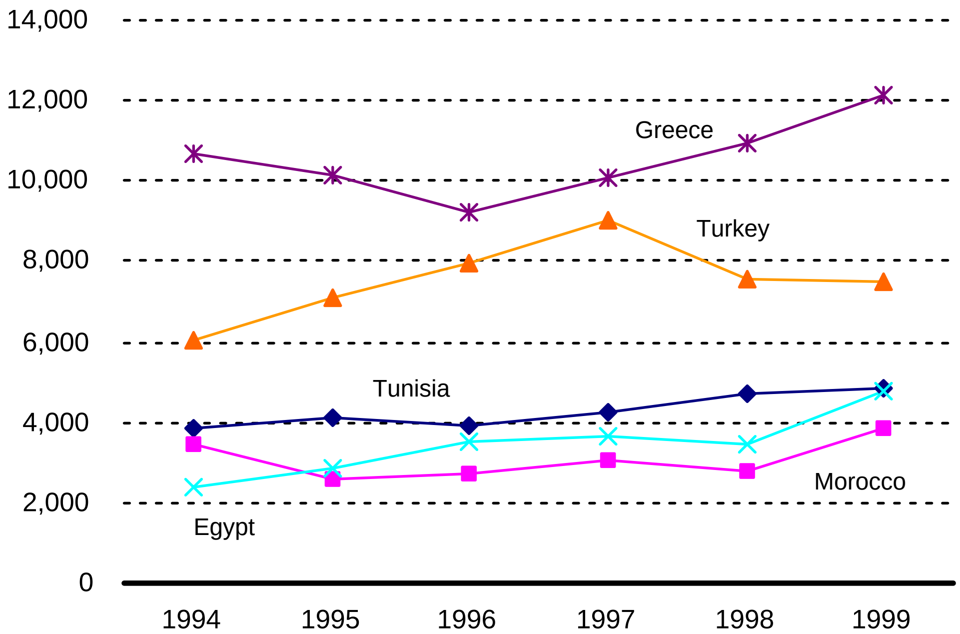
Since then, Tunisia has been enjoying a dominant position as one of the most popular and established destinations in the major tourist generating markets in the West along with Greece and Morocco. The introduction of jumbo jets in the 1970s symbolically has brought about revolutionary expansion and changes in the world tourist market as well as the tourist industry.

Tunisian tourism, however, seems to have been smug in receiving a continued substantive influx of traditional West European beach tourists. Tunisia was rather disinclined to pursue the development of a variety of new market segments in the global tourism marketplace, or to develop new tourism products to diversify its market potentials for the last decade or so. In the meantime, there have emerged in the Mediterranean region not a few competitive destinations, which have clandestinely eaten away Tunisia's valued market share.

Turkey (Antalya and around her Mediterranean/Aegean coasts) and Egypt (Red Sea coasts) are the two typical new entrants for beach tourism market in the late 1980s and 1990s. They have successfully targeted such other new lucrative market segments and products as conference, yachting, spa, discovery, and soft adventure as well. It should be remembered also that both Turkey and Egypt have long been and continue to be an established destination for culture circuit tourism, endowed with many archaeological, historical, cultural and folkloric resources of world renown.

To substantiate the argument, an exercise was made to compare the macro tourism trend among the five competing destinations in the Mediterranean of Tunisia, Morocco, Turkey, Egypt and Greece.

Figure 2.1.1 Visitor Arrivals-Tunisia and the Four Competing Destinations



Source: WTO Statistics Yearbook

Table 2.1.1 Visitor Arrivals-Tunisia and the Four Competing Destinations

Destinations		1994	1995	1996	1997	1998	1999
Total Arrivals of 5 Destinations		26,432	26,807	27,305	30,102	29,425	33,104
Tunisia	(1)	3,865	4,120	3,885	4,263	4,718	4,832
	(2)	5.5	6.9	-5.7	9.7	10.9	2.4
	(3)	14.6	15.4	14.2	14.2	16.0	14.6
Morocco	(1)	3,465	2,602	2,693	3,072	2,798	3,824
	(2)	13.9	-24.9	3.5	14.1	-8.9	36.7
	(3)	13.1	9.7	9.9	10.2	9.5	11.6
Turkey	(1)	6,033	7,083	7,966	9,040	7,539	7,487
	(2)	2.2	17.4	12.5	13.5	-16.6*	-0.7*
	(3)	22.8	26.4	29.2	30.0	25.6	22.6
Egypt	(1)	2,356	2,872	3,528	3,657	3,454	4,797
	(2)	2.8	21.9	22.8	3.7	-5.6*	38.9
	(3)	8.9	10.7	12.9	12.2	11.7	14.5
Greece	(1)	10,713	10,130	9,233	10,070	10,916	12,164
	(2)	13.8	-5.4	-8.9	9.1	8.4	11.4
	(3)	40.5	37.8	33.8	33.5	37.1	36.7

Note: (1) denotes frontier arrivals (in thousands);
(2) denotes change (%) on Year earlier;
(3) denotes market share (%) in the total arrivals of five destinations.
(*) Turkey 1998 – decline due to incidence of tourist kidnapping by terrorists.
(*) Turkey 1999 – decline due to the earthquake disasters.
(*) Egypt 1998 – decline due to the terrorist massacre of tourists at Luxor.

Source: WTO Statistics Yearbook, JICA Study Team

Some preliminary diagnostics gained from the above comparative exercise include the following points:

1 Tunisia, Morocco and Greece, all of them the decades-long established and favored tourist destinations in the Mediterranean for the Western European market, are generally losing their respective market shares, despite some nominal increases in arrival numbers (in some years and for some countries). Positive growth achieved by Tunisia in 1998 and Morocco in 1999 may partly be attributed to a shift of arrivals from the disaster-stricken Turkey and Egypt as explained in the footnotes to the Table.

2 By contrast, Turkey and Egypt, the two rather new and emerging tourist destinations particularly in terms of beach tourism are realizing very positive growth with a corresponding increase in their respective market shares in the total arrivals of five destinations.

3 Tunisia, Morocco and Greece have held the position of the most popular destinations in terms of beach tourism in the Mediterranean for so long a period of time. Those destinations may have taken it for granted that the masses of Western European holiday makers would invariably continue to choose their countries whatever happens in the sphere of tourist destination rivalry, such as:

- Emergence of new destinations,
- Offer of better facilities and quality elsewhere,

- Proposal of better price/quality relation,
- Provision of better service delivery,
- Introduction of new and attractive products,
- More aggressive and effective promotion by competing destinations,
- Advantage of utilizing global marketing networks and expertise through international hotel operators, and
- Most crucially of all the above, an awareness of fierce destination competition and innovative efforts to keep up with new developments, instead of smugly relying on the traditionally established source markets.

2.2 MAJOR MARKETS FOR TUNISIA

An exercise was made in an effort to further analyze the position of Tunisia in the West European market.

The exercise aims at identifying the top ten tourist-generating countries of Europe for Tunisia in the recent six years of 1994 to 1999.

Table 2.2.1 Ranking of European Arrivals to Tunisia

	1994		1995		1996	
	Country	%	Country	%	Country	%
1	Germany	22.1	Germany	20.3	Germany	20.8
2	France	12.6	France	11.3	France	13.9
3	UK	6.9	Italy	6.0	Italy	7.0
4	Italy	6.0	UK	5.8	UK	5.3
5	Netherlands	2.1	Switzerland	1.8	Austria	2.3
6	Belgium	2.0	Belgium	1.8	Scandinavia	2.3
7	Switzerland	2.0	Netherlands	1.7	Belgium	2.3
8	Austria	1.9	Austria	1.6	Switzerland	1.9
9	Scandinavia	1.6	Scandinavia	1.4	Netherlands	1.8
10	Spain	1.1	Spain	0.8	Spain	1.1

	1997		1998		1999	
	Country	%	Country	%	Country	%
1	Germany	20.1	Germany	18.7	Germany	21.4
2	France	14.5	France	15.0	France	18.5
3	Italy	7.4	Italy	7.0	Italy	7.3
4	UK	5.8	UK	5.6	UK	5.4
5	Austria	2.7	Belgium	2.4	Austria	2.9
6	Belgium	2.4	Austria	2.3	Belgium	2.7
7	Switzerland	2.0	Poland	1.9	Switzerland	2.3
8	Scandinavia	1.9	Switzerland	1.8	Spain	1.8
9	Netherlands	1.6	Netherlands	1.4	Netherlands	1.4
10	Czech	1.3	Spain	1.4	Scandinavia	1.3

Note: The figures (%) are the shares of these countries in total foreign visitor arrivals. For detailed trend of visitor arrivals, see A4: Tourism Demand in Volume III.

Source: WTO Statistics Yearbook and ONTT

The diagnostics gained from this exercise include the following points:

- Germany and France are the two dominant source markets, annually holding some 35% of the total Tunisian arrivals.
- Italy and UK occupy the rank of the third and fourth alternately, annually holding some 12 to 13% of the total.
- For the fifth rank downward, various countries alternate each year. Belgium, Austria, Switzerland and Netherlands are counted successively in all five years. The total of the fifth to the tenth annually holds some 11% of the total Tunisian arrivals.
- Roughly 60% of the total Tunisian arrivals are generated annually from those top ten countries.
- East European market is emerging in strength, with Czech ranking the tenth in 1997 and Poland ranking the seventh in 1998 surpassing Switzerland, Netherlands and Spain.

- UK, Netherlands and Spain generally occupy the lower ranks in the total Tunisian arrivals, compared to the other four competitive destinations of Morocco, Egypt, Turkey and Greece. This strongly suggests weaker penetration into these three very productive markets on the part of Tunisian tourism compared to German, French and Italian markets.

2.3 TUNISIA'S POSITION VIS-A-VIS COMPETITIVE DESTINATIONS

2.3.1 Comparative Position of Tunisia

(1) Comparative Position as a Tourist Destination

Tunisia's position is compared, by using various criteria, with three other destinations of more or less similar characteristics, North African or Islamic heritage in the Mediterranean, namely Morocco, Egypt and Turkey. Table 2.3.1 summarizes the result of this exercise.

The criteria used for the assessment of each country's position (summarized in Table 2.3.1) are as follows:

- Tunisia is dominantly represented in beach holiday, where the country maintains a very strong position among these countries.

- Per most other criteria of product representation, Tunisia lags behind the other competitive destinations, particularly in terms of archeology, history/culture, MICE and themed attractions, thus evaluated as weak in each of these.

- For archeology and history/culture, the major points leading to the assessed comparative positions include the following:
  - Tunisia's resources *per se* in archeology (e.g., Dougga) and history/culture (e.g. Kairouan) are less monumental/recognized than those in the competitive destinations (e.g., Medinas of Fez/Marrakech in Morocco, Pyramid in Egypt, Pergamon ruins, old town of Safranbolu or Ottoman heritages of Istanbul in Turkey.
  - Poor product representation of Tunisian resources further aggravates the situation.
  - Product representation here is defined as the provision of visitor facilitative services of the international norm at specific sites as: a museum/visitor center of modern standard, tourist signage and interpretation in major tourist languages, tourist routes/trails, free site-specific handout map and information sheet, basic tourist amenities (kiosk, toilet, etc.). Almost none of these services are currently available in major archaeological/ cultural sites of Tunisia.
  - "Photo Analysis of Site Presentation/Tourist Facilitation in Tunisia" presented in Figure 2.3.2 at the end of this section typically illustrates the deficiency of Tunisian tourism in this respect.

Table 2.3.1 Comparative Position of Tunisia as a Tourist Destination

		Products / Representation of Resources							
		Beach Holiday	Archeology	History /Culture	Scenic Wonders /Nature	Sports /Soft Adventure	MICE	Health /Cure	Themed Attraction
Tunisia Beach Holiday-Focused Tourism	Established for Beach Holiday Tourists	Very Strong	Weak	Weak	Fair	Fair	Weak	Weak	Weak
Morocco All-Purpose Tourism	Established for General Tourists	Fair	Strong	Strong	Strong	Fair	Strong	Fair	Strong
Egypt All-Purpose Tourism	Established for General Tourists	Strong	Strong	Strong	Strong	Fair	Strong	Fair	Strong
Turkey All-Purpose Tourism	Established for General Tourists	Strong	Strong	Strong	Strong	Fair	Strong	Fair	Strong
Tunisia after implementing recommended measures*	Established for General Tourists	Very Strong	Fair	Fair	Strong	Fair	Strong	Fair	Fair/Strong

Note: * Measures proposed in this study.

Source: JICA Study Team

- Tunisia's weakness in MICE and themed attractions
  - Tunisia's weakness relative to the competing destinations is conspicuous in the field of such new products introduced elsewhere in the recent decades as MICE (Meetings, Incentives, Conferences and Exhibitions) and themed attractions (e.g., old historic/colonial hotels/mansions refurbished into up-market boutique hotels – so many examples in Egypt and Turkey, felucca boat excursion/ Nile cruise in Egypt, old caravanserais refurbished into up-market souvenir/artisan mall in Turkey, etc.).

(The table also indicates the assessment of the expected Tunisia's position after implementing various measures that are proposed in this study. These measures are described later in this volume as well as in Volume II. They are proposed based on the assessment of Tunisian tourism (described in this chapter, Chapter 3 and Volume III) and on the proposed tourism development objectives and strategies described in Chapter 4.)

(2) On Dominance of Beach Holiday and Much Less Emphasis on Other Products

The significance of Tunisia's focus on beach holiday and much less emphasis on other types of tourism described above can be illustrated in comparison with the profile of outbound tourists from Western European countries, major source markets for Tunisia.

A comparison was made between the types of holidays of visitors to Tunisia and those of Western European outbound travelers (major markets for Tunisia) in order to highlight the extent to which Tunisia's tourism is focused on beach holiday.

As shown in Table 2.2.2, Tunisia's tourism is relies heavily on beach holiday, while the types of holiday enjoyed by European outbound travelers are much more diverse. Major points include the following:

- The type of holiday most preferred by Europeans is sun and beach.
- However, more tourists than those for sun and beach are traveling abroad for discovering the world (e.g., city discovery, cultural circuit touring, nature discovery, staying in the countryside, etc.)

The profile of visitors to Tunisia significantly contrasts with that of European outbound travelers, as highlighted in Figure 2.1.1. Although the source of these data uses somewhat different classification of holiday types from those for Tunisia (obtained from the analysis conducted in section A4.3 in Volume III), this comparison clearly indicates Tunisia's significant focus on beach tourism and much less emphasis on other types of tourism (e.g., cultural tourism, nature discovery).

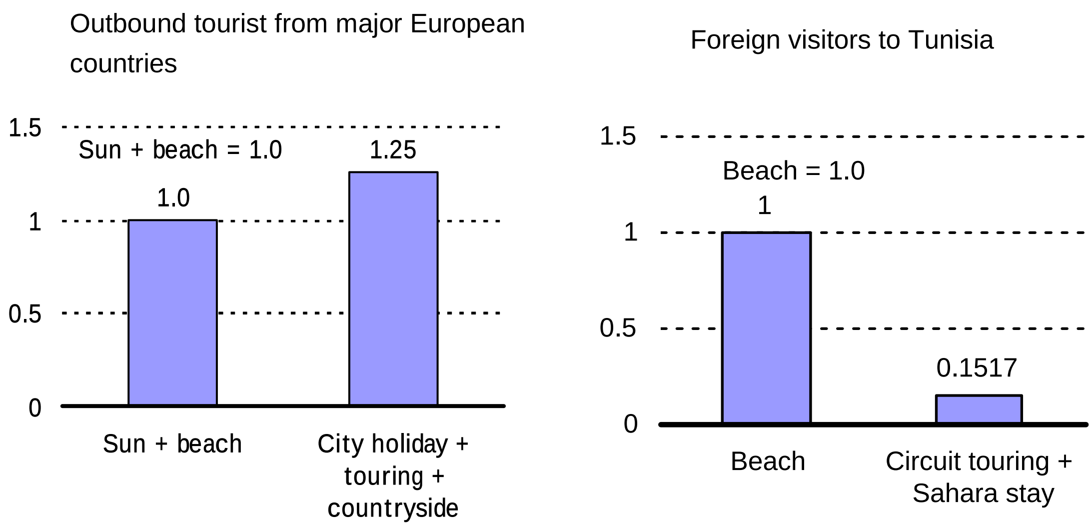
Table 2.3.2 Outbound Travelers from Major European Countries by Type

Holiday						Business	Other
Sun + Beach	City holiday	Touring	Countryside	All others	Total		
25%	12%	13%	6%	19%	76%	13%	11%

Note: These were estimated from the data on outbound travelers from Germany, France, Italy, UK, Belgium, Netherlands, and Spain. These seven countries account for 82% of all the European visitors to Tunisia in 1999. "Other" includes VFR (visiting friends and families) and all other purposes than holiday, business and VFR.

Source: IPK International, World Travel Monitor 1998

Figure 2.3.1 Comparison of European Outbound Travelers and Visitors to Tunisia



Source: JICA Study Team, IPK International, WTO, ONTT

(3) Comparative Position in terms of Tourism Earnings per Visitor Arrival

Tunisia's heavy reliance on traditional beach holiday, coupled with its weaker position in various other products, results in the low level of tourism earnings per visitor arrival.

Although the definition of tourism earnings may vary somewhat across countries, tourism earnings per visitor arrival for Tunisia is significantly lower than those for other Mediterranean countries, even excluding the visitors from the Maghreb countries (Table 2.3.3).

Table 2.3.3 Comparison of Tourism Earnings per Visitor Arrival in 1999

Destination	Tourism earnings per arrival (US$)	Tunisia = 1.0 (including visitors from Maghreb)	Tunisia = 1.0 (excluding visitors from Maghreb)
Tunisia*			
Including visitors from Maghreb	340.3	1.00	-
Excluding visitors from Maghreb	420.6	-	1.00
Morocco	512.6	1.51	1.22
Turkey	694.9	2.04	1.65
Egypt	813.6	2.39	1.93
Greece	720.6	2.12	1.71
Portugal	445.6	1.31	1.06

Note: *Tourism earnings per arrival for Tunisia were TD 404.4 *including* visitors from Maghreb countries, and TD 499.9 *excluding* them in 1999. The average exchange rate in 1999 was used: US$ 1 = TD 1.1884.

Source: Central Bank of Tunisia, WTO

The difference in the level of tourism earnings per arrival (e.g., between Tunisia and Morocco) is also evident, when taking into account the level of income. For example, per capita income of Morocco and Egypt is considerably lower than that of Tunisia,[1] indicating that Tunisia's tourism earnings per arrival are even lower if considering the income level of each country.

[1] On the basis of the World Bank statistics, per capita GNP of these countries in 1999 is as follows: US$ 2,100 for Tunisia, $1,190 for Morocco, and $1,390 for Egypt. Turkey's income level (with per capita GNP in 1999 being $2,900) is higher than that of Tunisia, but even taking account of this, the difference in tourism earnings per arrival is still fairly large between Tunisia and Turkey.

2.3.2 Product Development

Tunisian tourism has been and still is enjoying its dominant position as one of the most popular Mediterranean beach holiday destinations for West European tourists, as briefly touched upon in the opening of this section. Tunisia has been so smug in receiving a substantive volume of western beach tourists for so many years that Tunisia fails to upgrade or exploit other forms of tourism in earnest such as “culture circuit,” “city discovery,” “traditional way of life,” “MICE,” all of which are vigorously and successfully developed and marketed in the competitive destinations of Morocco, Egypt and Turkey.

The standard of access, physical management and presentation of the Tunisian archaeological sites is generally far below those provided in the developed tourist destinations, and often betrays the expectation of today’s discerning tourist. Dougga, the most monumental, yet most accessible ruin of a large scale in the whole of Tunisia is the case example of poor visitor facilitation, with no museum/visitor center, no general orientation map board to identify location of major monuments, no direction signs to lead to a particular monument, not to mention of interpretative sign boards or a handout map or a concise guide/information sheet.

An attractive “city discovery” product can be crafted quite easily out of Tunis, its Medina and many remaining colonial buildings/houses, if properly coordinated, refurbished, and facilitated to the international tourist standard. Yet little effort seems to have been pursued by relevant agencies in this direction. If properly presented and facilitated, Kairouan Medina could have been a “must-see” site to introduce “cultural heritage and traditional way of life” as an added attraction even for beach holiday tourists based in Sousse/Monastir. But the majority of them are just satisfied with their visit to nearby smaller-scale Sousse Medina (regrettably enough, this is also very poorly presented/facilitated, with no direction sign at all within the labyrinthine Medina).

For Tunisian tourism to evolve from “beach holiday-focused destination” to “all-purpose general tourist destination” (i.e., a destination with diversified core products (to be developed based on its strengths) that can attract broader range of tourists), it is imperative for Tunisia to broaden its market appeal by developing a variety of attractive “tourism products” matching the taste and wants of the modern tourists.

2.3.3 Visitor Information Offices

Waste of resource allocation (personnel, cost of operation and maintenance) is noticeable in the duplication of ONTT regional offices (CRT) and Syndicats d'Initiative[2] at several locations, in particular, in the field of practical tourist information provision.

The operation can be unified to Syndicats which generally occupy more prominent and convenient location and provide more practical and up-to-date information. "Lonely Planet – Tunisia," one of most authoritative and very well-red guidebook among English-speaking tourists compare duplicate information services at four major tourist locations, and generally criticize ONTT's services, as summarized in Table 2.3.4. Photo Analysis in Figure 2.3.2 also graphically illustrates duplication of the same services.

Table 2.3.4 Comments of "Lonely Planet - Tunisia"

Operator Location	CRT	Syndicat d'Initiative
Hammamet	*No mention is made because of "out of the way, off-the main street" location.*	Near the center of the town. It hands out a good map, and can supply you with a list of the latest accommodation. There's usually someone around speaking English.
Sousse	There is an UNUSUALLY efficient branch of ONTT. It has a notice board with all sorts of useful information, including up to date timetables for buses/ trains/details of local attractions. Staff speaks English, French and German.	Syndicat occupies the small, white-domed building on the western side of Place Farhat Hached.
Monastir	ONTT office at the airport. It's open – IN THEORY – 24 hours a day, which is a remarkable waste of effort since it has NOTHING TO OFFER except a fairly useless map and a few hotel brochures.	More convenient, but not much more useful is the syndicat opporist the Bourguiba Mosque.
Kairouan	Don't expect to come away from here much the wiser. The only offerings are a glossy brochure (available anywhere) and a list of hotels (out of date). Staff don't appear to know a whole lot about the town.	Syndicat is just across the corridor from ONTT, and is useful, because it is the only place where multiple entry tickets to the attraction can be bought.

Source: Lonely Planet "Tunisia" 1st Edition, July 1998

[2] A non-profit/non-governmental organization established at a local level (e.g., municipalities) for the purpose of promoting tourism in each area, operating tourist information centers and other related activities with the funds collected from its members as a membership fee (e.g., tourism-related industries), subsidies from the local and national governments, and donations from the private sector.

2.3.4 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 channels in order to secure a larger share of the global tourist market.

Compared to the activities and efforts of other tourist destinations, Tunisia's present promotional approach regrettably has to be assessed as totally banal and lukewarm at best. Its promotional brochures are so commonplace and unfocused with typical tourist photos with little impact even for motivational purpose. They contain little practical/useful information and substance.

One-shot participation in travel fairs in the major markets makes little or no impact on the target market, engulfed by the more aggressive and sophisticated approaches adopted by competitive destinations. There seems to be no repetitive sales mission to follow up the trade fair participation. (ONTT's Four Eastern Europe Country Market Study in 1995 through GfK Praha confirms this point: some Eastern European tour operators interviewed criticize one-shot Tunisian trade seminar, focused on commonplace promotional materials, with little substantive information and proposals to develop and market tour programs).

Trade fair participation is only effective when Tunisian team consists of not only ONTT representatives but more importantly of key players of the tourist industry such as airlines, hotels, ground service/transport operators, convention bureau, etc. The Study Team understands that only a few industry representatives participate in the Tunisian delegation due to the insufficiency of support from ONTT/Tunis Air. ONTT's role is to provide a venue for business opportunities to these key players, who actually cut business deals with potential tour operators in the source markets. This is the reason why repetitive follow-up missions are indispensable to ensure the fruitful conclusion of negotiations.

One model example of a sophisticated and productive sales mission format is introduced in the case of Scandinavian Tourist Board for the Japanese market. Tunisia needs to introduce this format of sales mission in the major West European markets. Details on this sales mission format is found in Volume I Chapter 7 Promotion Plan.

2.3.5 Tourism Development Policies in Competing Countries

Tunisia's neighboring countries have also been making efforts in various fields of tourism in order to attract more tourists and enhance their competitiveness. A review was made on the tourism development policies of several countries in the Mediterranean basin, and major points particularly relevant to Tunisia are summarized below. In addition, Table 2.3.5 describes selected points of national tourism development policies and/or plans of neighboring countries, suggesting that the points emphasized by these countries are not very far from those of Tunisia.

(Note that a comparison for other aspects is also made elsewhere in this study report, including section A7.1.7 (Volume III) for investment trend and investment incentives, and section A6.3 (Volume III) for marketing and promotional approach (an example in Germany) as well as the preceding sections of this chapter.)

(1) Reducing Seasonal Fluctuation: Example of Turkey

Like Tunisia, Turkey's tourism suffers severely from seasonal fluctuations, with much less tourists in winter than in summer. The Turkish government recognized that it is a national-level task to overcome this situation, and as a consequence, much emphasis is placed on reducing seasonality as one of its important tourism development policies. The Seventh Five-Year Development Plan (1996-2000) included objectives to diversify their tourism products in order to improve and narrow the seasonal and geographical fluctuations and to create new potential fields.

(2) Importance of Public-Private Partnership

Tourism is essentially a commercially oriented business while public-private partnership is crucially important in national tourism development. In Spain, for example, its Tourism Development Plan clarifies an objective to upgrade overall tourism services and products by enhancing public-private cooperation. This includes provision of advice and support to private companies as well as provision of tax incentives that is available in other competing countries.

(3) Emphasis on Improving Visitor Facilitation: Example of Greece

Good presentation techniques and visitor facilitation in general add significant value to tourist sites, thereby enhancing the level of visitors' satisfaction. Even in Greece with many world-class cultural heritages that have long been attracting a number of tourists, the Greek government has set a tourism policy to present them in more modern ways, including improvement of museums and tourism signs.

(4) Marketing and Promotion in Asia and Other Emerging Markets: Example of Egypt

In response to the rapid growth in Asia's international travel markets, competing countries have been setting up their tourism promotion offices in Asia. For example, Morocco, Egypt, Turkey, and Greece have an independent tourism promotion office in Tokyo, while Tunisia is currently conducting its promotion in Japan through the Embassy's tourism promotion department, although setting up an independent promotion office in Tokyo has been planned for several years now.

Egypt seems particularly aggressive among competing countries in terms of marketing and promotion not only in Asia but also in other emerging markets. Egypt recently opened new Egyptian tourism promotion offices in some emerging markets such as South Korea, South Africa and Russia based upon detailed market studies. Direct contact with the market through these offices is an effective way to enhance the tourist inflow from these countries.

(5) Aggressive Use of Internet: Example of Egypt

Effective communication through email/internet is a global trend, and has already been essential in tourism marketing and promotion as well. Egypt, for instance, have been developing communication channels between the tourism industry and foreign markets by enhancing the computer use (e.g. email, homepage, etc.). For example, Egypt's official homepage contains comprehensive information not only on tourism resources/products and tourism service providers (hotels, travel agencies, etc.) but also on tourism investment opportunities, procedures and relevant decrees in order to attract foreign investors and operators.

(6) Spatial Integration between Existing Tourism Cores and New Tourist Destinations

Developing new tourist destinations by exploiting the existing tourism cores is a plausible approach for effective tourism development. For example, Egypt's tourism development includes the attempt to develop new tourism regions including upper Nile and the west (desert and oasis), integrating them with the existing historic tourism resources.

Table 2.3.5 Selected Points of National Tourism Development Policies/Plans of Neighboring Countries

Country	Selected points of national tourism development policies/plans
Egypt	• According to the tourism development strategies of "Egypt and the 21st Century," much of the development focus is placed on capacity expansion, supplying new sites for tourism development in various parts of the country. For example, resort development has been actively undertaken along the Red Sea. South Egypt is one of the focus areas for tourism development. Establishing new tourist campsites for safaris is also among the strategies. • Other tourism policies include: developing communication channels between the tourism sector and the source markets through the wider use of computers and access to the internet; focusing on the types of tourism highly demanded by tourists such as recreational tourism, therapeutic, safari, cultural tourism, etc.; enhancing the awareness of individual tourists by promoting friendly attitude to tourists, thereby boosting Egypt's image as a civilized country; and organizing a wider range of celebrations including musical and folkloric shows and exhibitions.
Turkey	The 7th Five-Year Development Plan emphasized the following: • Benefit from the existing superstructure more efficiently and protect the environment and natural beauties • Develop activities including those of culture, winter, mountain, pasture, thermal, health, yachting, golf, caravan, cruising, congress, and animation • Improve seasonal and geographical distribution of tourism and create potential fields by taking account of changing consumer preferences in foreign markets • Ensure participation of local administrations and local people in decision making mechanisms related to tourism • Give priority to the development of small and medium sized enterprises depending on the demand
Greece	The 3rd Community Support Framework (2000-06) emphasizes the following for tourism: • Modernize the existing tourism enterprises and installations, enrich their products, and create additional high-level tourism • Develop several forms of themed products (i.e., cultural, marine, mountaineering and trekking, ecotourism, agritourism, sports, congress and conferences, therapeutic, adventure tourism, etc.) • Stimulate the competitiveness of small and medium enterprises of all the branches of the tourism sector • Improve the contribution of tourism on the employment, creating new jobs and preserving existing ones • Improve the linkages of the tourism sector with the production of traditional goods and the cultural production Other tourism policies include reinforcing the country's overall tourism products using the comparative advantage of its cultural "reserve", with modern ways of communication and new ideas of preservation.
Morocco	• The Government of Morocco has been undertaking several measures for tourism development including privatization program (especially, for hotels), attracting leading international companies in hotels and resorts, creation of a network of rural inns for mountain tourism and hiking along with training of professional guides, conversion of many historic buildings into family-run inns, improvements in urban management and environment to attract more tourists into traditional cities (e.g., World Bank-assisted Fez medina project), plans to significantly increase in accommodation capacity for coastal tourism. • The strategy of the Ministry of Tourism in land development for sustainable coastal tourism includes conducting a series of studies to prepare indicative development plans for developing new coastal resorts, likely to attract international tourists, helping the Government have a solid basis for developing a transparent process of competitive selection of private developers. Along this line, the Government of Morocco received a World Bank loan for technical assistance to undertake coastal resort development planning.

Source: JICA Study Team

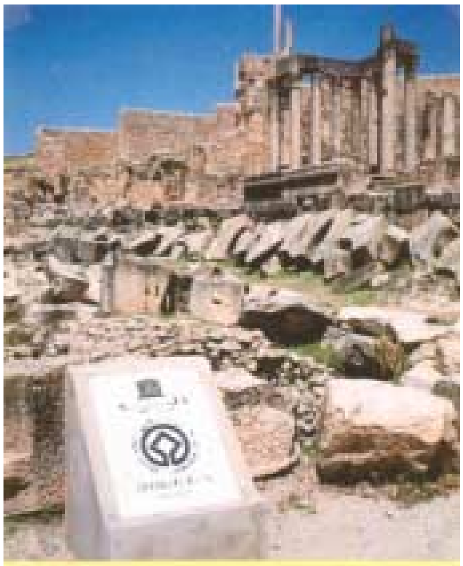
Figure 2.3.2 Photo Analysis of Site Presentation (1/10)

Archeological Site Presentation

Tourist Site: Dougga

Visitor facilitation far below the international norm. Tourists can hardly find the appropriate route or understand the meaning of each ruin without guide personnel. Systems for direction signage and interpretation can be much improved.

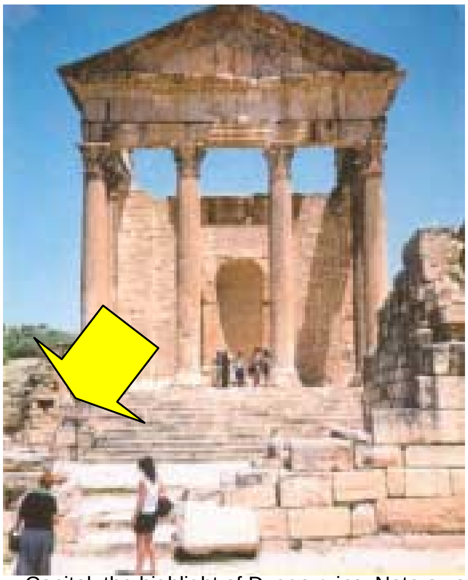
Direction sign at a junction in Teboursouk. This signage should be bigger and in English also.



Dugga site and World Heritage plaque. Only sign of international standard in Dougga.

Entrance ticket/guardian booth. Signage for entry information should be provided.

Spacious parking. This can be improved by paving and line marking for motor coaches/ smaller vehicles.



Capitol, the highlight of Dugga ruins. Note a very small name sign posted in front of it. Bigger signage and an interpretation boards should be provided.

Small name signs are the only tourist signs provided. Interpretation can be improved with information signs and museum.

Figure 2.3.2 Photo Analysis of Site Presentation (2/10)

View of Dugga ruins from the back entrance. Beautification and ornamentation should be to applied to improve the shabby impression.

Amenity building with a toilet, a shop and a cafe. World Bank has a plan to improve visitor center.

Tourist Site : Bulla Regia

Visitor facilitation far below the international norm. This famous ruin site can become more visitor-friendly with landscaping, ornamentation, direction signs, interpretation panels, museography skill, observation deck and spacious amenity building.

Entrance to Bulla Regia Museum. Interpretation system including museum should be enhanced.

Parking. Not paved nor line-marked. Should be improved with landscaping.

Entrance to Bulla Regia ruins. This humble impression can be improved through beautification

Entrance notice board giving a very poor impression. Some symbolic ornamentation can be applied.

Figure 2.3.2 Photo Analysis of Site Presentation (3/10)

Tourist Site : Bulla Regia (continuation)

Two map panels in the Museum, with notes in Arabic and French only. English should also be employed in the signage system for the non-francophone foreign tourists.

Notice on entrance fee. The pamphlet posted underneath is the one for Chemtou (some 30 km southwest of Bulla Regia) in Italian language. Signage and interpretation system should be more consistent.

One of very few direction signs. Poor maintenance. Signage system should be improved with enough budgets for initial and maintenance cost.

Memmian Baths, with a small name sign. Half a dozen name signs are the only signs available in this site. Interpretation boards with precise information for the ruin should be provided.

A mound of excavated soils, serving as makeshift panorama terrace. A permanent observation deck should be constructed.

View of the underground villas, the highlight of this site from the makeshift panorama mound. An observatory could offer this view to all the tourists.

Figure 2.3.2 Photo Analysis of Site Presentation (4/10)

Toursit Site : Tabarka

Tourism should be consistently developed

Les Aiguilles (the Needles) and Genoese Fort, the two landmark of Tabarka. This city, with its international airport, has a potential as a new tourist destination.

View of Les Aiguilles and a small public beach from the cliff-top. This scene is a good tourist attraction.

New tourist promenade leading to Les Aiguilles, full of stench from ubiquitous urination due to the lack of public toilets. Cleanliness/public sanitation is the minimum element of modern tourism.

Montazah beach and new tourist promenade, with a view of Genoese Fort in the background.

Tourist Site : Chemtou

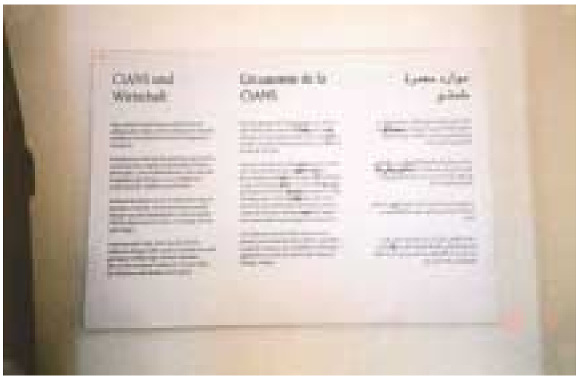
Modern museum with shortage of resources for maintenance. Maintenance cost and operation management should be carefully considered at the early stage of the museum planning

Entrance to Chemtou Museum. In the left, a sign for toilet. This museum was a good attempt with German assistance. However very few visitors are counted.

Panel of prospectus on Chemtou Museum. When it opened in 1995, a concise pamphlet in major foreign languages was available, but now short of stock due to lack of sources.

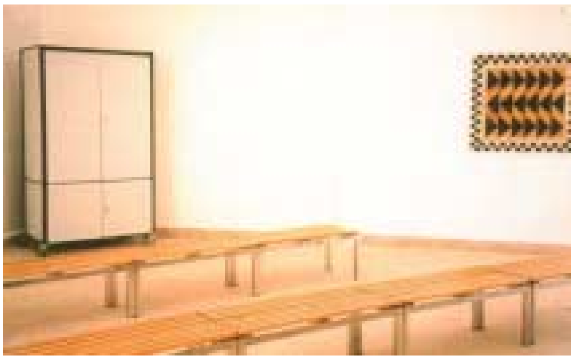
Figure 2.3.2 Photo Analysis of Site Presentation (5/10)

Tourist Site : Chemtou (continuation)



The very best museum in the whole of Tunisia, well facilitated with modern method of displays and description in 3 languages (German, French and Arabic). Addition of English language would make better contribution to the foreign visitors of non-francophone.

Typical modern method of presentation. A photo panel of actual excavation (right) and a reconstruction pictorial panel (left) to help better understanding the site. However, only 6,569 visitors were counted at the Chemtou ruin site in 1999. This museum would have made much more beneficiaries if it had been constructed in another archeological site.



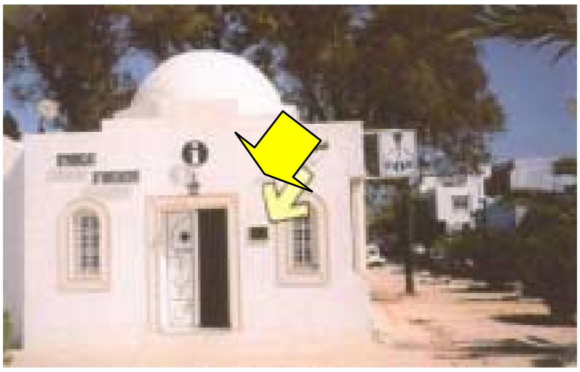
A small open-air auditorium on the sunken rooftop of the complex where an orientation lecture can be given.

A small in-door auditorium with audio-visual equipment. Due to the lack of resources for maintenance for supplicated machinery, the equipment is locked and not used..

Figure 2.3.2 Photo Analysis of Site Presentation (6/10)

Tourist Information Service at Hammamet and Sousse.

Activities of ONTT's CRT and Syndicat d'Initiative are overlapped. Demarcation of the tourism services should be clearly defined. Information services should be improved to meet the expectation of the tourists.



Syndicat d'Intiative in Hammamet. Good location and quite visible. Provides a simple, but very practical one-sheet map of Hammamet and Nabeul.

Notice board of business hours in neat design. However, only in Arabic and French language.

Syndicat d'Intiative in Sousse. Name board of Sydicat in Latin alphabet (now on right hand, street side) should be in the front, underneath Arabic name board. Tourist "i" sign not visible at all.

ONTT regional office in Hammamet. Street-level Information service overlapping Syndicat d'Initiative. No practical materials available except for ONTT promotional brochures.

ONTT regional office in Sousse. Necessitated by influx of tourist inquires, this office posts self-made practical information on local transports, weekly markets, etc. Well-read "Lonely Planet Guide", the bible of backpackers, highly recommends this office as "an unusually efficient branch" of ONTT.

Figure 2.3.2 Photo Analysis of Site Presentation (7/10)

Tourist Site : Sousse

Absence of guide signs makes visitors at a loss. Urban tourism can attract more tourists and make them more satisfied, with a consistent and foreigner-friendly direction signage system.

Sousse. Place Farhat Hached, entry point for Medina. No direction sign at all. FIT visitors will be totally as a loss.

Approaching to Place des Martyrs, entry point for Great Mosque/Ribat. No signs whatsoever. An appropriate signage system is required.

Entrance to Great Mosque. Very small sign informing business hours, posted way above eye-level. No information on where to buy tickets. More consistent information system is required.

Nondescript ticket booth with no clearly visible sign at all, located across Place des Martyrs. All visitors first flock to Mosque entrance, not knowing where to buy tickets. A tourist-friendly signage system should be applied.

Nobody can identify from a distance that this is a ticket counter, due to a lack of signage.

A direction sign to one museum. The sign is so small and posted so high on the side wall of the Great Mosque, it is hardly legible.

Figure 2.3.2 Photo Analysis of Site Presentation (8/10)

Tourist Site : El Jem

Total absence of tourist signs (direction, site name and information). This world-famous ancient structure would be able to appeal its real value with appropriate visiting circuit setting, direction signs, precise information at visitor center, and enhancement of the on-site events such as sound and light show.

El Jem, the most impressive Roman monument in the whole of Tunisia.

Ticket booth and entrance. Sign panel can be improved together with the ornamentation of the entrance.

Syndicat d'Intiative. Tourist "i" sign is quite visible, but the iron gate is locked and closed (July 03 2000). Open days and hours should be decided based on the demand of the tourists.

The only sign found in the whole of huge Colosseum is this one. Not a single direction sign, not to mention of information board. A total information system should be introduced.

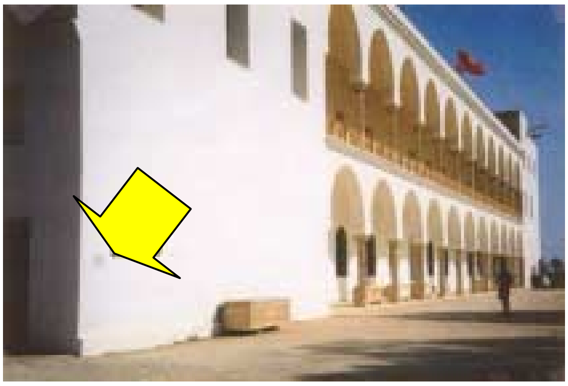
Very clean toilet and hospitable caretaker. Some tourist facilitations are at the acceptable level.

Necessity obliged posting of this crude makeshift sign to complement the one above in a labyrinthine Colosseum. Should be replaced with permanent one.

Figure 2.3.2 Photo Analysis of Site Presentation (9/10)

Toursit Site : Museum in Carthage and Sousse

Poor sign posting. A total consultation and development of complete signage system should be conducted very soon for the convenience and satisfaction of the foreign tourists.



Unbelievably tiny sign to the Museum, posted on the side wall that majority of visitors will never notice. A well organized signage system should be introduced.

Close-up of the museum sign. The entrance to Carthage ruin is in the far background on the left. How could they notice this sign?

Entrance to Sousse Museum (Flag flying). Undisciplined and uncontrolled parking. Landscape can be improved.

Nondescript entrance. Major tourist attractions should be clearly indicated with a tourist-friendly signage system.

Partly hand-written entrance information on paper, and scotch taped to the ticket windowpane. Neatly designed permanent information board should be provided.

Figure 2.3.2 Photo Analysis of Site Presentation (10/10)

Tourist Site : Sousse and Carthage

Various signs observed at tourist sites. Some are successful examples. They indicate the possibility that the poor signage system of the other sites can be improved rapidly if the budget and human resource are allocated properly.

Two modern tourist signs conforming to the international norm (Musee and Catacombes), Sousse. The “Cite Olympique” one is the highway sign also conforming to the international norm.

Good sign for toilet, visibly posted at an ideal location.

Other examples of modern tourist signs posted at a junction for Punic Port in Carthage.

Direction sign in urban center (Sousse, Place de Farhat Hached). English should also be employed. Distance to the sites can be added.

Unsightly signboards for various tourist services placed across the tourist promenade, Sousse. Signage control shall be applied.

Hotel signs posted in disorder at one road junction in Hmmamet Sud, which will harm the impression of visitors.

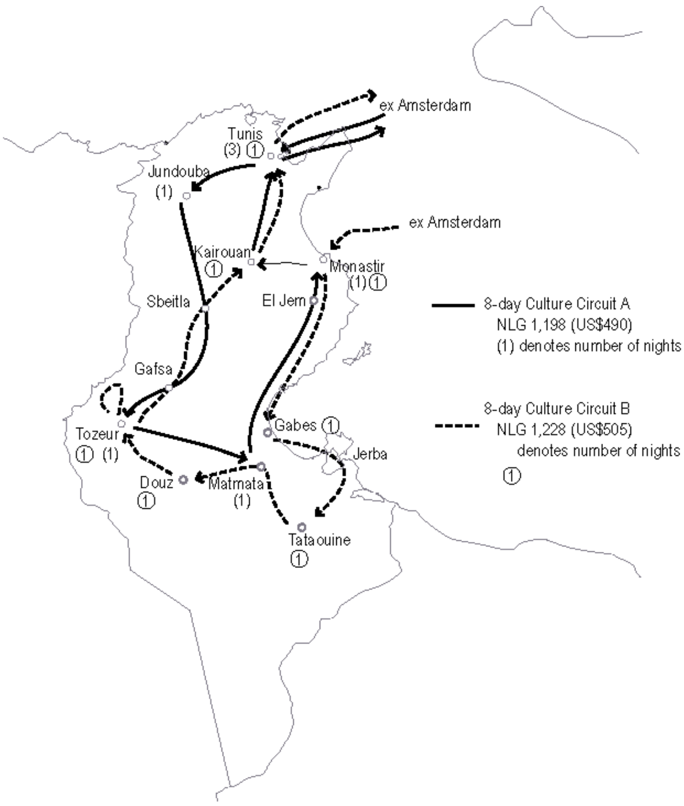
2.4 TYPICAL TOUR PATTERNS BY DIFFERENT MARKETS

Package tour patterns have been examined in the three important tourist-generating markets of different characteristics: Western Europe (Netherlands and Spain), Eastern Europe (Poland) and Japan. Figures 2.4.1 to 2.4.4 show the results of the examination. The exercise reveals some interesting trends.

2.4.1 Western Europe

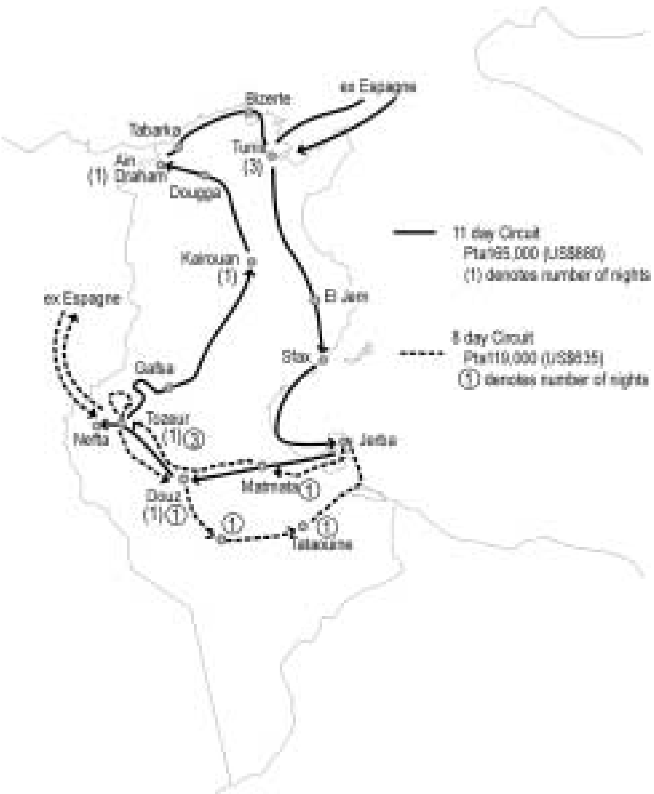
- The majority of tour packages are focused on “sea, sand and sun” or “beach holiday tourism,” with an average stay of two weeks at one chosen beach destination such as Sousse, Jerba or Hammamet (most of them offer add-on option for another week extension). By nature of beach tourism holidays, most of the packages utilize charter flights into Monastir or Jerba.
- However, some tour packages feature add-on options usually of one-week duration for “culture circuit” or “jeep safari” to be combined with one/two-week “beach holiday package.” Figure 2.4.1 and 2.4.2 show the three 8-day and one 11-day itineraries of “Culture Circuit” offered in Dutch and Spanish packages.
- Not much difference is observed in these two “Culture Circuit” itineraries (Dutch and Spanish packages) that cover more or less the same sites of Kairouan, El Jem, Matmata, Douz, Tozeur, Sbeitla and Carthage/Tunis.
- “Jeep Safari” usually consists of 3-night, 4-day Jeep outing to the desert/oasis sites of Matmata, Douz and Tozeur and remaining 4 nights at the beach destination where the tour originates (Monastir/Sousse for Belgian package and Jerba for Italian package). Most of customers originally book minimum one-week, sometimes two-week “beach holiday” package and choose this option as an add-on tour.

Figure 2.4.1 Typical Tour Pattern from Netherlands



Source: JICA Study Team

Figure 2.4.2 Typical Tour Pattern from Spain

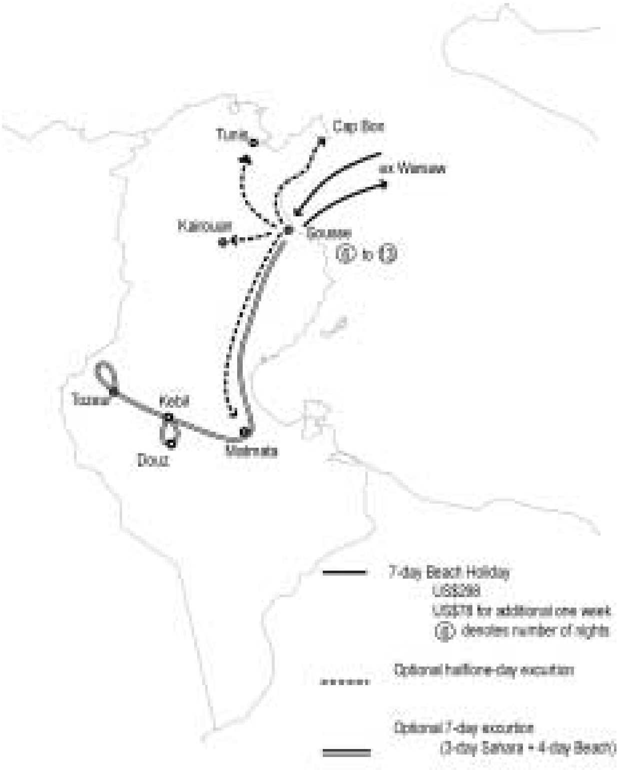


Source: JICA Study Team

2.4.2 Eastern Europe

- Polish package itinerary is characterized by a combination of beach holiday (one to two weeks according to option) and Sahara/Oasis discovery.
- Basic package consists only of one/two week beach holiday in Sousse due to limited flight availability from Warsaw (no package to Hammamet or Jerba).
- Sahara/Oasis discovery is offered as an option, consisting of 3-day excursion to Sahara/Oasis plus 4 more leisure days on the beach (in Sousse).
- A half-day or one-day short excursions are offered also as option to such tourist sites within easy access from Sousse as Kairouan, El Jem, Tunis/Carthage and Cap Bon.

Figure 2.4.3 Typical Tour Pattern from Poland

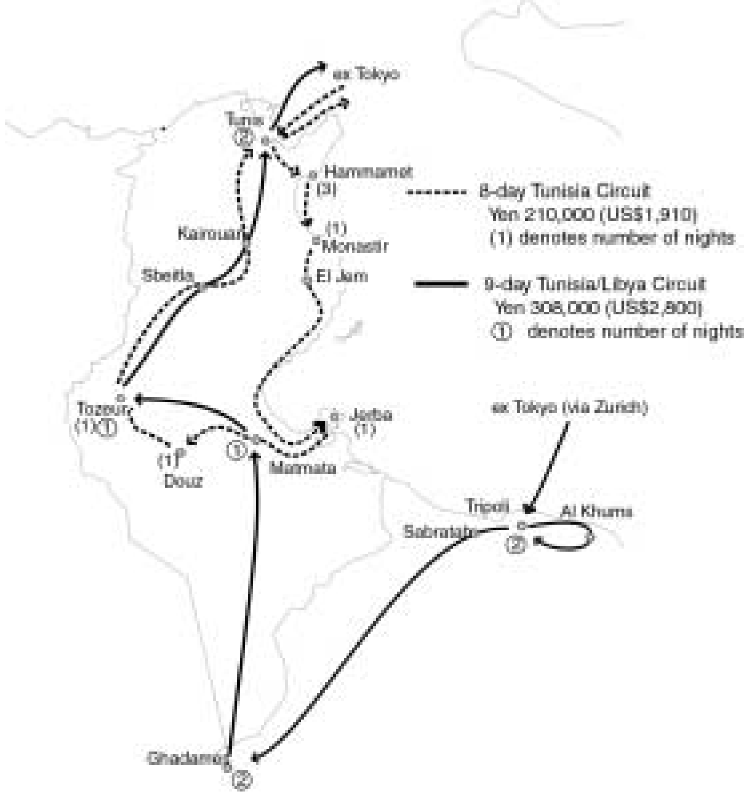


Source: JICA Study Team

2.4.3 Japan

- Japanese tour packages merit the appellation of "culture circuit" in real terms, since these are not an add-on option as in the case of most of Western European packages, but solely targeted for the "culture tourism" clientele. Needless to say, there is no market potential in Japan/East Asia for Tunisian beach holidays because of the long distance involved and consequent high tour prices. Figure 2.4.3 traces its itineraries.
- 7-night, 8-day Circuit covers almost the same sites as visited by Western Europeans; Sousse, El Gem, Jerba, Matmata, Douz, Tozeur, Sbeitra, Kairouan and Cartage/Tunis. This reflects the fact that the similar set of cultural sites is visited regardless of the difference in markets.
- 8-night, 9-day Circuit calls for a particular attention. This is a new itinerary introduced by several major Japanese operators only from this year and a good response from the potential customers is reported because of the Libyan highlight. Libya has long been a closed destination for average tourists in the West, but she changed her political posture opening her door gradually toward the West since last year. There was enough pent-up demand for this forbidden destination of world-class cultural resources and Japanese operators were quick to respond to this new business opportunity.

Figure 2.4.4 Typical Tour Pattern from Japan



Source: JICA Study Team

2.5 HOW EUROPEAN TOUR OPERATORS VIEW TUNISIA

Tour operators have 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 cannot be achieved without close collaboration with tour operators in the source market.

Bearing in mind the importance of tour operator's role, an in-depth interview survey was planned with the eight key operators in the four European countries chosen in consultation with ONTT: Italy, Spain (where Tunisia's market penetration is weak), Netherlands (same with Spain) and Poland (as a typical emerging market).

Various comments obtained from the operators are summarized in Table 2.5.1, according to the major issues raised during the course of the individual interview. Comment and observations of the travel experts directly involved in the destination development clearly indicate the immediate issues that need to be addressed if Tunisian tourism is to "reinvent" and expand from the present "too much beach-focused destination."

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

- Too much focused on "sun, sand and sea," and little effort/promotion to sell "history, culture and traditional lifestyle,"
- Poor resource (historical/cultural) presentation (labeling only in French/Arabic),
- Poor maintenance at hotels and lax service delivery (slow service, French language only),
- More aggressive promotion in Egypt and Morocco, compared to Tunisia, and
- Egypt and Morocco more appealing for history/culture circuit than Tunisia.

Table 2.5.1 Summary of Comments, made by Representative Tour Operators in Four European Markets (Italy, Spain, Netherlands and Poland)

Issues / Tour Operator	Destination Perception	Competitive Destination	Pricing/ Quality	Hotel	Service Delivery	Resources/ Presentation	Entry/Exit Formalities	Promotion	Others
Italy A (General Operator)	- Short-haul beach destination. - Cheap destination image. - Weak culture/ archeology aspect.	- Egypt strong competitor in last 3 years, despite distance (1.5 hrs more flight time).	- Good balance between price/quality (not raised last 3 yrs.). - Quality recently improved.	- Welcome recent building of new hotels. - Recent effort to renovate improved quality.	- Good in Hammamet and Sousse. - Need improvement in Jerba and Mahdia.	- Not exploited as they should be.	- Ease formality for family with kids (OK by ID card for adult alone, but passport needed for adult with kid).	- Focused promotion needed to support quality of offer. - Promote culture and archeology more.	
Italy B (General Operator)	- Beach and family destination of low-middle standard.	- Morocco - Egypt - Both culture destination of middle/ high standard.	- Good balance between price-quality because of short-haul destination (cheaper air fare)	- Good standard of hotels. - No restaurant, life, activities outside of hotels.	- Poor servicing in hotels.	- Good, but not recognized. - Culture focus more needed. - High fee compared to Morocco.	- Very slow entry/exit and luggage handling. - Worse in Monastir and Jerba, short of staff.	- More repeat visitor potential because of cheaper packages. - More focus needed on cultural aspect.	- Hygiene and environment outside of hotels. - Souvenir, same ugly product and quality.
Spain A (General Operator)	- Not expensive destination. - Islam image not strong compared to others (Egypt).	- Morocco - Egypt	- Price for meals and drinks much gone up.	- Sousse well developed with entertainment. - Hammamet Sud has nothing but hotels.	- Service quality is serious problem. - Chaotic condition in high season due to frequent over-booking.	- Too much visitors in Bardo in summer and no control.	- No Spanish edition available for entry card. - Very slow entry/exit process.	- Solve problems before undertaking any promotion.	- Lack of cleanliness. - Lack of Spanish language.
Spain B (General Operator)	- Exotic discovery of different country, culture and relation within 2-hr trip - Peace and security	- Egypt - Lack of highlight culture and attractions		- Grand façade and building but clients expect the same level of services.	- Service quality is not up to the building.	- Very inconvenient visitor hours at Kairouan mosque (close in the afternoon).	- More efficient processing needed in Tunis Airport.	- Good and successful campaign. - lack of budget for more promotion.	- Quality of guides getting worse. - Coaches are more for public transport than for tourists.
Netherlands A (General Operator)	- Beach holiday - General circuit of culture/discovery - Not a lot to do. - Not a clean country.	- Greece - Turkey	- Good quality and price level				- Take too long a time.	- Not good/effective since all promotion done from Tunisia and have no Duch market perspective.	- Lack of cleanliness - Souvenir – not a lot of choice.
Netherlands B (Cultural Tour Specialist)	- Beach destination. - Easy access. - Less Islamic image than Egypt/Morocco - Culture less known.	- Egypt/Morocco with more monumental resources (Pyramids, Fez/ Marrakech, etc.).	- Less expensive than Morocco.	- Poor maintenance (cleanliness, clean towel, broken lamps). - Very slow in group check-in.	- No English menu in restaurants.	- Good, but sign/ label only in French/ Arabic. Need English. - Abolish photo fee, include it in the basic entrance fee.		- Medina good, but bargaining not desirable. - More shopping centers like Sousse needed.	- Coaches generally small for tall Europeans. - Need more public phone booths.
Poland A (General Operator)	- Exotic. - Easy access. - Beach destination. - Safety. - Less attractive in history/culture.	- More monumental/ attractive history/culture in Egypt.	- Reasonable - Keep this posture of "low rates." - Price-wise, more appeal than Morocco.	- Avoid overbooking. - Some need renovation. - More sports/enter-ment in 3 stars. - Introduce "all inclusive."	- Lack in variety of foods. - Coaches/guides not punctual.	- Sign/labeling in French only. English needed.	- Airport money change/duty free closed at night.		- Some coaches too old, no air conditioning.
Poland B (Incentive/cultural Tour Specialist)	- Beach/rest. - Safety compared to Egypt.	- Egyptian promotion very prominent (TV, documentary films).		- 5 stars good service - 2-4 stars very bad service standard.	- Guide, shopping very bad. - Everyone "diddler" trying to cheat (waiter, shop hand, bus driver, taxi)	- Nothing changes in museum in last 10 years. - Labeling in French only. English needed.		- Fast losing new destination image. - Need new approach.	- 90% of coaches very bad.

Source: JICA Study Team

2.6 HOW TOURISTS VIEW TUNISIA

The tourist interview survey conducted as part of this study in July and August 2000 provides valuable information that can suggest (at least partly) the direction in which Tunisian tourism should be going.

The results and implications described below are those judged particularly important and useful for devising effective tourism development strategies. More general results of the survey are described in Volume III Chapter A4.

2.6.1 What Vacationers Coming For

It is widely recognized that most of the foreign visitors coming to Tunisia for vacation are beach holiday vacationers. This is also evident from the survey result. Among the vacationers interviewed, 82% of them visit Tunisia for beaches.[3]

Importantly, however, the result also suggests that even today, a significant number of beach holiday vacationers choose Tunisia for its cultural aspects and natural wonder "in addition to its beach products" as shown Table 2.6.1.

- These tourists (coming for the cultural aspects and/or natural wonder in addition to beaches) account for 45.0% of all the beach holiday vacationers (=100%-55.0% (beach only)).
- Moreover, tourists coming for culture and/or natural wonder (including those for these purposes in addition to beaches) account for 54.8% of all the vacationers (=100%-45.2% (beach only)), reaching more than half of the total.

Table 2.6.1 Composition of Vacationers by Purpose

Holiday Purpose	% of Total Vacationers	% of Beach Holiday Vacationers
Beach only	45.2%	55.0%
Beach + culture	14.5%	17.7%
Beach + natural wonder	11.4%	13.9%
Beach + culture + natural wonder	11.0%	13.4%
Beach total	82.0%	100.0%
Culture only	5.2%	-
Natural wonder only	9.1%	-
Culture + natural wonder	3.6%	-
Total	100.0%	-

Note: The sample of Japanese tourists was excluded in order to avoid potential bias toward culture and natural wonder. The size of the sample used (total number of vacationers) is 3,001. Note also that in the survey, "natural wonder" was intended to represent the tourism in the Sahara area, by providing the examples, Sahara and Chott El Jerid, in the survey sheet.

Source: JICA Tourist survey conducted in July-August 2000

[3] Note that the "vacationers" considered here include visitors coming to Tunisia for beaches, culture, and/or natural wonder. Vacationers coming only for other purposes (e.g., sports, shopping, festivals) are a very small fraction and negligible, thus excluded in the analysis.

These results suggest that a significant number of vacationers are curious about the Tunisian culture and natural wonder, that is, "*what Tunisia uniquely possesses.*"

Their strong curiosity about the country's culture and natural wonder is evident from their behavior in searching information on Tunisia, which is much more active than those coming only for beach (e.g., through guidebooks, internet, newspapers, magazines, etc.) as shown in Table 2.6.2.

Moreover, even many of those coming only for beaches do visit major cultural sites as shown in Table 2.6.3.

These results have a tremendous implication for the future efforts on tourism development in Tunisia, suggesting the important of promoting unique aspects of Tunisia, even for those intending to visit primarily for beach holidays.

Table 2.6.2 Information Source Considered Useful for Tourists by Purpose

Holiday purpose	Tour brochure	Guide-book	Newspaper/magazine	Word-of-mouth	Internet	Others	Total
Beach only	58.1%	9.6%	3.4%	28.6%	10.9%	7.5%	118%
Beach + culture	54.6%	20.2%	5.5%	36.4%	16.2%	8.6%	142%
Beach + natural wonder	56.5%	14.6%	6.7%	35.6%	16.8%	9.1%	139%
Culture only	32.5%	19.1%	7.0%	35.7%	10.8%	8.9%	114%
Natural wonder only	51.1%	13.1%	5.5%	30.3%	9.1%	6.9%	116%
Natural wonder only / Natural wonder + culture only	52.6%	15.7%	6.3%	32.5%	10.7%	7.3%	125%
Culture only / Culture + natural wonder only	42.3%	20.4%	7.5%	36.6%	12.5%	8.7%	123%

Note: This questionnaire item was based on multiple-choice.

Source: JICA Tourist survey

Table 2.6.3 Only-for-Beach Vacationers Visited Major Cultural Sites

Profile of vacationers	Carthage/ Sidi Bou Said	Medinas	Bardo Museum	El Jem	Kairouan cultural sites
Total for beach only	32.0%	45.5%	15.4%	12.2%	9.7%
Gateway: Tunis	45.4%	51.7%	21.3%	13.9%	11.5%
Gateway: Monastir	22.7%	51.7%	12.8%	12.8%	10.1%

Note: The proportions of those who visited these sites among vacationers for both beach and culture are, as expected, significantly higher than the figures above.

Source: JICA Tourist survey

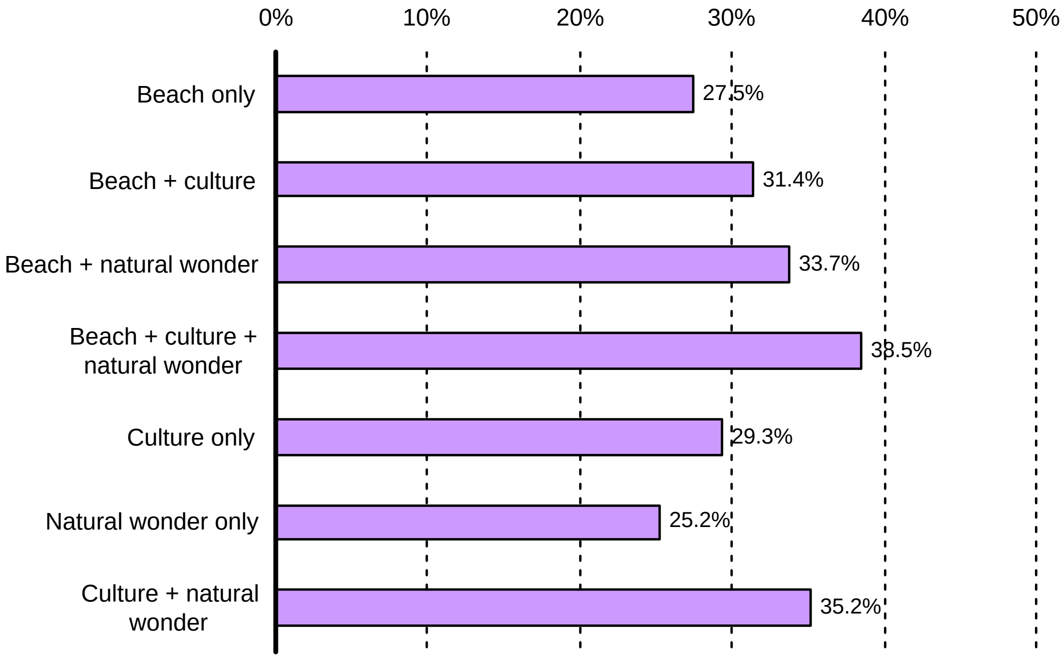
2.6.2 Level of Satisfaction

The extent to which visitors are satisfied with the trip to Tunisia is crucially important, particularly because their influence on potential visitors is significant as exemplified by high percentages of those finding "word-of-mouth" a useful information source in the table presented above (Table 2.6.2).

Figure 2.6.1 shows the level of satisfaction of vacationers by holiday purpose. Main points include the following:

- The proportion of the vacationers "very satisfied" with their trip is generally not high.
- Importantly, however, the level of satisfaction of those with multiple purposes is higher than that for single-purpose visitors. Those coming for the combination of beach, culture and natural wonder are the most satisfied with the visit to Tunisia.
- Vacationers coming only for natural wonder are the least satisfied with their trip.
- The level of satisfaction of those for beach only is also among the lowest.

Figure 2.6.1 Level of Vacationers' Satisfaction by Purpose



Note: These figures are the rates of those who were "very satisfied" with their visit to Tunisia for each holiday purpose.

Source: JICA Tourist survey

These results again provide important implications, primarily in terms of the following:

- Tunisia is endowed with rich natural and man-made tourism resources (beaches, desert and oases, mountains, culture, history, tradition, etc.)

located relatively closely to each other. Visitors can enjoy a combination of different kinds of tourism products relatively easily thanks to their geographical closeness as well as relatively good transportation network. The results suggest that it is a promising direction to offer quality combination of these, fully taking advantage of their richness and closeness.

- At the same time, however, relatively low level of satisfaction is sending a clear message about significantly needed improvement in each of these major areas of Tunisian tourism so that Tunisia will be able to get more tourists feel very satisfied with their trip to the country. This in turn will lead to a potentially significant increase in visitors motivated through word-of-mouth by past visitors, which is a highly effective way to promote the country's tourism.

2.6.3 Value and Visitor Facilitation of Cultural Sites

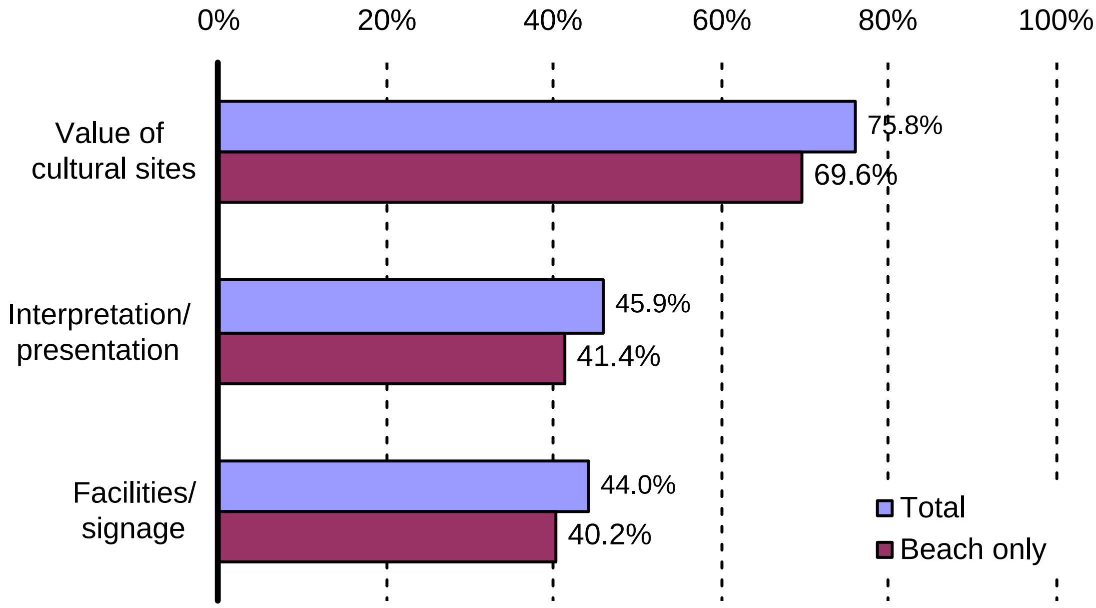
Despite the richness of cultural heritage in Tunisia, major cultural sites in the country tend to be viewed as less attractive to tourists than the monumental sites in competing countries (e.g., Egypt, Turkey, Morocco). This is also pointed out by those engaged in tourism in the country as well as by European tour operators interviewed during this study. This seems to be a universal view, particularly in terms of the physical prominence of Tunisian cultural sites.

At the same time, it should be recognized that tourists' perception about the value of cultural sites in Tunisia is not necessarily low, but is in fact relatively high. As shown in Figure 2.6.2, 75.8% of the visitors to major cultural sites (c.f. note of the table about these sites) rate these sites as "Good" in terms of their value. Even about 70% of the visitors to these sites whose purpose of visit is beach only rate their value as "Good".

This relatively high rating corresponds to the fact that most of the European tour operators interviewed in this study strongly recommend more aggressive promotion of cultural aspects of Tunisia that have been significantly under-emphasized.

Currently, however, the country's cultural sites are not well prepared for welcoming visitors so that they could fully enjoy their intrinsically high value. As shown in the figure, only less than half of the visitors rate the way to show them to visitors as "Good", specifically in terms of interpretation, presentation, facilities, and signage. There is much room for improvement even for these most well-known monumental sites. There is no doubt that improving them is expected to enhance the value of these sites, thereby making them more attractive to potential tourists.

Figure 2.6.2 Visitors Rating Major Cultural Sites as "Good"



Note: These are the overall ratings of major Tunisian cultural sites by those visiting at least one or more of the five major sites: Carthage, Medinas, Bardo Museum, El Jem, and Kariouan cultural sites. "Total" is the rating of all the visitors to these sites (who were interviewed); and "Beach only" is that of visitors whose purpose of visit is beach only.

Source: JICA Tourist survey

2.6.4 Saharan Tourism and Attractions

While the Sahara area attracts a number of tourists even today thanks to its natural tourism resources (about 752,000 foreign visitors to the G-Tozeur region in terms of the number of hotel registration in 1999), the area is generally viewed merely as one of the several destinations visited by circuit tourists, not a primary destination. This is well indicated by a very short average length of stay in the region (1.4 day in 1999). International passengers (both arrivals and departures) at the Tozeur-Nefta airport are about 72,000 in 1999, only a small fraction of the visitors to the region.

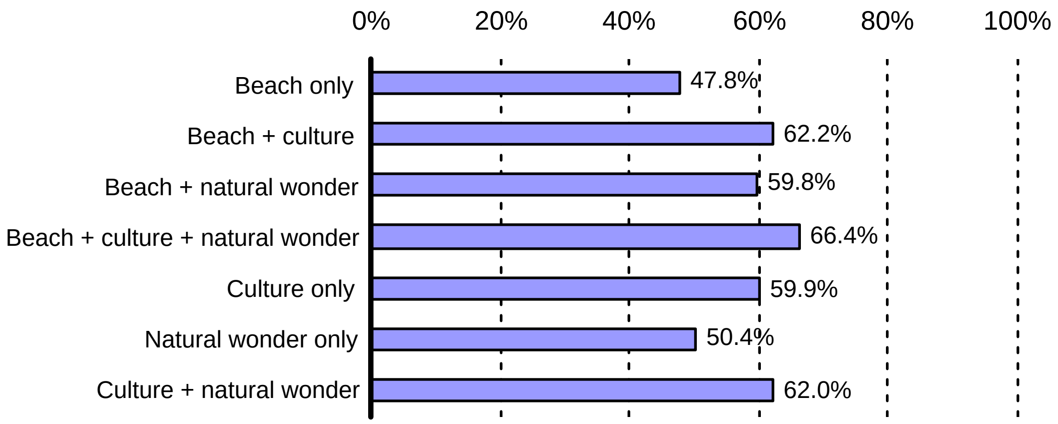
One major reason for this current status of the area is apparently a lack of tourist attractions, which is also evident from the result of the tourist survey. Figure 2.6.3 shows the proportion of vacationers by purpose whose rating of tourist attractions is "Good". The rating by vacationers only for natural wonder is among the lowest.

Other major points include the following:

- Multi-purpose tourists tend to rate tourist attractions more highly, again suggesting the importance of product combination in Tunisian tourism.
- Note also that the rating by vacationers only for beach is the lowest.

In addition, the Sahara area is currently not attractive enough to most of the beach holiday vacationers as suggested by Table 2.6.4. Only a fraction of the visitors staying relatively long in other major destinations visit Tozeur. This is even true of the visitors to Jerba, located relatively closely to the area. Increasing tourist attractions in the Sahara area can contribute to enriching beach product offering, particularly in Jerba as well as making the area more attractive to non-beach vacationers.

Figure 2.6.3 Vacationers Rating Tourist Attractions as "Good"



Note: Tourists were asked to choose "good," "fair" or "poor" for this survey item.

Source: Tourist interview survey

Table 2.6.4 Visitors to Tozeur among Vacationers in Other Destinations

Visitor profile	Jerba	Sousse	Hammamet	Tunis
Tozeur visitors among those who stayed at each for 3 nights or more	7.3%	3.9%	5.7%	4.2%

Source: JICA Tourist survey

2.6.5 Environment and Amenity

Major natural tourism resources Tunisia possesses include beautiful coasts, desert and oases, and mountains. The landscape created by these resources is rated relatively high by vacationers. As shown in Table 2.6.5, nearly three out of four vacationers coming for beaches rate seaside landscape as "Good", and the rating for inland landscape, though lower than that for seaside landscape, is also fairly high.

In addition, security is considered good, and hospitality is highly rated. These are strong points of Tunisian tourism. In particular, good security is an important advantage for further development of tourism.

On the other hand, man-made environment is rated far lower, including urban amenity (street furniture, sanitary facilities, parks, street beautification and landscaping, etc.) and sanitary conditions (hygiene, solid waste management, etc.).

These environments are among the important elements affecting the level of satisfaction of tourists. Their improvement is thus highly necessary for enhancing convenience and the sense of cleanliness, thereby creating more welcoming and entertaining atmosphere and environment at major tourist destinations.[4]

Table 2.6.5 Ratings of Environmental Aspects

Survey item	% of those rating the item as "Good"	Basis
Seaside landscape	73.7%	Among the vacationers for beaches
Inland landscape	58.8%	Among the vacationers for natural wonder
Urban amenity	18.5%	Among all the vacationers
	18.6%	Among the vacationers for beaches
Sanitary conditions	22.1%	Among all the vacationers
	23.5%	Among the vacationers for beaches
Security	60.1%	Among all the vacationers
	60.6%	Among the vacationers for beaches
Hospitality	72.4%	Among all the vacationers

Note: Tourists were asked to choose "good," "fair" or "poor" for these survey items.

Source: Tourist interview survey

2.6.6 Tourist Information

Provision of tourist information is an essential service, the quantity and quality of which affect the level of tourist satisfaction, although the current level of information provision is unsatisfactory.

As shown in Table 2.6.6, there is significant room for improvement in this respect, with only about 30% of vacationers rating the availability of tourist information as "Good" regardless of their holiday purpose.

Table 2.6.6 Ratings by Vacationers on Availability of Tourist Information

Survey item	% of those rating the item as "Good"	Basis
Tourist information	32.0%	Among all the vacationers
	30.3%	Among the vacationers for beach only
	33.9%	Among the vacationers for culture (including those for culture and other purposes)
	29.6%	Among the vacationers for natural wonder only

Note: Tourists were asked to choose "good," "fair" or "poor" for this survey item.

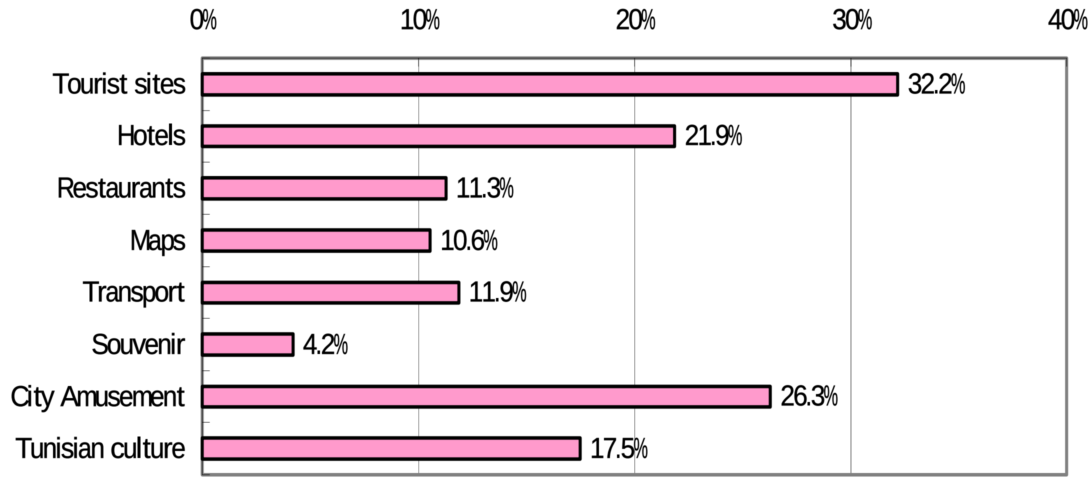
Source: Tourist interview survey

As shown in Figure 2.6.4, the areas in which more information is particularly needed by vacationers' answers include tourist sites and city amusement. These two areas are among the most fundamental to tourism, suggesting the urgent need for significant improvement in the provision of tourist information.

[4] Note that the Tunisian government (e.g., MI and MEAT) has various programs and projects aiming at quality improvement for living and urban environment, including the national program of solid waste management (PRONAGDES), the national program to create 100 urban parks (PNPU), the program to create environmental boulewards, the program to create and maintain greenery spaces, sanitation programs in urban centers and rural areas, etc.

One interesting and important result is that the demand for information on Tunisian culture is fairly high, suggesting tourists' strong interest in the country's culture itself in addition to its tourism products. It is a simple but important fact that foreign tourists paid for coming to Tunisia, a country foreign to them, and they have natural curiosity about the country itself.

Figure 2.6.4 More Information Needed by Vacationers



Note: These figures are the proportions of those needing more information on each item among all the vacationers.

Source: JICA Tourist survey

2.6.7 Tourist Expenditure

The information on tourist expenditures obtained from the tourist interview survey may not be sufficiently accurate, partly because many tourists do not keep track of their expenditures; and the basis for their expenditures may vary across tourists, e.g., some may be able to specify the amount spent in Tunisia fairly accurately (as intended), and others may not, especially those on a tour package.

Figure 2.6.5 shows the travel expenses spent by vacationers. The boundary between "below \$500" and "\$500 or more" is nearly equal for these three categories of vacationers, though the ratio of those spending "below \$500" is slightly higher for beach-only vacationers.[5]

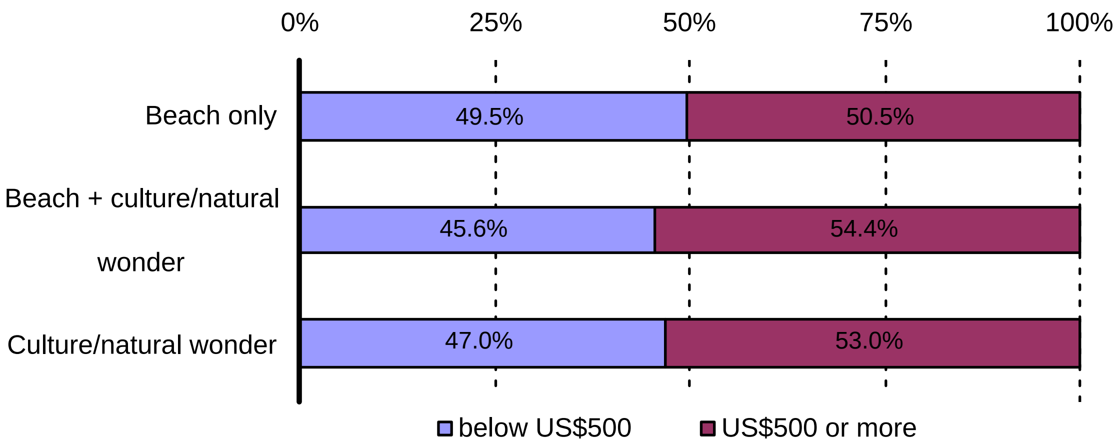
Age distribution of tourists might suggest their spending profile and its potential. As expected, vacationers for cultural tourism and/or natural wonder tend to be somewhat older than those coming only for beach as shown in Figure 2.5.6.

[5] While precise estimate for spending per day is not possible because in the tourists survey the duration of stay was asked according to ranges (e.g., 3 to 5 nights, 6 nights or more) to facilitate their responding, it is reasonably judged that those coming for culture/natural wonder spend more per day than those coming for beach holiday by a considerable margin, in view of these per-tourist results. For one thing, the average length of stay of circuit tourists should be shorter than that for beach holiday vacationers. For another, circuit touring requires transportation and site visits much more than beach holiday, leading to higher costs per day.

Potential propensity to spend could be higher for the segments with a higher proportion of the working class.

In addition, spending behaviors differ across vacationers by purpose. Table 2.6.7 suggest that those coming for culture and/or natural wonder tend to spend more for souvenirs and foods at restaurants outside of hotels. Substantial increase in these tourists could considerably benefit these tourism-related industries.

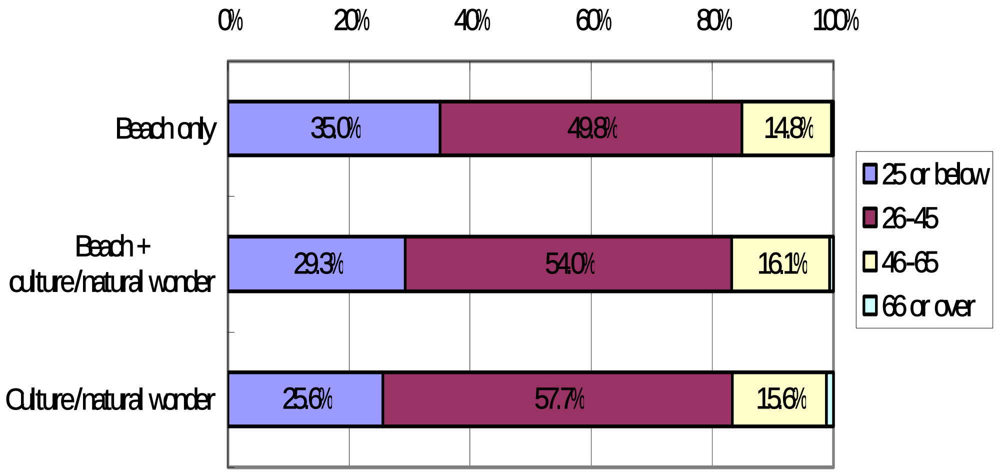
Figure 2.6.5 Expenditure Spent in Tunisia by Purpose



Note: These expenses should be viewed with caution, particularly because those interviewed may, or may not, include expenses spent for and accommodations (and foods) included in the tour package. It is difficult for those on package tour to estimate these expenses at a reasonable level of accuracy.

Source: JICA Tourist survey

Figure 2.6.6 Age Distribution of Vacationers by Purpose



Source: JICA Tourist survey

Table 2.6.7 Spending Behaviors of Vacationers by Purpose

Vacationers by purpose	% of those who purchased souvenirs	% of those who ate at restaurants outside of hotels
Beach only	83.1%	49.8%
Beach + culture/natural wonder	87.6%	68.6%
Culture/natural wonder	91.1%	68.5%

Source: JICA Tourist survey

3 SWOT ANALYSIS

A SWOT analysis has been performed to identify the key strengths and weaknesses of the sector in order to develop an understanding of the sector's best future potentials or opportunities. This exercise is a tool of strategic planning. This analysis provides a logical justification for the strategies and measures that make up the National Plan for the sector. The different measures proposed in the National Plan address at least one of the weaknesses, and support at least one of the opportunities. This work is a result of research including direct observation by team members, interviews in Tunisia and abroad with travel trade business people, with tourists themselves and with Tunisian tourism officials. The essential elements of those findings appear in the preceding section.

3.1 STRENGTHS

(1) Proximity to the European markets

There is good scheduled air service from numerous European metropolitan areas into Tunis and some flights into the provincial airports of Monastir, Jerba and Tozeur. Many European points fall in the 2-3 hour flight range. This easy proximity is particularly important in building up time-sensitive segments of demand such as meetings and conference participants, as well as short-break or long-weekend leisure traffic. Tunisia needs to continue its favorable environment for commercial air services to open up direct air links with even more metropolitan areas across Europe.

(2) Environment of security and peace

Tunisia is one of the safest countries in the entire Mediterranean basin, including both the north and south shores of it. This factor refers both to the absence of political violence as well as of common crime in the streets. The safety of Tunisian cities is an advantage over competing nations in the Middle East, and is a relevant factor for travelers young and old.

(3) Rich variety of natural and man-made tourism resources

Its natural resources include the beaches, expanses of desert marked by green oasis, arid mountain ranges with escarpments and gorges, green forests and rocky coastline in the north. Key man-made resources include the atmospheric medinas, ancient classical sites with ruins, and the museums portraying aspects of history and traditions. Moreover Tunisia is further expanding its infrastructure for additional services in the form of new golf courses, thalassotherapy and spa facilities, amusement parks and marinas.

(4) Attractive beaches

The coastline of nearly 1,300 km, very scenic in parts, is a core asset as seaside holidays is the mainstay of Mediterranean tourism. The beaches of Hammamet, Sousse-Monastir and Jerba are particularly well known for their beauty and facilities, and represent the country's top natural asset.

(5) Mild winter climate

Tunisia can function as an all-year twelve-month destination where at southern points [Jerba notably] swimming is possible during much of the winter season. This is relevant in raising hotel capacity utilization and building profitability by drawing off-peak markets such as long-stay, seniors, and meetings.

(6) Exceptional mix of heritage from different eras

Tunisia's heritage includes Phoenician-Punic, Roman, Berber, Islamic and French colonial legacies among others. This mixture of eras is an asset of strong interest to culturally motivated segments of tourism. These segments need to easily understand the meaning contained in the remains of each of these eras. In addition, a substantial 45% of beach tourists[1] also cite cultural and natural attractions as part of their purpose of travel to Tunisia, reinforcing the strong appeal of what Tunisia *uniquely* possesses.

(7) Favorable foreign investment environment

There is clear evidence that Tunisia has gained significant foreign investment in the form of capital invested by foreign interests, many Arab ones, and managerial expertise provided by mainly European hotel and resort management firms.

(8) Good air, rail and road transport internally

The infrastructure for internal travel within the country by these different modes is good and the quality of passenger services high. Inland areas of the country are not isolated and tourism along themed circuits can readily expand as attractions along them are developed and promoted. The compactness of the country combined with easy transportation makes Tunisia ideal for package tours combining beach with culture and natural wonders and for culturally motivated travel as well.

(9) Expanding hotel capacity

The industry is arranging the financial resources to maintain its pace of building new lodging capacity and renovating the aging capacity to extend its useful lifetime. Renewal of capacity is essential to draw higher-spending segments with demanding requirements such as MICE participants.

[1] JICA tourist survey, July-August 2000.

(10) Tradition of hospitality of Tunisians

Being at the crossroads of the east and west basins of the Mediterranean Sea, and on the doorstep of Africa facing Europe to the north, Tunisians have the advantage of being at ease in welcoming and dealing with people of different origins. This is an ideal characteristic for the tourism industry.

3.2 WEAKNESSES

(1) Perception as a budget destination close to Europe lacking exoticism

In the European marketplace Tunisia is recognized and promoted as a popular budget destination for beach holidays. Market surveys give evidence of an undistinguished, undifferentiated perception of the country by consumers. While value-for-money is a strength, it cannot overcome the lack of any clear, distinguishing images making favorable, lasting impressions and positive word-of-mouth.

(2) Low satisfaction level of visitors and low rate of return visitation

Tour operators indicate that the rate of return visitation is not high, reflecting some disappointment of tourists with the Tunisian product cutting their desire to return in the future. Visitor satisfaction surveys indicate evidence of some dissatisfaction with conditions in the country and the quality of service. One major German tour operator reports that the complaint level for their Tunisia clientele is twice the average level for international destinations[2]. In the JICA tourist survey, the categories of urban amenity and sanitary conditions yielded very low “good” scores (19% and 22% respectively) indicating very significant dissatisfaction with these conditions.

(3) Absence of promotional trump cards to differentiate its image in target markets

Unlike Egypt, Turkey or Morocco, Tunisia does not enjoy the considerable benefit of visually powerful and widely recognized symbols representing any of its main attractions. Egypt’s pyramids, Istanbul’s Hagia Sofia mosque and the Medina of Marrakech all enjoy marquee status and are prominently featured in promotions internationally. The images of these destinations are differentiated and are perceived as high-value cultural experiences. Tunisia currently lacks this kind of trump card or attraction.

(4) Substandard quality of tourism products and services

In various areas such as sanitary facilities, the quality of foodservice at restaurants, punctuality of bus tours and transfers, or reliability of the front desks with group reservations, services fall well short of tourist expectations because of disappointing service. Issues causing this include lack of professionalism, limited staff training and unsatisfactory hotel profitability. Business owners and managers are often new to the trade, inexperienced and poorly trained, which is common in rapidly expanding industries. They are ill prepared to ensure smooth operation of services and heightened profitability.

(5) Heavy reliance on beach tourism with a severely seasonal pattern

The majority of tourists visit Tunisia on beach holidays. If Maghreb visitors are excluded, more than 90% of the total is estimated to fall in this one category.

[2] Spokesman for Condor & Neckermann, December 2000 magazine quotation.

There is a severely peaked pattern to this demand with peak volume equaling up to five times off-peak volume, by some measures [such as hotel occupancy].

(6) Low profitability of tourism industries

Industry leaders indicate that the majority of tourists [again Maghreb visitors excluded] are believed to visit on package holidays. Their expenditure in Tunisia including transportation is estimated at around 300 TD each per trip. The low profitability is the cause of limited expenditures on staff training, physical plant upkeep and rehabilitation.

(7) Insufficient provision of visitor facilitation, information and amenities at cultural sites, museums and medinas

This problem is a major one with visitors leaving many sites with little knowledge as to their significance and with a low level of satisfaction. Posted or printed information in languages of the visitors is often lacking at archeological sites and museums. The quality of exhibits and of the tour guides is also often lacking, greatly reducing visitor satisfaction. While a large share of visitors (76%) give the major cultural sites a “good” rating, far fewer (46%) rate their presentation, or their facilities and signage (44%) as “good” according to the JICA tourist survey. Only 32% rate the information at tourist site as “good”.

(8) Lack of collaboration and coordination among tourism-related actors

There is weak coordination of efforts in a number of important areas in which ONTT is involved. Both public-public as well as public-private efforts are sometimes lacking. Key areas include the following.

- Regarding the condition of archeological sites and museums, the INP and AMVPPC bear primary responsibility. Although only secondarily responsible, ONTT needs to seek stronger 3-way collaboration to substantially improve conditions for visitors.
- There is no tabulation for length of stay for visitors to Tunisia as is done in numerous other countries. This is a serious data void for economic and market analysis. Collaboration with the immigration authorities needs to be set up.
- Hotel industry operating and financial statistics are neither very complete nor regularly published on a per-room basis, the international norm. Collaboration with the hotel federation could produce a meaningful industry database clarifying many marketing and financial issues related to the hotel industry.
- There is no database profiling meetings and convention activities in the country, a priority segment for Tunisia. There is also need to get industry consensus on fund-raising fees to finance the promotional activities of the Tunisia Convention Bureau.
- Some duplication of public information outreach of the syndicat d’initiative and of ONTT can be reduced if they combine forces to boost their effectiveness.
- Reliable market behavior profiles based on visitor surveys gauging

expenditure levels, true travel motives and other measures, does not exist. ONTT needs to work with its contractors to improve this valuable information and make it consistent with WTO definitions.

(9) Some deterioration of the natural and cultural environment

There are warning signs of problems requiring attention at locations along the coastlines, in the Medinas, with the fragile earthen structures like gorfas and ksour, and in aging colonial structures. Fortunately there is a clear framework for environmental management in the country[3] but particular attention needs to be paid to vulnerable sites of tourist interest.

[3] For example, MEAT and APAL have programs for protecting the coastline.

3.3 OPPORTUNITIES

Key opportunities that Tunisia faces are described below, in relation to the key segments of tourism that the country can draw. These have been developed in view of the preceding strengths and weaknesses and in view of the specificities and competitive advantages that the country has.

(1) Repositioning in the Mediterranean marketplace to capture higher value beach tourism

Tunisia has the opportunity to use its well-established reputation as a beach destination as a springboard to shift up or reposition itself in the Mediterranean marketplace as a prime mid to upscale leisure destination. As such it can offer marketable, high value combination products like culture plus beach, desert adventure plus beach, or Medina plus beach. Tunisia can revamp or reinvent its image in the world marketplace by upgrading its cultural assets, and by crafting promotional messages to the promising, higher-income segments that are now largely bypassing it. It will draw on the population of millions of past visitors who will return in response to this reinvented image.

(2) A prime meetings, incentives, conventions and exhibitions destination for the Arab world and African continent

With its central location on Africa's doorstep, at the crossroads of the Mediterranean, Tunisia can emerge as a favored destination for meetings and conventions because of its small but growing community of capable organizers and suppliers who can efficiently service the events. Tunisia is developing a growing range of secondary activities raising the competitiveness of Tunis and other cities. The addition of modern facilities in some of the newly built hotels in locations like Gammarth and Hammamet is a clear asset. Tunis can plan to compete not only with other business centers (Casablanca, Cairo and Beirut, etcetera) in the Mediterranean world, but also with second-tier cities in Europe (such as Turin, Lyon, or Cologne) to attract mid size events that seek new locations.

(3) A crossroads of Mediterranean, Oriental and Western civilizations

The ongoing improvement of the country's cultural assets is not solely for the purpose of image reinvention, but also to develop a broader range of genuine travel products. These improvements create opportunities that will appeal to culturally motivated travelers coming in all seasons of the year, spending more money and time in the interior of the country, and raising satisfaction levels[4]. The finding that 45% of beach tourists partake in cultural activities and that some 55% of all tourists[5] choose Tunisia to see its cultural and natural wonders reinforce the importance of the cultural product. Innovations such as educational courses, short

[4] The highest satisfaction levels ("very satisfied") by trip purpose were "beach+culture+natural wonder" at 39% and "culture+natural wonder" at 35% per JICA tourist survey.
[5] JICA tourist survey, July-August 2000.

breaks for urban exploration, combination packages with Libya, and cultural exchanges for youth groups as well as for seniors will be easier to arrange.

(4) A welcoming Saharan gateway with spectacular indigenous mountain civilizations

With improvements in the tourist services in Tunisia's south, and with increasing air service from additional European cities into Tozeur, Tunisia can draw great advantage in its role as the closest Saharan Gateway for Europe. It can fully sell the powerful mystique of the famed Sahara and offer safari weekends (3-4 day packages), MICE packages, spa packages and trekking adventures for a growing clientele arriving directly from Europe, as well as from Tunisia's beach resorts. It is the experiences that include culture and natural wonders that win favorable "good" ratings[6]. If it skillfully improves the quality of its attractions in the South, the traveling public will perceive higher quality and be willing to pay higher prices.

Tunisia is developing other types of tourism such as nature-based travelers, soft adventure enthusiasts, European auto tourists, visitors on short shopping trips from neighboring countries, for example. It also is intending to eventually develop distant markets in North America and Asia. However, the above opportunities intentionally focus instead on segments of tourism from high-spending markets which are not too distant, in order to attract a higher quality tourist with a higher average daily expenditure than at present, and to build up off-peak business. These types of tourism are considered the most promising for Tunisia's promotional efforts to focus on with emphasis over the short-medium term.

[6] JICA survey "good" responses fell in the 60-66% range for holiday purposes that included culture, natural wonder or both.

3.4 THREATS

Important threats are identified below. In nature they relate mainly to the failure of key actors to deal with critical problem areas over which they do have some control. Threats reflecting external conditions over which Tunisia has no control such as a prolonged economic downturn in Europe, have not been listed. It is worth noting that these threats are commonly found in many countries and are not unique to Tunisia.

(1) Slow progress in conquering the quality problem

This problem is common in developing countries. It requires basically the initiative of developers, hotel owners and managers to design more durable structures, maintain them more thoroughly, and to provide hospitality services up to international standards with well-trained staff. It requires action on different fronts in the form of staff training and quality assurance programs. The power of word-of-mouth is evident as the second most useful information source for trip planning (coming after tour brochures[7]). Continuing quality problems will continue to harm the product's reputation through negative word-of-mouth keeping prices low.

(2) Slow progress in upgrading cultural attractions, museums, Medinas

Also a very common problem, the pace at which archeological sites can be upgraded, museums upgraded or visitor centers developed, is not fast as resources are scarce. The problems of lack of information and educational value, as well as of basic comfort amenities, cannot be solved overnight and will continue for some time. Several agencies share this responsibility including INP and AMVPPC, as well as municipalities and medina improvement associations.

(3) Failure to effectively reinvent the country's image in key source markets

This is a requirement for the successful repositioning of Tunisia towards the mid-upper range of the marketplace from its current low-mid market position. It is difficult to craft the right images and slogans to accomplish this transformation in perception in the selected target market segments in Europe.

(4) Continued lack of coordination of efforts between government agencies

The job of a tourism ministry or national office is a delicate one requiring coordination with a multitude of other agencies over which it may have no influence. This is because tourism is an amalgam of services relying on separately managed fields such as transportation, construction, lodging, cultural heritage, urban preservation, advertising and promotion to name a few. ONTT and MTLA as sector steward together share this difficult role of consensus building and coordination between multiple agencies.

[7] JICA tourist survey, July-August 2000.

(5) Increasingly fierce nature of international competition

This is an external threat over which no one industry player has any major control. The Mediterranean countries continue to expand hotel capacity and similarly to market themselves to much the same mix of segments discussed in this plan. But Europe’s tour operators will continue to exert downward pressure on tour prices wherever they can. Measures that Tunisian tour operators and hotels can use to mitigate their power include providing good quality product that the marketplace will voluntarily reward with higher prices, and greater use of alternative marketing channels that yield higher income tourists such as specialty operators, affinity groups, FIT, and internet, for example.

3.5 CONCLUSION OF THE DIAGNOSIS

This analytical review of factors logically leads to strategies for tourism development that are formulated in the subsequent Chapter, based on the following in-depth examination:

1. The identified strengths are among the important sources from which the opportunities are emerging.
2. The strengths and opportunities can be a solid basis on which to derive effective measures, which will then lead to effective tourism development strategies.
3. Effective measures can be derived as measures to overcome the identified weaknesses, in due consideration of the strengths and opportunities.

Figure 3.5.1 summarizes the strengths in a categorized form, helping generate clear implications of these strengths, from which the opportunities are emerging.

Figure 3.5.2 explains the structure of the weaknesses identified (on the left of the figure), along with the causal relationships among them (solid arrows in the figure). Some of the weaknesses were grouped together under an overarching issue, resulting in the seven major points: quality issues, low profitability, significant seasonality, underdeveloped cultural tourism, perception as a budget destination, organizational issues, and some deterioration of environment.

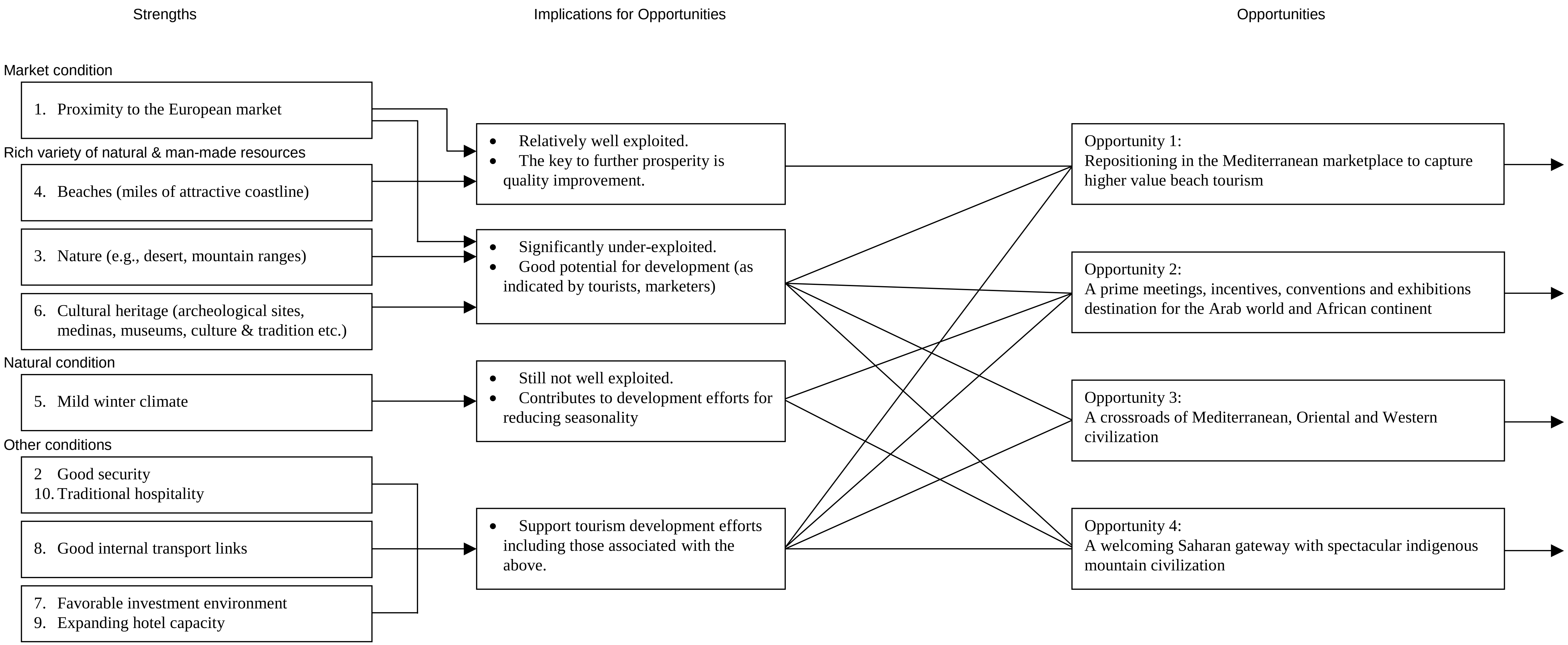
Primary measures that will contribute to overcoming these weaknesses were then derived, taking account of fully exploiting the strengths and opportunities, thereby overcoming the weaknesses effectively and efficiently. It is important to note that the measures for one weakness will have an effect on another according to the causal relationship between weaknesses. These measures will be the important elements of the tourism development strategies formulated in the subsequent chapter.

In addition, major implications derived from the threats include the following:

1. Make appropriate actions swiftly and effectively (e.g., in terms of quality improvement, cultural tourism development, and repositioning the country's image)
2. Do coordinate among the concerned agencies smoothly and effectively

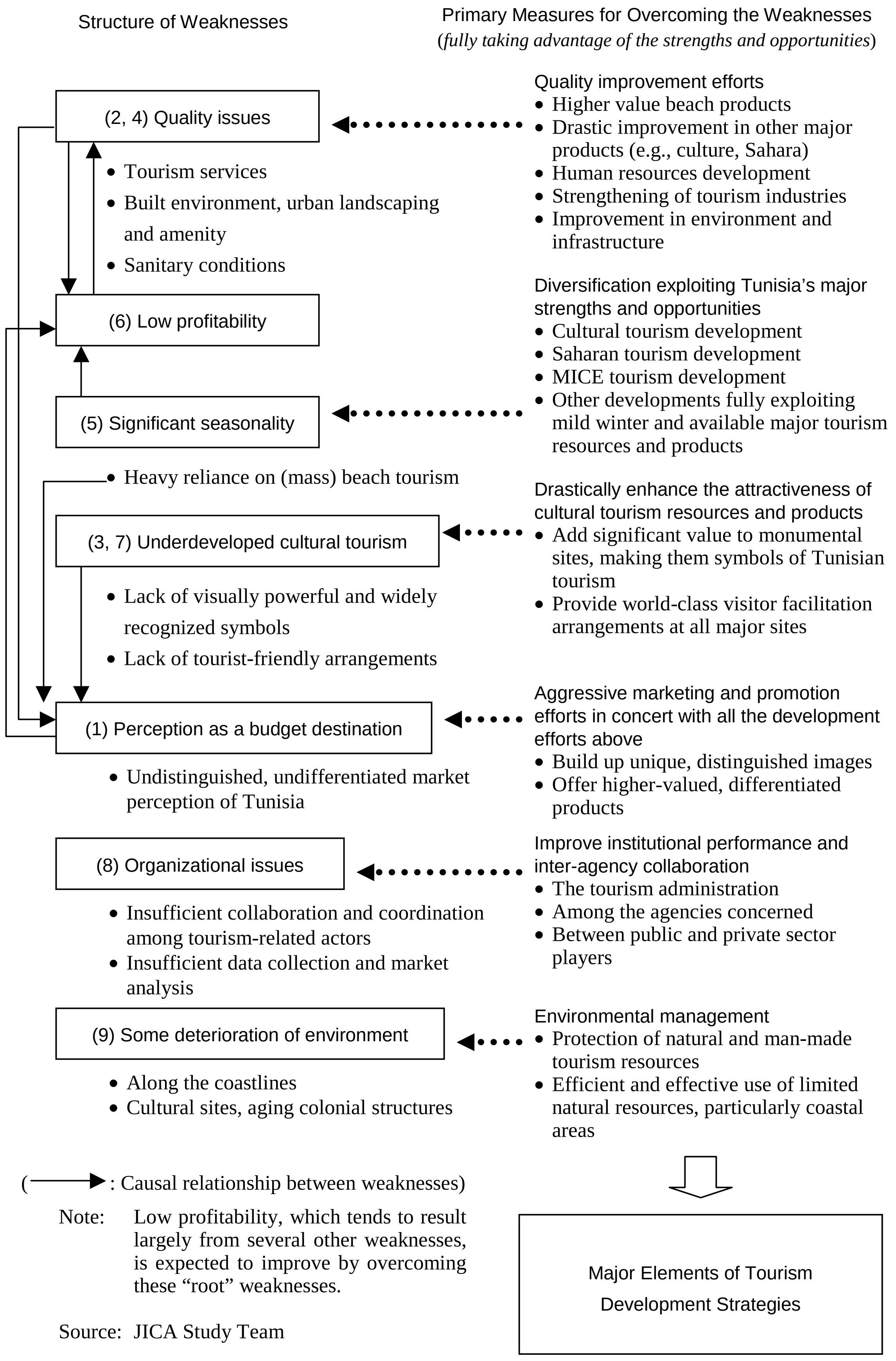
Successfully undertaking these is expected to contribute to building up the competitiveness of the country's tourism, helping fend off the competition in the international marketplace.

Figure 3.5.1 Strengths and Their Implications for Opportunities



Source: JICA Study Team

Figure 3.5.2 Structure of Weaknesses and Primary Measures for Overcoming Them



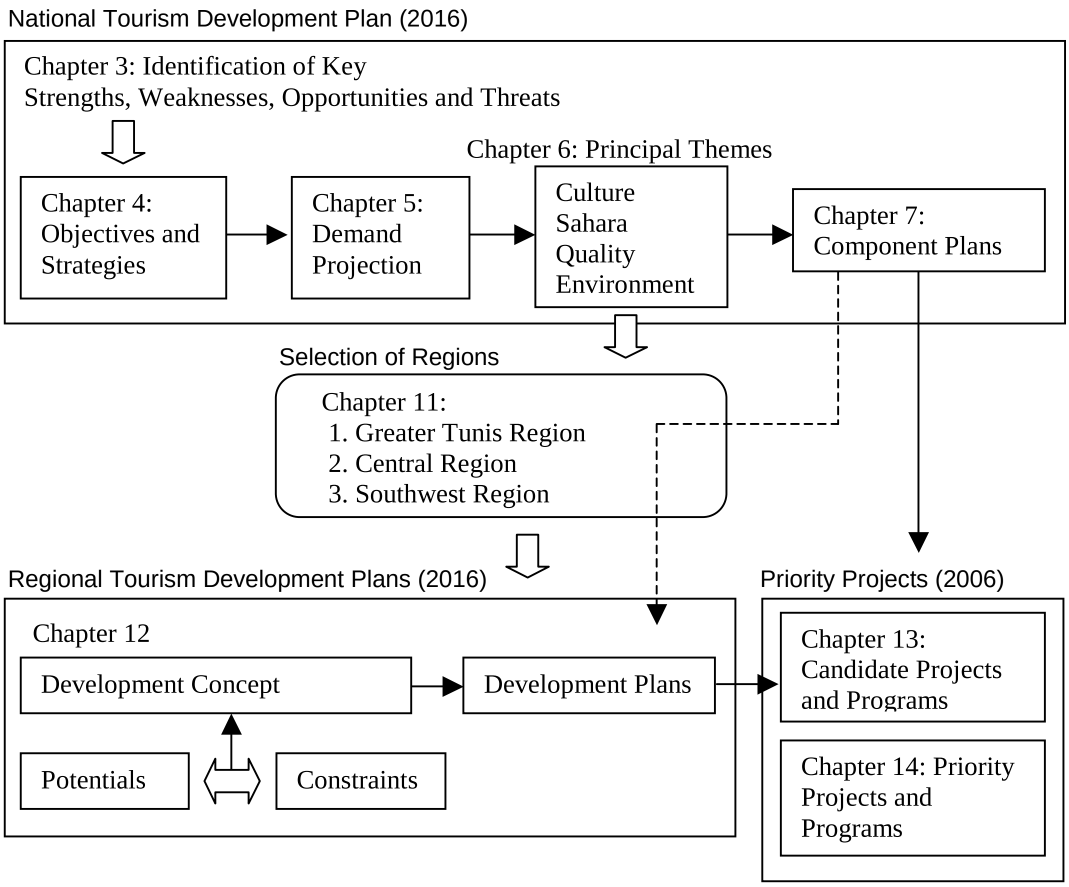
Note: Low profitability, which tends to result largely from several other weaknesses, is expected to improve by overcoming these "root" weaknesses.

Source: JICA Study Team

4 TOURISM DEVELOPMENT OBJECTIVES AND STRATEGIES

As described earlier and illustrated again in the figure below, the national and tourism development plan with the target year of 2016 starts with setting its objectives and strategies that are described in this chapter. In the subsequent chapter (Chapter 5), the projection of tourism demand is undertaken through the year 2016.

Conceptual Study Framework



Source: JICA Study Team

Subsequently, component development plans are formulated in Chapter 7 in line with these objectives and strategies as well as in consideration of the tourism development concepts developed in Chapter 6 under the four main themes of Tunisian tourism: Culture, Sahara, Quality, and Environment. Note that the development concepts developed in Chapter 6 are common to the formulation of the regional development plans (proposed in Volume II) as well as the component development plans in Chapter 7.

In Volume II, three regions are selected, where regional-level plans are formulated. A number of candidate projects located in the selected regions are proposed; these projects are part of the component development plans above, thus in line with the proposed National Plan. Following all these steps, priority projects are selected among the candidate projects identified for the selected regions.

4.1 OVERALL TOURISM DEVELOPMENT OBJECTIVES

The three guiding objectives for the National Plan are explained below. Together with the elements of the SWOT analysis, these objectives determine of a set of strategies that are proposed as tools for the industry to meet these objectives. Tunisia's tourist industry is a mature one, very concentrated on the beach tourism product with substantial aging capacity. It is facing a challenge to maintain its pace of growth while building up its competitiveness and while improving profitability. These objectives are closely linked and not independent of one another.

4.1.1 Competitiveness

The first objective, increasing Tunisia's competitiveness as a world-class destination, is based on reinventing its image through concrete actions that will develop higher value travel products. With the falling cost of air travel, the competition for the European holiday market is growing broader with destinations in the Caribbean, Indian Ocean and Southeast Asia now competing with the Mediterranean destinations on a price basis. Tunisia needs world-class products to cut its reliance on beach tourism.

This is a process that will require action on different fronts. Key stakeholders can act to tangibly improve the cultural and natural attractions that visitors come to explore and experience, by developing key attractions to have distinctive and visually striking world-class appeal. This means improving not only the sites themselves, but also systems of managing them and establishing programs of activities at the attractions, are all essential tasks.

Secondly, the quality of the basic services for lodging, food, entertainment and activities needs to be improved to a level consistent with international quality standards. Reduced levels of complaints and better word-of-mouth on service standards are very effective ways to improve the nation's image abroad.

Lastly, the packaging of the product and marketing of it to targeted foreign populations will enable greater capture of higher-spending segments that are currently weak, and less reliance on Europe's price-sensitive tour operators. The marketplace will perceive the better quality in the product making possible a *repositioning* or upscale shift of Tunisia's industry. The benefits will be higher spending tourists and reduced seasonal fluctuation in business across the year.

Tourism is not primarily the hotel industry, but rather consists of a combination of orchestrated experiences based on services for lodging and foodservice, sightseeing, education and enrichment, self-improvement and relaxation, sports and adventure, professional events, and shopping and entertainment. To build up its competitiveness Tunisia's travel trade will need to master the tools of creating marketable packages featuring only high-quality experiences.

4.1.2 Profitability

The second objective calls for a drastic increase of internal efficiency ensured by a higher level of satisfaction of visitors and improved word-of-mouth in source countries. Supplying what the market desires out of what Tunisia can offer will justify higher prices and make the tourism sector more profitable.

These results are measurable in satisfaction scorings from surveys and repeat visitor statistics. The quality upgrading issue is far-reaching and involves a multiplicity of bodies both public and private sector. However, the international marketplace rewards good quality, and Tunisia can produce clearly better quality if it takes the proper, sustained action. A set of strategies is proposed for actions deriving results such as the following:

- Improved quality of cultural sites and excursions for higher educational value and higher tour prices,
- Visibly improved quality at the lodging establishments rewarded by higher price levels for hotel rooms,
- Reduced negative word-of-mouth and increased positive word-of-mouth improving Tunisia's image in source markets,
- Higher productivity of labor in hotels and lessened seasonality, and
- Greater outreach to higher-spending segments of cultural and meetings visitors.

4.1.3 Sustainability

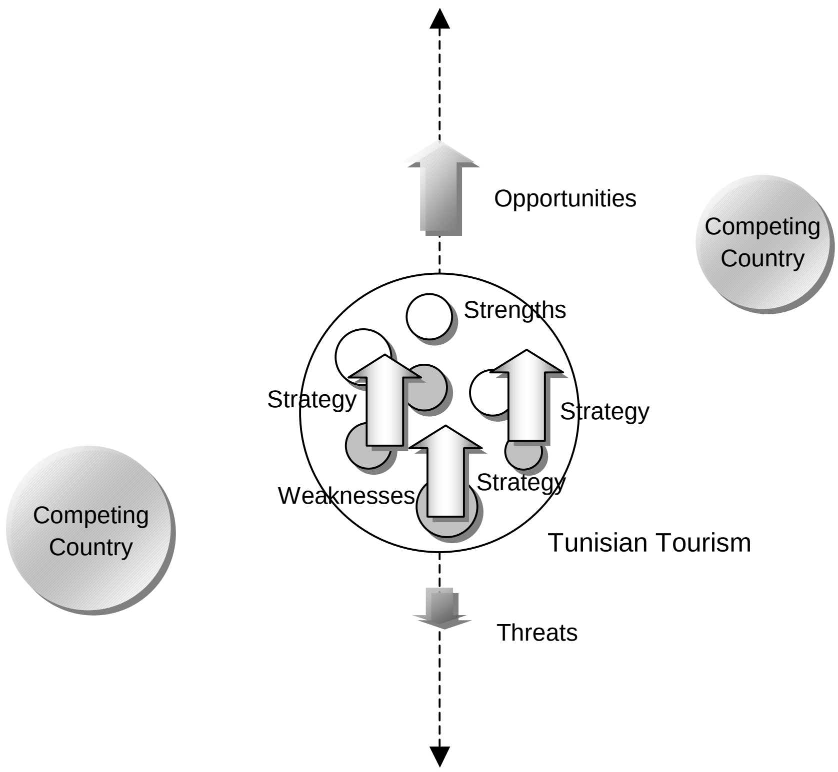
The third objective is broadly defined to focus on efficiency, meaning the more efficient use of resources, and also on sustainability, meaning the optimal use of resources without negative externalities harming third parties, and without any permanent reduction in their capacity. Entrepreneurial skills, capital, skilled labor and environmental and cultural assets are in limited supply. The government's policy environment is a focal area as it defines the social and business environment for the sector. For the long term sustainability or viability of the sector, these objectives are of great importance.

For the objective of sustainability a number of activities will relate firstly to the natural environment, both that found in the already well developed coastal areas as well as inland ones such as the old medinas and the arid expanses and salt lakes of the Great South. An additional area of recommendations is designed to promote better management of resources by the responsible government agencies who determine the overall operating environment for the sector. Additional strategies will cover infrastructure and complementary areas.

4.2 TOURISM DEVELOPMENT STRATEGIES

A total of ten strategies have been defined. They have been developed as a function of the three defined objectives and the elements of the SWOT analysis. Each objective is directly supported by three or four strategies, and each strategy provides the rationale for a series of activities designed to overcome weaknesses hindering the tourism sector. The component plans explained in Chapter 7 lay out all of the measures making up the National Plan. The following Figure 4.2.1 shows how the strategies serve to raise the tourist industry to conquer the weaknesses and realize the opportunities.

Figure 4.2.1 Conceptual Role of Strategies



Source: JICA Study Team

The ten strategies are reviewed below with key highlights. Some of them contribute to the achievement of two or of all three of the objectives. They all are supported by activities to be carried out in both the short term and the long term.

4.2.1 Strategies for Competitiveness

(1) Strategy 1: Creation of Symbolic Star Attractions to Convey Powerful Themes to Target Markets

This strategy is to create symbolic and attractive magnet destinations of Tunisian tourism that can appeal to the world tourism market and motivate more tourists to visit Tunisia comparable to the Pyramids of Egypt, Marrakech of Morocco or Petra of Jordan by the redevelopment and repackaging of the following indigenous resources of world fame:

- Carthage as a flagship cultural destination in the heart of the *Côtes de Carthage*, the gem of Greater Tunis,
- The magical Medinas of Tunis and Historic Kairouan, open-air museums and showpieces of Islamic heritage,
- Tozeur as an exotic oasis paradise and hub for nearby desert experiences and soft adventure opportunities,
- Ghorfas[1], Ksour[2] and mountain villages of the southern region unique and visually very striking, and
- The famous Isle of Jerba highlighted in a passage of the ancient *Odyssey* written by Homer,

It is highly relevant that some of the successful beach destinations in the world are, at the same time, cultural destinations with their indigenous symbolic images and folklore heavily emphasized in promotions: e.g., the islands of Bali, Hawaii, the Caribbean islands, etc.

This strategy aims at solving mainly the following weaknesses identified in the SWOT analysis in the precedent Chapter:

- Weakness 1: Perception as a budget destination close to Europe lacking exoticism.
- Weakness 3: Absence of promotional trump cards to differentiate its image in target markets.

(2) Strategy 2: Diversification of the Scope of Products on Offer

Diversified and varied tourism products fully up to international standards are to be provided in order to meet the needs of more demanding tourist segments. Elements of this strategy can include actions such as the following:

- A much broader offering of activities for the beach holiday tourists such as various kinds of marine sports, golfing, tennis, shopping, restaurants, entertainment and attractions, etc.,
- Improved MICE products including conferences, seminars, exhibitions, well-adapted touring packages for pre/during/post convention entertainment

[1] Ghorfa is a Berber's traditional warehouse.
[2] Ksour is a group of ghorfas.

such as urban discovery, etc.,
- Stimulating and well presented cultural sites of various layers of civilization including Phoenician (Carthage, Kerkouan, etc.), Roman and Byzantine (El Jem, Dougga, Sbeitla, etc.), Islamic (Tunis, Kerouan, Sousse, Mahdia, Sfax, etc.), Berber, etc.,
- Unforgettable desert activities like ballooning, mountain trekking on foot and camelback, bicycling, Bedouin dyeing and weaving lessons, ksar exploration, etc., and
- Improvement of the range and merchandising of souvenirs and traditional handicrafts to enhance the value of visit to Tunisia, and to promote positive word-of-mouth.

It is apparent that most of these activities are initiated by the private sector, and the heritage resources are managed by the relevant government agencies. ONTT has the difficult but indispensable role to encourage and guide efforts of private companies and agencies to produce more high quality products and services.

This strategy aims at solving mainly the following weaknesses identified in the SWOT analysis in the precedent Chapter:

- Weakness 5: Heavy reliance on beach tourism with a severely seasonal pattern.
- Weakness 6: Low profitability of tourism industry.

(3) Strategy 3: Introduction of a More Focused and Innovative Marketing Approach

In addition to the conventional country-by-country marketing approach, an aggressive and carefully focused approach to market segments by products such as MICE, urban discovery, culture circuits, and soft adventure across the major source markets is to be introduced including the following:

- Preparation of themed brochures and advertisements by means of various media to appeal the symbolic destinations created by the Strategy 1 to the world tourism market,
- More targeted outreach to specific higher-spending segments of participants in meetings and conventions, senior citizen groups, and other niches,
- Preparation of practical purpose-edited sales manuals (travel planners) designed for regular industry use to sell the broader range of themed products to replace the obsolete un-focused out-dated brochures for major tourist regions (Sousse, Monastir, etc.)., and
- Improved internet outreach to both consumer and travel trade users for vastly increased information dissemination worldwide and eventually on-line booking purposes.

This strategy aims at solving mainly the following weaknesses identified in the SWOT analysis in the precedent Chapter:

- Weakness 1: Perception as a budget destination close to Europe lacking exoticism.

- Weakness 3: Absence of promotional trump cards to differentiate its image in target markets.
- Weakness 5: Heavy reliance on beach tourism with a severely seasonal pattern.

4.2.2 Strategies for Profitability

(1) Strategy 4: Transformation of Tunisian Beach Resorts into Globally Competitive Ones

Tunisia's beach resort areas which have been continuously under development since the 1950s are and will remain the nation's most important tourism product. This strategy improves these areas to render them more livable and entertaining, and more culturally interesting. It also is designed to improve managerial capabilities lifting the quality and profitability of hotel services.

- Improved incentives to stimulate owners to adopt better maintenance and upkeep habits to conquer the shoddiness of the existing hotel capacity,
- Familiarization of Tunisian owners and designers with the most notable innovative designs in resort and urban projects elsewhere in the Mediterranean basin and other areas of the world (Morocco, Caribbean, Southeast Asia) for development of resorts of a remarkable character,
- Innovations in the incentive structure, investment promotion and processing of new hotel projects by relevant authorities,
- Informing hotel owners of the most performing hotel management companies and affiliations, financing schemes to globalize Tunisia's hotel industry, and
- Management training in efficiency techniques for utilities, water conservation, labor management, staff retention, other areas.

This strategy aims at solving mainly the following weaknesses identified in the SWOT analysis in the precedent Chapter:

- Weakness 1: Perception as a budget destination close to Europe lacking exoticism.
- Weakness 2: Low satisfaction level of visitors and low rate of return visitation.
- Weakness 4: Substandard quality of tourism products and services.
- Weakness 6: Low profitability of tourism industry.

(2) Strategy 5: Drastic Improvement of Visitor Facilitation at All Major Tourist Sites

The majority of visitors to Tunisia visits several cultural sites during their visit, whether on circuit tours or on seaside holiday. Even some business visitors take in the cultural sites. A drastic improvement in the visitor information and basic facilitation in cultural attractions and sites such as medinas, museums and archeological sites is needed to accelerate efforts to substantially upgrade the product. Richer touring experiences, coupled with focused promotion to special interest groups, will earn higher tour prices and improve the profitability of tour operators. Steps for this can include:

- Provision of user-friendly visitor centers with basic amenities (clear educational content, sanitary facilities, et cetera) and visually striking audio-visual media displays,
- Development of complete, multilingual informative materials specifically

edited for each key site (site or building maps, pamphlets),

- Provision of systems of signs, maps and interpretation boards in all essential languages informing and guiding medina visitors along suggested trails, and
- Ready attention to the expectations of visitors of all ages with accurate information and emergency assistance.

This strategy aims at solving mainly the following weaknesses identified in the SWOT analysis in the precedent Chapter:

- Weakness 2: Low satisfaction level of visitors and low rate of return visitation.
- Weakness 4: Substandard quality of tourism products and services.
- Weakness 7: Insufficient provision of visitor facilitation, information and amenities at cultural sites, museums and medinas.

(3) Strategy 6: Acceleration of Human Resource Development for Boosted Productivity

Tourism being a collection of people-to-people services, good service quality is indispensable for upgrading the entire sector. Improved human resources development and training programs are proposed covering hotels, restaurants, tour agencies, tour operators, tourist transport services, souvenir shops, etc. With specific regard to the hotel industry, elements of proposals will raise service quality, reduce customer complaints and justify higher prices. Possible components include:

- Creation of incentive mechanisms to spur proprietors as well as employees to increase service standards, and maintenance of physical plant,
- Training the trainers programs and updating the curricula of hotel schools in collaboration with the private sector,
- Improved on-the-job training options for various crafts covering the above-mentioned industries,
- Programs for skills development for departments of ONTT, and
- Training for guides for the nature parks.

This strategy aims at solving mainly the following weaknesses identified in the SWOT analysis in the precedent Chapter:

- Weakness 2: Low satisfaction level of visitors and low rate of return visitation.
- Weakness 4: Substandard quality of tourism products and services.

4.2.3 Strategies for Sustainability

The notion of environment is used to cover not only the natural environment, but also the management of cultural resources in both urban and rural areas, and to some extent the broader administrative and business environment.

(1) Strategy 7: Improved Environmental Management

Tunisian tourism resources such as the Mediterranean, Sahara and oasis, natural reserves, archeological sites and historical districts of towns, and other tangible and intangible resources, display signs of degradation. Environment therefore is a major concern covered in actions underpinning several of the strategies. The heritage of Tunisia needs careful management both of the built environment, as well as of the natural environment. To arrest degradation and manage resources to sustainably bear the burden of increasing numbers of tourists, the National Plan makes a variety of recommendations of which some are summarized below.

- Environmentally harmonized tourist zone development,
- Improved solid waste management programs for the medinas,
- A computerized inventory of structures contained in fragile urban environments, specifically the medinas and old districts, and
- Environmental management capacity building for tourist areas.

This strategy aims at solving mainly the following weaknesses identified in the SWOT analysis in the precedent Chapter:

- Weakness 2: Low satisfaction level of visitors and low rate of return visitation.
- Weakness 4: Substandard quality of tourism products and services.
- Weakness 9: Some deterioration of the natural and cultural environment.

For this strategy, various plans and programs prepared by other agencies need to be taken into account, including the National Action Plan for Promotion of Tunisian Culture and the programs of MEAT and other related organizations.

(2) Strategy 8: Improvements in Institutional Performance and Inter-Agency Collaboration

The smoother collaboration between the relevant government agencies and also between public and private sector players will be of great benefit to the entire industry. Different actions are proposed for this purpose in the interest of greater efficiency in the institutional area. Elements for the strategy include:

- harmonized operation of tourist information services at major centers by ONTT and Syndicats d'Initiatives,
- Development of a database of industry statistics up to international standards to improve the quality of management information,
- An invigorated Conseil d'Entreprise for improved industry visioning, and accelerated computerization of key functions at ONTT, and

- Assistance for the AMVPPC, the official host for visitors to the country's main cultural sites and museums, for the improved management of cultural resources.

Again, ONTT itself does not control most of the resources relating to tourism products, so effective collaboration is indispensable with fellow agencies and trade associations of the private sector.

This strategy aims at solving mainly the following weaknesses identified in the SWOT analysis in the precedent Chapter:

- Weakness 7: Insufficient provision of visitor facilitation, information and amenities at cultural sites, museums and medinas.
- Weakness 8: Lack of collaboration and coordination among tourism-related actors.
- Weakness 9: Some deterioration of the natural and cultural environment.

(3) Strategy 9: Improvement of Infrastructure

Only rather specific actions in relation to infrastructure are envisioned under this plan because of the generally high level of transport networks and utilities systems. Selected improvements to the road network in the vicinity of key resort areas and regions containing the key cultural sites are included to move visitor volumes efficiently. Key elements include:

- Improved road signage and access to key tourist sites,
- Improved telecommunications for full connectivity for visitors, and
- Significant road improvement projects in resort areas.

This strategy aims at solving mainly the following weaknesses identified in the SWOT analysis in the precedent Chapter:

- Weakness 7: Insufficient provision of visitor facilitation, information and amenities at cultural sites, museums and medinas.
- Weakness 9: Some deterioration of the natural and cultural environment.

(4) Strategy 10: Introduction of Innovative Complementary Programs and Products

A series of innovative, complementary programs and products is proposed in order to reduce seasonality, to increase profitability and generally improve the business environment for different tourism-related activities. Changes to regulations and procedures in a variety of industries are possible removing hindrances to boost competitiveness, and profitability for owners. Possible actions include:

- Reforms promoting easier and problem-free automobile travel,
- Joint activities supporting more focused promotion of MICE tourism,
- Incentives to boost investment in Medinas, old towns, new types of lodging establishments successful in other countries,
- Creation of duty-free shopping privileges at certain locations,

- Study identifying the nation's optimal airline industry policy, and
- Reforms regarding food and beverage imports and casino regulation.

Measures of these kinds improve the tourist business environment and should enable Tunisian firms to improve their cost structures, and increase their sales volumes for sustained periods.

This strategy aims at solving mainly the following weaknesses identified in the SWOT analysis in the precedent Chapter:

- Weakness 5: Heavy reliance on beach tourism with a severely seasonal pattern.
- Weakness 6: Low profitability of tourism industry.

Figure 4.2.2 Tourism Development Objectives and Strategies

Objectives

1 Competitiveness

2 Profitability

3 Sustainability

Strategies	Strengths	Weaknesses
1 Creation of Symbolic Star Attractions to Convey Powerful Themes to Target Markets	3 Rich variety of tourism resources 6 Exceptional mix of heritage from different eras	1 Perception as a budget destination 3 Absence of promotional trump cards to differentiate its image in target markets
2 Diversification of the Scope of Products on Offer	3 Rich variety of tourism resources 4 Attractive beaches	4 Substandard quality of products and services 5 Heavy reliance on beach tourism with a severely seasonal pattern
3 Introduction of a More Focused and Innovative Marketing Approach	5 Mild winter climate 6 Exceptional mix of heritage from different eras	3 Absence of promotional trump cards to differentiate its image in target markets 5 Heavy reliance on beach tourism
4 Transformation of Tunisian Beach Resort into Globally Competitive Ones	2 Environment of security and peace 4 Attractive beaches 7 Favorable foreign investment environment	1 Perception as a budget destination 2 Low satisfaction level of visitors 6 Low profitability of tourism industries
5 Drastic Improvement of Visitor Facilitation at All Major Tourist Sites	3 Rich variety of tourism resources 6 Exceptional mix of heritage from different eras	2 Low satisfaction level of visitors 7 Insufficient provision of visitor facilitation
6 Acceleration of Human Resource Development for Boosted Productivity	10 Traditional hospitality of Tunisians	1 Perception as a budget destination 2 Low satisfaction level of visitors
7 Improved Environmental Management	3 Rich variety of natural and man-made tourism resources	4 Substandard quality of products and services 9 Some deterioration of the natural and cultural environment
8 Improvements in Institutional Performance and Inter-Agency Collaboration	3 Rich variety of tourism resources 8 Good air, rail and road transport internally	2 Low satisfaction level of visitors 8 Lack of collaboration and coordination among tourism-related actors
9 Improvement of Infrastructure	8 Good air, rail and road transport internally 9 Expanding hotel capacity	5 Heavy reliance on beach tourism with a severely seasonal pattern
10 Introduction of Innovative Complementary Programs and Products	1 Proximity to the European market 5 Mild winter climate 9 Expanding hotel capacity	5 Heavy reliance on beach tourism with a severely seasonal pattern 6 Low profitability of tourism industries

Source: JICA Study Team