

Chapter 3 Tourism Supply

3.1 Tourism Resources and Products

3.1.1 Tourism Resources and Facilities

This section describes the current conditions of tourism resources and facilities such as hotels, museums, visitor centers, restaurants, cafés, souvenir shops, entertainment establishments, beach resorts, ski resorts, wineries, etc.

(1) Tourism Resources

Tourism resources are widely distributed throughout the country in Lebanon (Figure 3.1.1), although those popular to tourists are limited. The tourist map (1:200,000) issued by MOT indicates about 90 tourism sites, which are categorized into archeological sites (Arabic, Byzantine, Crusaders, Phoenician, and Roman ruins), beach resorts, cedar areas, grottoes, nature sites, ski resorts, and Lebanese monuments (Table 3.1.1). Among all the tourism sites, MOT especially promotes 19 sites by issuing specific brochures: two tourism sites in Beirut Region, six sites in Mount Lebanon Region, six sites in North Region, three sites in Bekaa Region and two sites in South Region.

(2) Tourism Facilities

In this section, facilities are categorized into the following groups:

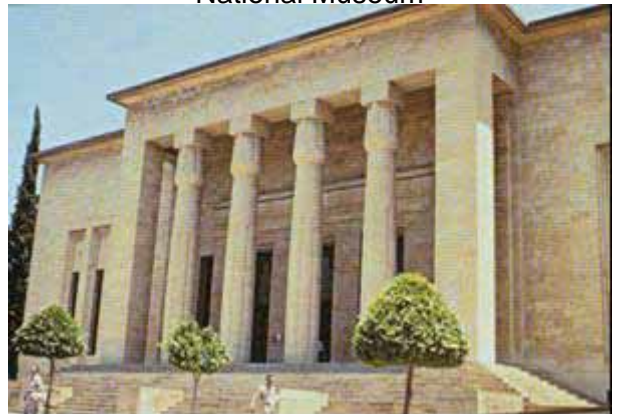
- (i) cultural facilities (museums, wineries);
- (ii) accommodations (hotels, furnished apartments, hotel, motels, auberges, hostels, pensions, guesthouse);
- (iii) dining facilities (restaurants, cafés);
- (iv) entertainment facilities (discos, casino, night clubs, bar/ clubs);
- (v) resort/ health facilities (ski resorts, beach (coastal) resorts);
- (vi) natural and cultural parks with facilities (e.g. Jeita Grotto);
- (vii) commercial facilities (souvenir shops, duty free shops); and
- (viii) ancillary facilities for the tourism sites (information/ visitor centers, ticket booths, guard houses).

First, facilities categorized as above are examined in this section. Second, overall evaluation is made on the quality of some major facilities (Table 3.1.2). Third, key issues concerning different kinds of facilities are discussed.

(i) Cultural facilities (museums and wineries)

Museums: The National Museum in Beirut is by far the most important. Its building has been extensively restored and rehabilitated and in excellent condition both inside and outside.

National Museum



Source: MOT

Figure 3.1.1 Tourism Resources and Accommodation Capacity in Lebanon

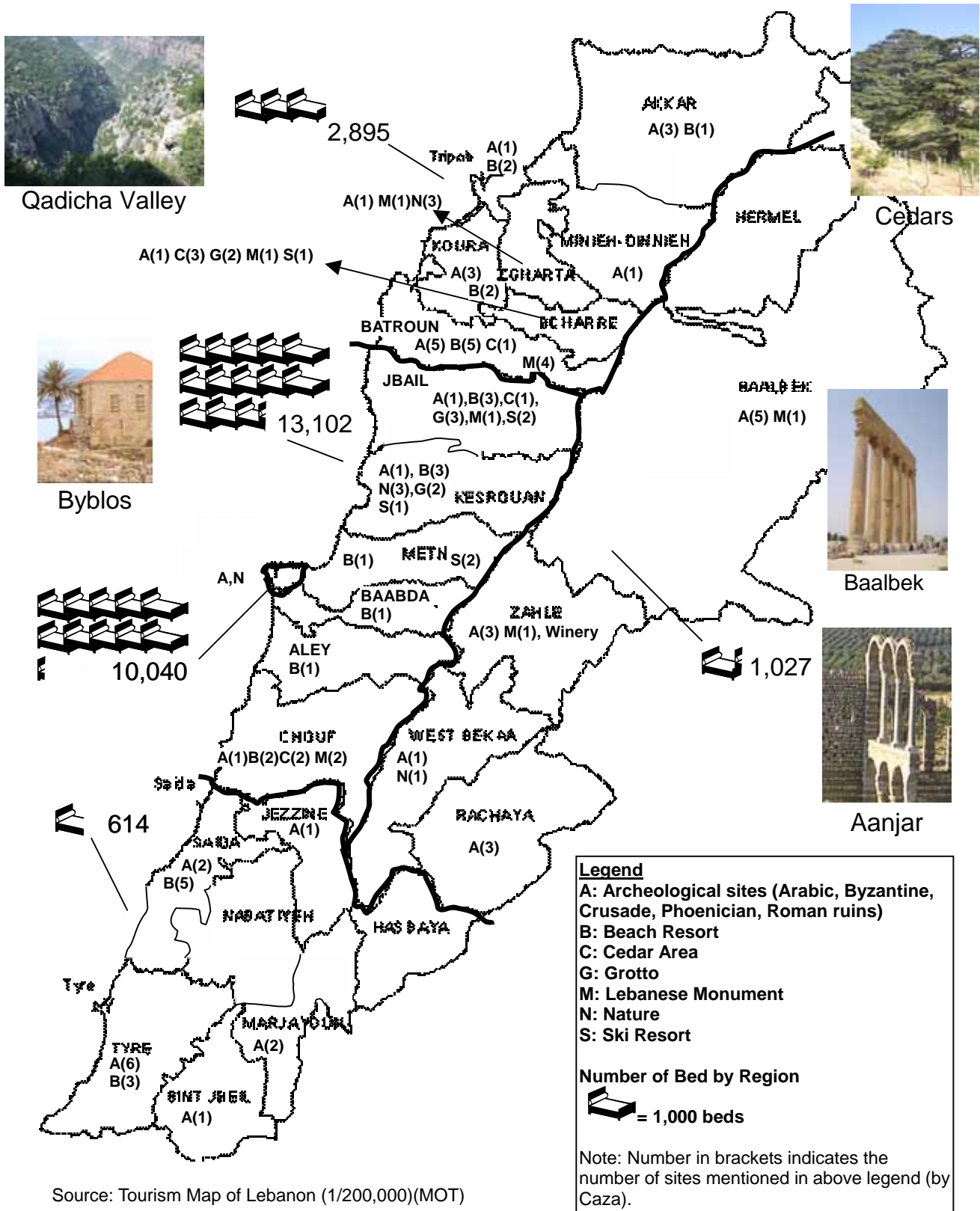


Table 3.1.1 List of Tourism Sites by Region

Region	Major Tourism Sites	Major Tourist Attraction (Caza)	Region	Major Tourism Sites	Major Tourist Attraction (Caza)
Beirut	Beirut	- A, N	North	Arqa	- A (Akkar)
	National Museum of Beirut	-		Akroum	A (Akkar)
Mount Lebanon	Aayoun Es Simane	S (Kesrouan)		Amioun	A (Koura)
	Afqa	G (Jbail)		Arz Tannourine	C (Batroun)
	Arz Ain Zhalta	C (Chouf)		Assia	A (Batroun)
	Arz El Barouk	C (Chouf)		Batroun	A (Batroun)
	Arz Jaj	C (Jbail)		Bcharre	M (Batroun)
	Beiteddine	- M (Chouf)		Bcheale	A (Batroun)
	Byblos	- A, B (Jbail)		Beqqa Kafra	C (Bcharre)
	Casino du Liban	N, B (Kesrouan)		Bziza	A (Koura)
	Deir El Qalar	- M (Chouf)		Cedres	- S, C, G (Bcharre)
	Deir Mar Maroun	M (Jbail)		Deir Balamend	(Koura)
	Faqra	G (Kesrouan)		Deir Kfifane	M (Batroun)
	Faraiya	S (Kesrouan)		Deir Mar Eliche	M (Bcharre)
	Harissa	N (Kesrouan)		Deir Qouzhaiya	N (Zgharta)
	Jeita Grotto	- G (Kesrouan)		Douma	A (Batroun)
	Jounie	N, B (Kesrouan)		Ehden	N (Zgharta)
	Khenchara	(Metin)		Haouqa	M (Zgharta)
	Laqlouq	S, G (Jbail)		Hardine	A (Batroun)
	Mechane	(Jbail)		laal	- A (Zgharta)
	Nahr El Kalb	- B (Metin)		Menjez	A (Akkar)
	Qalaat Echmoun	- A (Chouf)		Nabaa Mar Sarkis	N (Zgharta)
	Qanat Backich	(Metin)		Qadicha Valley/Grotte	- C, G (Bcharre)
	Ras El Metn	- A (Kesrouan)		Qalaat El Msailha	M (Batroun)
	Yanouh	S, G (Jbail)		Qasr Naous	A (Koura)
Zaarour	S (Metin)	Qannoubine		A (Bcharre)	
Zouk Mkayel	(Kesrouan)	Rachana		M (Batroun)	
Bekaa	Aanjar	- A (Zahle)		Stireh	- A (Minieh-Dinnieh)
	Ain Horche	A (Rachaya)	Tripoli	- A, B (Tripoli)	
	Baalbek	- A (Baalbek)	South	Bazouriyeh	A (Tyre)
	Barrage De Qaraaoun	N (West Bekaa)		Bissarie	A (Saida)
	Deir Mar	M (Baalbek)		Chateau de Beaufort	A (Marjayoun)
	Ed Dakoue	A (West Bekaa)		Deir kifa	A (Tyre)
	laat	A (Baalbek)		Hanaouay	A (Tyre)
	Joub Jannine	(West Bekaa)		Jezzine	A (Jezzine)
	Ksara	Winery (Zahle)		Maghdouche	(Saida)
	Nabi Safa	A (Rachaya)		Qalaat Doubay	A (Marjayoun)
	Niha	A (Zahle)		Qana	A (Tyre)
	Qabb Elias	A (Zahle)		Sidon	- A, B (Saida)
	Qamouaa El Hermel	A (Baalbek)		Tebnine	A (Bint Jbeil)
	Qasr El Banat	A (Baalbek)		Tyr	A, B (Tyre)
	Rachaiya	A (Rachaya)		Yarine	A (Tyre)
	Tamnine El Faouqa	A (Baalbek)			
	Zahle	- M (Zahle)			

Notes i) Circle marks the tourism sites promoted by MOT's brochures (19 sites).

ii) Legend: A; Archeological sites (Arabic, Byzantine, Crusade, Phoenician, Roman ruins), B; Beach Resort, C; Cedar Area, G; Grotto, N; Nature, S; Ski Resort, M; Lebanese Monument

Source: Tourist Map of Lebanon (1/200,000)(MOT)

Table 3.1.2 Major Tourism Sites Surveyed by JICA Study Team and Overall Comments on Their Facilities

Region	Tourism Sites Surveyed by JICA Study Team	Overall Comments on the Sites' Facilities
Beirut	<ul style="list-style-type: none"> 1.National Museum 2.Pigeon Rocks 3.Reconstructed Beirut Central District (Downtown) 4.Three or four star level hotels 5.A Jazz Club 6.An elegant restaurant along the seaside 7.Visitor Center (Ministry of Tourism) 8.Airport 9.City center (around Hamra Street) 10.Shops 	<ul style="list-style-type: none"> 1.i) Extensively restored and rehabilitated. Atmosphere of interior and exterior of the building is excellent. ii) The most famous museum in Lebanon, but there is few signboards to get to this site in city center. iii) Difficult to find out entrance at the site. 2.i) Few signboards to approach this site in city center. ii) Not easy for pedestrians to approach this site from the nearest street because of its endless guardrail. iii) Any trails to further approach to this site are rugged. iv) Shops in this site are stall-like; some snacks and beverage are served, but no souvenir products are sold. 3.i) There are many cafés/restaurants and fashionable boutiques in the well-renovated buildings along the scenic streets. ii) Atmosphere of this area is excellent. 4.No major problems existed. 5.No major problems existed. 6.Well-restored building. Atmosphere of interior and exterior of the building is pleasant. 7.i) Often not open ii) Hard to find out entrance iii) The building design is not symbolic. 8.i) Lack of cafés, ii) Duty free shops are well-stocked, but no handicraft products are sold. iii) Lack of signboards leading to airport facilities such as check-in counter, passport control, information desk, etc. 9.No traffic lights, dangerous for pedestrians 10. Most shops in the streets of city center open until about 10 pm.
Mount Lebanon	<ul style="list-style-type: none"> 1.Beiteddine Palace 2.Byblos 3.Deir El Qamar 4.Jeita Grotto 5.Silk Museum (Aley) 	<ul style="list-style-type: none"> 1. Clean, quiet and good atmosphere 2.i) Atmosphere of the port area and souq is excellent. ii) Signboards in the streets are well provided. 3.i) Clean streets. ii) Most buildings around the souq are historic. iii) Architectural design of the buildings is unified. Atmosphere of the buildings in the streets is excellent. iv) Too few modern buildings are scattered in the streets 4.i) Lighting system is effective. ii) Two transportation methods (train and cable cars) to approach the site. iii) Maintenance conditions of the facilities such as restaurants, snacks, toilets, etc. are good. 5.i) Little known museum; hard to find out the location. ii) The museum building is in excellent condition.
North	<ul style="list-style-type: none"> 1.Bcharre 2.Qadisha 2-1.Qannoubine trail, Qadisha Valley 2-2.Qadisha Valley floor 2-3.Qadisha Grotto 3.Tripoli 	<ul style="list-style-type: none"> 1.i) Clean streets, ii) Stone-made houses are well-conserved. Atmosphere of the architectural design is excellent. iii) Too few modern buildings are scattered along the streets 2-1.i) Lack of signs, ii) The Valley road is not clean. 2-2.i) Approach road is narrow with no railings, signs or observation parking areas. ii) There are two simple restaurants and some houses; their surroundings are not clean, trash scattered around. 2-3.Access walkway is panoramic, but dangerous due to lack of handrails, some holes in the walkway. 3.i) Souq is well-preserved, and its atmosphere is excellent, but signboards are lacking.

Source JICA Study Team

Table 3.1.2 Major Tourism Sites Surveyed by JICA Study Team and Overall Comments on Their Facilities (continued)

Region	Tourism Sites Surveyed by JICA Study Team	Overall Comments on the Sites' Facilities
Bekaa	1.Aanjar (archaeological site) 2.Baalbek 2-1.Archaeological site 2-2.Museum 2-3.Hotels 3.Ksara Winery 4.Zahle 4-1.A restaurant along a scenic river 4-2.Streets 5.Qaraaoun Lake 5-1.A scenic viewpoint of lakeside	1.i)Souvenir and beverage shops in the surroundings are hut-like. Visitors need to negotiate to buy almost any items in the shops. ii) Lack of signs in the site. 2-1.i) Surrounding souvenir shops and beverage shops are hut-or stall like. ii) Parking space is provided without strips. 2-2.Housed in an ancient vaulted building; maintenance conditions are good. 2-3. No major problems observed. Palmyra Hotel, which is over one century old, is well preserved and impressive. 3. Facilities including visitor centers, shops, factories, trail course and signboards in their vineyards are in excellent conditions. 4-1. Atmosphere of the souvenir shops, restaurants, and hotels along the river is good. 4-2.The streets are full of Ottoman-era houses. Its atmosphere is good. 5-1.Beverage shops are shabby.
South	1.Tyre 1-1.Archaeological site 1-2.Rest House (beach) 2.Sidon 2-1.Soap Museum 2-2.Sea Castle 2-3.Souq 2-4.Saida Rest House 2-5. Archaeological site	1-1.i) Ticketing staff is not always stationed. ii) Lack of signs to/ in the site. iii) No public toilets, guard houses and suitable parking space provided in minor archeological sites 1-2.Good atmosphere 2-1.i) Located in a well-renovated stone building of the souq; the renovation conditions are well. ii) Difficult to find out entrance in the souq; no signs leading to this site. 2-2. Surroundings are not clean. Water quality of seaside is poor. 2-3. i) Well-conserved. ii) No public toilets iii) No signboards in the site. 2-4.Poor atmosphere inside and in the garden. 2-5. i) Ticketing staff is not always stationed. ii) Lack of signs to/ in the site. iii) No public toilets, guard houses and suitable parking space provided in minor archeological sites

Source: JICA Study Team

Other museums are being operated by either the government or NGO, and there are many across the country. However, unlike the National Museum, detailed information (e.g. location, opening days/ hours) on them are not well provided.

Some museums are housed in well-rehabilitated buildings, and their conditions are excellent, such as Silk Museum of Aley in Mount Lebanon and Soap Museum of Sidon in the South (Table 3.1.2).

Gibran Museum



Source: JICA Study Team

Ksara Wineries



Source: JICA Study Team

Wineries: There are two well-known wineries, Ksara and Kefraya wineries in the Bekaa region. Their sites are clean and maintenance conditions of their facilities are excellent including visitor centers, shops, factories, trail course and signboards in their vineyards.

- (i) Accommodations (hotels, furnished apartments, motels, auberges, hostels, pensions, guesthouse and youth hostels)

MOT issues "Hotels Guide" every year and introduces all registered hotels, furnished apartments, motels, auberges and residences. This guidebook is a handy sized book prepared for visitors and lists names, classes, telephone numbers, and addresses of these accommodation establishments.

Tables 3.1.3– 6 show the number of hotels and furnished apartments by region, and also bedding capacity by region. There are 284 hotels (24,291 beds), and 83 furnished apartments (3,387 beds) currently operated. Hotels are classified into 13 classes, and furnished apartments into four classes.

A Hotel



Source: JICA Study Team

Occupancy rates have been low in general. In August 2002, the occupancy rate of five-star hotels in Beirut recorded 89.7 % as the peak rate. Overall there is no shortage of accommodation in Lebanon.

In addition, there are other different types of accommodations categorized as motels, auberges or residences. The number of these accommodations is 28.

By examining Tables 3.1.1-6, the following points have been identified as the key features of distribution and quality of accommodation establishments in Lebanon.

- The accommodation capacity is concentrated in Beirut and Mount Lebanon. The combined capacity of 19,755 beds in the two regions accounts for 81.3 % of national total. On the other hand the capacity in the Bekaa and the North is low. The capacity in the

Bekaa is 1,027 beds and accounts for 4.23 % of the national total, and the capacity in the North is 614 beds and accounts for only 2.53 %.

- High-class hotels are located only in Beirut.
- There are no furnished apartments in the North, the Bekaa and the South. They are operated only in Beirut and Mount Lebanon.
- Detailed information about less expensive accommodation such as pension and guesthouse are not well provided to visitors.

Table 3.1.3 Number of Hotels by Classification in Each Region

	Beirut	Mount Lebanon	North	Bekaa	South	Total
Five-star (International)	11	5	0	2	0	18
Four-star A	11	9	3	0	0	23
Four-star B	9	12	0	1	1	23
Four-star	0	2	1	0	0	3
Three-star A	13	21	2	0	0	36
Three-star B	7	16	3	2	0	28
Three-star	0	4	0	0	2	6
Two-star A	5	20	5	3	1	34
Two-star B	1	14	6	2	0	23
Two-star	2	3	0	0	0	5
One-star A	0	10	7	2	0	19
One-star B	0	3	2	1	0	6
UL (Under Licence)	6	25	19	5	5	60
Total	65	144	48	18	9	284

Source: Hotels Guide 2003 (MOT)

Table 3.1.4 Hotel Capacity in Beds in Each Region

	Beirut	Mount Lebanon	North	Bekaa	South	Total
No. of Hotels	68	155	53	17	10	303
No. of Rooms	4,877	8,237	1,568	603	294	15,579
No. of Beds	7,292	12,463	2,895	1,027	614	24,291
(%)	30.02	51.31	11.92	4.23	2.53	100

Source: MOT (July 2002)

Table 3.1.5 Number of Furnished Apartments by Classification in Each Region

	Beirut	Mount Lebanon	North	Bekaa	South	Total
1st Class	25	3	0	0	0	28
2nd Class	12	11	0	0	0	23
3rd Class	3	8	0	0	0	11
UL(Under License)	4	17	0	0	0	21
Total	44	39	0	0	0	83

Source: Hotels Guide 2003 (MOT)

Table 3.1.6 Furnished Apartment Capacity in Beds in Each Region

	Beirut	Mount Lebanon	North	Bekaa	South	Total
No. of Apartments	42	11				53
No. of Rooms	1,469	375				1,844
No. of Beds	2,748	639				3,387
(%)	81.13	18.87	0.00	0.00	0.00	100

Source: MOT (July, 2002)

(iii) Dining facilities (restaurant, café, etc.)

MOT issues “Guide to Restaurants, Night Clubs & Cafés” every year, which is a guide book listing all such facilities registered. This book lists them all by categorizing into restaurant, café, fast food restaurant, pastry, and roastery. This is a handy-sized book prepared for the public, and lists names, telephone numbers and addresses of the above facilities by region.

A Restaurant



Source: JICA Study Team

Tables 3.1.7-8 show the number and types of restaurants, and the number of cafés, fast food restaurants, pub/bars and roasteries by region. There are 689 restaurants, 123 cafés, 112 fast food restaurants, 71 pub/bars, 108 pastries and 18 roasteries in the country.

From Tables 3.1.7-8, the following points are identified as key features of distribution of the dining facilities in Lebanon.

- Dining facilities totalling 956 in number are concentrated in Beirut and Mount Lebanon. Together they account for 85.3 % of the total. The Bekaa has only 28 facilities accounting for only 2.5 %.
- In terms of types of restaurants, there are a variety of restaurants in Beirut and Mount Lebanon. Restaurants in the North, the Bekaa and the South regions are few in variety, and no Asian restaurants exists.

Table 3.1.7 Number of Dining Facilities in Each Region

	Beirut	Mount Lebanon	North	Bekaa	South	Total
Cafe	57	50	7	2	7	123
Fast food	44	57	4	2	5	112
Pastry	33	51	12	5	7	108
Pub/Bar	54	11	5	0	1	71
Restaurant	210	372	36	19	52	689
Roastery	6	11	1	0	0	18
Total	404	552	65	28	72	1,121
(%)	36.04	49.24	5.80	2.50	6.42	100

Source: Guide to Restaurants, Night Clubs & Cafés 2003 (MOT)

Table 3.1.8 Type and Number of the Restaurants in Each Region

	Beirut	Mount Lebanon	North	Bekaa	South	Total
Lebanese	45	179	25	17	24	290
American/Mexican	12	13	1	1	0	27
Asian	29	14	0	0	0	43
European	9	27	3	0	2	41
French	21	13	0	0	0	34
Fusion	2	0	0	0	0	2
Greek	1	1	0	0	0	2
Italian	19	15	1	0	0	35
Latin	4	4	0	0	0	8
International	45	49	1	1	13	109
Moroccan	2	0	0	0	0	2
Persian	1	0	0	0	0	1
Russian	0	1	0	0	0	1
Pizza	8	21	1	0	3	33
Sea Food	12	35	4	0	10	61
Total	210	372	36	19	52	689
(%)	30.48	53.99	5.22	2.76	7.55	100

Source: Guide to Restaurants, Night Clubs & Cafés 2003 (MOT)

(iv) Entertainment facilities (night clubs and night entertainments)

“Guide to Restaurants, Night Clubs & Cafés” mentioned above also lists all registered night clubs and night entertainment establishments. According to this guidebook, there are 49 night clubs and 15 night entertainment places (Table 3.1.9). Registered night clubs and entertainment places are concentrated in Beirut and Mount Lebanon.

Other entertainment facilities such as discos, amusement parks, etc. appear to exist spreading across the country. There is no printed material providing information including address, telephone number and location map for these facilities.

Table 3.1.9 Number of Night Clubs and Night Entertainments in Each Region

	Beirut	Mount Lebanon	North	Bekaa	South	Total
Night Club	17	20	10	0	2	49
Night Entertainment	3	12	0	0	0	15
Total	20	32	10	0	2	64
(%)	31.25	50.00	15.63	0.00	3.13	100

Source: Guide to Restaurants, Night Clubs & Cafés 2003 (MOT)

(v) Resort/ health facilities (ski resorts, beach (coastal) resorts)

According to the tourist map (1:200,000) issued by MOT, there are 29 beach resorts in the three regions facing the Mediterranean (Mount Lebanon, the North and the South), and six ski resorts in the two regions (Mount Lebanon and the North) (Table 3.1.10).

Table 3.1.10 Number of Ski and Beach Resorts

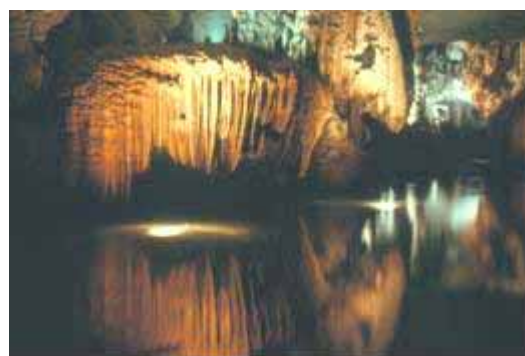
	Beirut	Mount Lebanon	North	Bekaa	South	Total
Beach Resort	0	11	10	0	8	29
Ski Resort	0	5	1	0	0	6
Total	0	16	11	0	8	35

Source: MOT, July 2003

(vi) Natural/ cultural parks with facilities (grottoes)

Grottoes: There are a number of grottoes in the country. They have trails, lighting systems, cafés, toilets, and parking spaces for visitors. Jeita Grotto is the most popular one. MOT has a special department within its organization and promotes these grottoes. Maintenance of the facilities of Jeita Grotto is good.

A Grotto



Source: MOT

Compared with Jeita Grotto, quality of other grottoes is not so good. For example, in Qadisha Grotto, which is one of the most well-known grottoes, its walkway is not maintained in a good condition as described in Table 3.1.2.

(vii) Commercial facilities (shopping centers, duty free shops, etc.)

“Guide to Restaurants, Night Clubs & Cafés” (2003) issued by MOT indicates ten companies managing large scale shopping centers across the country. Seven of them have their shopping centers in Beirut. A duty free shop is operated only at the Beirut international airport.

Usually these shopping centers are housed in a modern building, and in these places it is not easy to find local products including handicrafts as described in Table 3.1.2.

- (viii) Ancillary facilities for the tourism sites (information/ visitor centers, ticket booths, guard houses, etc.)

From the assessment of the facilities at archeological sites, museums, souqs, etc. (Table 3.1.2), the following points have been identified.

- Tourism sites often lack signboards guiding visitors.
- MOT has a visitor center in Beirut, which has little appeal in appearance. Other cities or towns rarely have their own information/ visitor center.
- Guard houses, public toilets and suitable parking spaces are often absent in minor archaeological sites.
- There are a lot to be desired about the appearance of souvenir and beverage shops in major tourism sites.

(3) Key Issues

The following points should be considered as key issues.

- Archaeological, natural, and cultural sites are widely distributed throughout the country. Tourist facilities including accommodation, dining, entertainment, and commercial facilities, however, are concentrated in Beirut and Mount Lebanon.
- Most tourism sites lack proper signs for tourists. Inadequate signage leaves individual or small group tourists without guides unsatisfied.
- There is a shortage of shops dealing with local products.
- Many museums are housed in restored or rehabilitated buildings, and generally they are well maintained. Lebanon has skills for good restoration and rehabilitation.

3.1.2 Tourism Products

This section presents a review of selected categories of resources and services vital to attracting eight different core and specialty or niche segments of tourism. The notion of the tourism product is interpreted broadly to cover resources and services making up the overall experience that these key segments of travelers are seeking. Examined here are quality of service, adequacy of the offer and functionality, and all factors contributing to Lebanon's competitiveness for each of these segments.

The tourism resources are discussed in two general groupings, key resources, which related to attractions actually drawing the visitors, and supplemental resources which are secondary but serve to facilitate the visitors' experience in some essential way.

(1) Resources for Cultural Tourism

- (i) Key resources

The built heritage: Lebanon offers an unusual and fascinating mix of classical, Arab,

Ottoman and religious architecture, sites and institutions distributed throughout the country. They are located along the coast and in many points inland in the highlands as well as in the Bekaa valley. The country's built heritage includes major and minor monuments like Baalbek's Acropolis and the Niha temples, historic urban districts like old Tripoli or Saida, towns and villages like Deir el Qamar and Hasroun, little known working estates like Tanaïl Monastery, and religious pilgrimage sites like the Christian Harissa panoramic shrine and basilica in honor of the Virgin Mary. A major strength for Lebanon is its cultural richness as represented in its broad diversity of buildings and institutions, both modern and centuries [even millennia] old. Some of these structures are heavily featured in the promotional materials of the travel trade, Baalbek's Temple of Jupiter being probably the first.

Living traditions: The Lebanese nation in many visible ways is living its traditions. In the world of gastronomy, Lebanese cuisine is internationally known, and makes use of a range of dairy products, fine wines and fruits and vegetables. The restaurant and entertainment industries are vibrant in many parts of the country; culinary courses are also available for tourists. The Lebanese use reproductions of ancient statues and decorative elements as ornamental items in homes, offices and public spaces. Aspects of the country's long history therefore inspire the décor of many public and private buildings.

In the realm of retailing, there are shops for antiques and other traditional items and reproductions. Merchant societies and other organizations stage seasonal trade shows for fine home décor items and artistic crafts. Many of the villages celebrate religious holidays by decorating the towns and holding commemorative ceremonies and festivals, often in honor of their patron saints or of remembered events. These traditions remain quite genuine and are kept very alive irrespective of any tourism stimulus. Some tour operators can design tours with substantial cultural contents to serve niches such as religious, gastronomic, or ancient history tours. These traditions add great interest to the Lebanese tourism landscape.

Museums: There are museums of vastly different appeal for international tourism, including the extensively renovated National Museum, the nation's flagship museum. The Soap Museum in Saida, and recently improved site museums at Byblos and Baalbek also reflect a high standard appealing to culturally motivated tourists. Some smaller museums lend themselves to niche segment of the market with well-conceived interpretive information.

Events and festivals: The Lebanese cultural calendar contains a growing number of events with festivals of different kinds scheduled in many parts of the country. Lebanon has dance troupes and youth groups who perform at some of these events. The international events like the Baalbek and Beiteddine festivals offer international names like Michael Jackson, the Milan Opera Company or Johnny Hallyday as well as some regional and local performers. Most events around the country are not as heavily publicized as these but information on them is available in the French and English language local press.

Some events are using a company called Trading Places to promote and handle computerized ticket sales through its sales offices and also through websites. This company operates sales offices in a few points outside of Beirut, including one in Zahle and one in Damascus. One event is publicizing its membership in the International Festivals Association. Most of the ticket purchasers live in Lebanon, so the actual stimulative effect of these events for tourism over the last few years is hard to determine. The selection of internationally well-known performers indicates that these events could have a strong stimulative effect on tourism with the right market conditions. Prominent corporate sponsorships and computerized ticket sales indicate some sophistication in marketing these events.

Arts and crafts: The offer of crafts covers a wide spectrum of quality reflecting the situation where many artisans are not trained in high quality crafting methods and many shopkeepers unaware of modern methods of display and merchandising through methods appealing to the international traveling public. A major share of the offer, particularly in areas outside of the greater Beirut vicinity, is weak in quality of craftsmanship, and stylistically in the choice of image or theme for apparel such as [embroidered sweaters and blouses or textiles for households such as tablecloths and doilies], or in their finishing. NGOs as well as private producers are competing. A complicating factor is that tastes vary from western to Middle Eastern segments of travelers in connection with fashion, curios and household items. The standard of items available at Baalbek appeared to be somewhat broader and of better quality than that of items in the Bcharre vicinity, where wood-crafted items, particularly cedar ones, dominate. This is an area with considerable scope for improvement to broaden the range of items appealing to international tastes.

High value retailing: Beirut and a few other locations have museum shops, gift shops, art galleries, antiques dealers, and home decorative stores that target refined shoppers, both Lebanese and tourists, seeking high-value items reflecting something of the Middle Eastern culture. Factors like store location and presentation are highly relevant, as are factors like the quality of the items, stylistic content, merchandising considerations such as display, wrapping/packaging, forms of payment, and importantly their clear linkages with meaningful local themes of history, ethnic groups, religion, natural beauty or legends and folklore. Quality levels for cultural retailing are very variable in Lebanon indicating high awareness of customer preferences in some shops, and little such awareness in many locations. The Souk Al-Barghout is an example of a flea market in Beirut's downtown during the summer aimed at the high-income Beirutis as well as tourists.

Specialty exhibitions: A major strength of Lebanon's cultural landscape is the offer of special interest experiences appealing to travelers motivated by strong cultural curiosity, offered by places like wineries, olive plantations, monasteries, silk workshops, dairy farms, glass-making workshops and the like. Whether found in the countryside, in old souks or in other urban areas, they represent present-day or ancient technologies important to the local economy, and show

how they shape the lives of specific segments of the population and the environment in which they live. The visitors learn much about the history of the nation through such exhibitions and the growing number of them represents a growing resource for tourism.

Themed circuits: An interesting new initiative promotes motoring tourism along routes through regions like the Bekaa Valley or South Lebanon. A USAID-funded program has produced the promenade trio of stapled, handy-sized booklets containing routings, maps indicating attractions and sponsoring restaurants, discount coupons [up to 20% off], and some historical background for points along the routes. This is a promotion strategy to package information in a user-friendly format to stimulate tourism into these areas. Some commercially available tour guides and the MOT regional publications [Liban Nord and so on] also provide clear circuits linking towns of interest. The Union Vinicole du Liban has also published a similar brochure called the Wine Route, which links several wineries in the Bekaa and offers gastronomic dining each day. For specific towns and neighborhoods such as the Saida souq, some neighborhood maps showing walking routes are published, ideal for independent travelers. While some of these publications are of high quality, all too often they are not readily available for visitors.

Natural attractions: The various cedars groves spread across the highlands, Jeita Grotto and the holy Qadisha Valley, and some of the scenic valleys like the Nakr, Damour and Bekaa are all examples of natural attractions. The forested mountains and rushing rivers also attract the Arab visitors for their novelty. The wintertime snow cover in the higher elevations is also somewhat unique in the Middle East. However for cultural tourism, it is more the built heritage, events and traditions that draw the visitors than the country's natural attractions.

(ii) Facilitating resources

Tour guides and leaders: The government licenses guides as either national guides or local ones authorized for a specific location. Some guides lack proficiency in their foreign languages, usually English and/or French making them hard for foreigners to easily understand. Some also lack depth of knowledge as many do not have complementary qualifications in history, archeology, architecture or other related fields of study. Because tourism is seasonal by nature, many are involved in other lines of work and work as guides seasonally. There are some restrictions on guides accompanying groups into Syria and Jordan.

Tour operators: The number of agencies operating incoming programs [versus outbound ones for Lebanese traveling abroad] is small but growing. They are already offering numerous packages for culture, nature, gastronomy and other themes, and have relationships with a number of European and Arab representatives in source markets. Some have partners in Syria and Jordan and sell Levantine packages that use vehicles, guides and routes from all three countries. The level of ability of Lebanon's tour operators appears to be high, improving

and ready to stimulate further growth in business.

Information delivery: There are several efficient information channels for information on all kinds of cultural activities. These include commercial publications like L'Agenda Cultural [monthly], or The Guide Magazine [monthly], which provide in English or French complete information on the country's cultural offerings. The English and French language daily newspapers also present such information. MOT also publishes a calendar of cultural events [trilingual] across the country. MOT website does offer detailed information on cultural festivals including performances and dates, but the information has not been updated since the 2001 festival season.

(iii) Assessment of competitiveness for cultural tourism

Lebanon's unique combination of a broad variety of resources makes for a highly competitive position in the cultural tourism marketplace. Lebanon offers much to appeal to the various segments of culturally motivated tourists, and the tourist industry has plenty of resources to create new travel products to be marketed internationally. While still focused along the coastline, cultural tourism can be drawn to inland points both in the mountains and in the Bekaa Valley as the quality of the attractions improves and as the tour operators grow more familiar with the points of interest and more innovative in marketing them.

(2) Resources for Vacationers [mainly Arab families]

This segment consists largely of the families coming during the summer months and key Islamic holidays from the GCC and Saudi Arabia. Lebanon's cooler summer climate, especially in the elevated mountain resort city like Bhamdoun and Aley, combined with hospitality services offered in the Arabic language, make up its key strengths.

(i) Key resources

Family entertainment: Lebanon offers a selection of family-friendly options in its recreational and amusement parks like Splash Mountain Water Theme Park, Rio Lento Park, the Whiz Club, and also some summer camps. There are also privately operated wax museums, movie theaters and some Arabic language stage productions. Beirut's seaside corniche also is a favored relaxation area for families.

Beaches and clubs: Lebanon offers public and private beaches and beach clubs, and also country clubs offering seasonal memberships for families. Resort hotels by the sea or in the mountains commonly extend seasonal memberships to families.

Retailing: Beirut offers some of the finest shopping in the Middle East for many lines of products. Its count of department stores and of specialty stores is growing, and product lines of the main European and other fashion makers are easily available. In addition to the availability of stores, Beirut and a few other locations stage a number of trade shows each

year featuring tastefully displayed high value consumer items of fashion, jewelry, and home décor to name a few categories. Beirut is competing with Dubai and other Middle Eastern cities as a shoppers' heaven. There is duty-free shopping legislation and some shops offer tax-free shopping per Global Refund™, a VAT reimbursement service.

(ii) Facilitating resources

Family-friendly accommodation: In addition to full service commercial hotels, the country offers apartment hotels and apartments and homes for short and long term rental. Some owners are marketing this capacity in Arab nations to win the business of the families.

Available baby-sitting services and nurseries: Families who have no nanny have a number of choices for the care of children while on vacation in Lebanon.

Numerous rental car agencies with/without drivers: Car rentals with or without drivers are easily available and heavily promoted in Lebanon. Insurance is available for such rentals.

Wide choice of touring trips: Touring trips around the country, including half-day, full day and overnight ones, are widely available.

Information delivery: Arab visitors feel somewhat at home in Beirut where all services and information both in the print media and broadcast media are offered in the Arabic language.

(iii) Assessment of competitiveness for vacationers

Lebanon is a strong competitor for such business because of the Lebanese' ease with the Arab people and language, and easy air proximity to the main cities of the GCC and Saudi Arabia. Some families on extended stays will even drive the family car to Lebanon or fly and have it driven separately. European vacationers also can be hosted with ease in Lebanon.

(3) Resources for Levantine tourism

This category includes mainly Syrian and also Jordanian visitors typically on short stays in Lebanon, arriving on weekends and holidays by private car, taxi or tour bus. They may be visiting the highlands, Beirut or the Bekaa Valley vicinity. Regarding the motivations of this segment, they most resemble those of the vacationers described immediately before this section.

(i) Key resources

These are the same as the resources relevant for vacationers. The resources available for cultural tourism are also somewhat relevant. The resources relating to entertainment and shopping alternatives are the most relevant.

(ii) Facilitating resources

These are the same as those listed for cultural visitors and vacationers. With respect to information delivery the Syrian press contains ample information on conditions and attractions in Lebanon and local tour operators have been selling bus tours to Lebanon for years.

(iii) Assessment of competitiveness for Levantine tourism

For short-stay tourism from Damascus, Syrians have a choice between Beirut and Amman, both reachable within a few hours by bus. For Damascenes, Beirut is closer, is on the sea, and offers much more shopping and entertainment than Amman and is therefore more competitive. For Jordanians, Beirut is farther away than Damascus and requires two border crossings rather than one. This suggests that Beirut is less competitive of the two cities.

(4) Resources for MICE [meetings and conferences]

This segment focuses on participants in meetings, incentive trips, conventions and exhibitions; this is a type of business-motivated tourism operating on business expense accounts. Such events typically draw an international mixture of participants and require a wide combination of services, a competitive cluster of labor-intensive services.

(i) Key and facilitating resources

Facilities for functions: Beirut offers facilities for events of up to a few thousand persons, including the Beirut International Exhibition & Leisure Center, the Forum at the port, the Association of Industrialists facility also at the port, and those at hotels like the Phoenicia, the Crown Plaza and Mzaar Inter-continental and Al Boustan, these last two having mountain locations. The more modern facilities offer full services such as break-out rooms, audio-visual and internet equipment and capabilities and the like.

Logistics and planning: A growing corps of meetings planners is working at these facilities and at key hotels to plan months and years in advance and compete for such business. More businesses are providing rental equipment and vehicles needed for such events.

Foreign language interpretation and translation: Lebanon offers multi-lingual staff capable of staging such events, and also of providing simultaneous interpretation and translation services between Arabic and many western languages with ease. For internationally attended events this is a critical advantage.

Food and beverage services: Lebanese providers can offer Arab, western and even some Asian cuisines. They can also provide different forms of local and foreign entertainment.

Entertainment and excursions: The pre and post-convention travel business thrives on a selection of attractive activities and travel options as a key selling point for the events. During the events, spouses and companions will want a broad choice of activities to keep busy. The

resources relating to cultural tourism are fully relevant for MICE tourism which spawns a secondary demand for unrelated touring services.

(ii) Assessment of competitiveness for MICE

Lebanon is highly competitive for this type of tourism because of the scope of high quality services it offers to plan and execute such events. Lebanon's multi-lingual capability is another key strength in handling internationally attended events.

(5) Resources for Medical Tourism

This is potentially a very lucrative form of tourism drawing clientele from many countries in the Middle East and Africa. Lebanon's ability to provide treatment efficiently in Arabic, English or French languages is a major strength. Many practitioners now offer services related to wellness and to cosmetic procedures, designed for men as well as for women. The recently created National Council for Health Tourism is playing a growing role in promoting such services in the region, via its website, and through trade shows and sales trips to target countries. Some clinics and practitioners are located in the highland areas favored by Arab visitors seeking the cooler climate.

(i) Key and facilitating resources

Internationally trained staff: The number of medical staff, including nursing and physician staff, trained in European and US schools is significant and a major selling point.

Accredited facilities: A number of hospitals, clinics and medical schools in Lebanon are accredited by respected foreign medical institutions, which adds to their credentials and market appeal.

Complete peripheral services: Lebanon also offers a range of facilities for post-operative convalescence including options in the cooler mountain locations and seaside resorts. Some hotels and apartment hotels offer special deals for families accompanying patients. Special deals are typically offered to patients undergoing treatment over extended periods of time. Specialized tour agencies offer the full range of shopping and cultural activities to accompanying family members.

(ii) Assessment of competitiveness for medical tourism

Lebanon is a strong competitor for such business and can maintain its competitive edge by progressively introducing more advanced technology and procedures to serve as a less expensive alternative to the European hospitals. Increased participation by Lebanese physicians and institutions in the international professional associations will extend the industry's offer of high-value procedures and its overall competitive edge.

(6) Resources for Winter Skiers

(i) Key and facilitating resources

Natural resources: Lebanon has ski resorts located roughly at 1,600-2,500 meters altitude with some capable of offering downhill skiing for four or more months during some years depending on the depth of the snowfall. The abundance of snow coverage is unique in the Middle East and a major selling proposition for Lebanon. Cross-country skiing and wintertime hiking are also offered.

Resort facilities: Developers are offering chalet and hotel accommodation, and recently the international hotel chain Inter-Continental started managing a new resort in Faraya. There is expansion in the industry with some resorts adding lift equipment to boost skier lift capacity per hour. Peripheral facilities like spas, restaurants and clubs appear to be expanding.

Specialty travel trade: Tour operators are now marketing winter skiing packages internationally. Specialty operators focusing on ecotourism and sports are also offering such packages, some providing for cross-country skiing as well as downhill skiing.

(ii) Assessment of competitiveness for winter skiers

As the sole skiing destination in the Middle East, when Turkey and Cyprus are excluded, Lebanon can expand this industry to serve firstly the growing ski population in Lebanon, secondly the expatriate population of several million in the Middle East region, and thirdly a minor share of the European market seeking a different, even exotic ski alternative. The offer of secondary sports and entertainment options at Lebanon's ski resorts is still limited, and esthetically most of these resorts lack a welcoming village environment that is proven successful at European and American mountain resorts. Developers will have to improve the character of the resorts to broaden their appeal to capture international skier markets.

(7) Resources for Competitive Sports Tourism

This segment of tourism is similar to MICE, but is specific enough in its sporting orientation to be described as a separate segment.

(i) Key and facilitating resources

Sponsors: Lebanon sponsors events through specialized organizations such as Beirut's marathon organization and the Automobile & Touring Club of Lebanon (ATCL). The Touring Club sponsors tennis competitions, auto rallies and boat regattas generally each year, which draw an international group of contestants with their entourages. ATCL enjoys several international affiliations, which help it improve the standing of the events as well as market them for international participation.

Specialty travel trade: Tour operators work with the sponsors to market the events and to offer packages internationally. Some of the auto rallies include routes as far as Jordan and UAE requiring international coordination. The yachting regattas link Lebanon with other

nations in the eastern Mediterranean.

(ii) Assessment of competitiveness for competitive sports tourism

Lebanon is an emerging nation in the area of organized international sporting competitions such as auto rallies and boat regattas. The geo-political situation in the region limits participation due to fears of some westerners about dangers in the region. However, the nation's position at the doorstep between East and West gives it a strong advantage in understanding and meeting the multiplicity of requirements imposed on such events for the needed international recognitions. It is an expanding and lucrative field for the country's tourism and image. Lebanon is competitive and can expand this industry.

(8) Resources for Nature-based Tourism

Specialty operators focusing on ecotourism and soft adventure are offering packages in Lebanon domestically and internationally that include activities such as camping, hiking, rock-climbing and mountaineering, spelunking, white water rafting, 4X4 touring and paragliding. This is a minor, emerging segment for Lebanon to cultivate as an international tourism destination. Its success depends in part on how popular these activities become with the domestic Lebanese market to make them economically viable.

(i) Relevant resources

The facilities: Travel operators and outfitters in Lebanon make use of several protected mountain areas, private reserves and open public areas for such activities. Many try to operate along low impact principles and make use only of essential equipment. Some offer overnight lodging in campgrounds, rural homes, open places and even monasteries making the close contact with nature and with local community's part of the experience. The key value in this type of tourism is not the physical facilities it requires but rather the crafting of exciting and genuine nature-based travel experiences not marred by commercial content or artificiality. For many packages the inclusion of cultural sites such as monasteries, castles and ruins has the benefit of boosting the value and marketability of the packages for an international clientele seeking nature plus cultural interest.

The Specialty travel trade: There are about ten such tour operators, both non-profit ones and for-profit ones. Some have international partners in European countries to handle the marketing of packages in those source markets. The Lebanese operators are showing a growing sensitivity to the expectations of nature-based travelers. Some are offering trips combining Lebanon with Syria and Jordan.

(ii) Assessment of competitiveness for nature-based tourism

Lebanon is an emerging contender in the area of nature-based tourism and will have to earn its place for this specialty kind of tourism. It can expand the business by marketing to expatriates in the region, and also to the major markets in Europe. The compactness of the

country makes possible the inclusion of varied activities in packages offering gratifying experiences with limited loss of interest through relatively short driving times. The critical element of its success may be the inclusion of culturally stimulating content as part of the nature-based experience.

3.2 Infrastructure

The provision of infrastructure such as transport, water supply, sanitation, electricity and telecommunication contributes not only to the overall economic growth, welfare, quality of life and productivity of the people in Lebanon but also to the tourism industry. This section presents an overview of existing conditions of the infrastructure in Lebanon from the tourism point of view.

3.2.1 Transportation

Tourism is about traveling. Capacity and quality of access to a destination always affect its selection by travelers as well as agents in tourism industry. The number of travelers can vary depending on differences in accessibility to tourism resources. Additionally, travelers with tourism purposes generally put more weight on the quality of accessibility than the capacity. This section examines state of road transportation along main routes regarding both quantity and quality.

(1) General

Lebanon's transport infrastructure consists of a network of paved roads, rural roads and agricultural tracks, and terminal facilities comprising the Beirut international airport, and seaports of Beirut, Jounie, Byblos, Tripoli, Saida and Tyre. There are about 400 km of abandoned railway track, of which 300 km are in standard gauge.

(2) Road Network

The current road network comprises 6,333 km paved roads, consisting of 530 km international, 1654 km primary, 1338 km secondary, and 2811 km local roads, and an extensive network of rural roads and agricultural tracks. The Lebanon's road system is almost exclusively responsible for the movement of passengers within the country. It is well developed and distributed throughout the country with the road density of 0.60 km per km². However, the prolonged 17 years of conflict and the consequent neglect of the network caused a considerable backlog of maintenance.

Table 3.2.1 shows the distance and required time from Beirut and Figure 3.2.1 shows the primary national road network.

Table 3.2.1 Mileage and Required Time from Beirut

Destination	Tripoli	Saida	Zahle	Baalbek	Bcharre
Mileage (km)	77	45	55	85	105
Required time (min.)	60	40	50	80	120

Source: Compiled by the JICA Study team

International roads are roads which connect the Lebanese land, sea and airports with countries neighboring Lebanon, and currently in service, or expected to service in the future. Primary roads are roads which connect the capital city of Beirut with the centers of Mohafazats (administrative regions), link between international roads, and lead to classified summer and winter vacation/recreational areas as well as classified significant archeological sites. Secondary roads have roles to lead to classified regular archeological and touristic sites as well as to connect centers of qazas. Local roads link villages as well as unclassified regular archeological and touristic resources. Table 3.2.2 shows the distribution of the road network by Mohafazat.

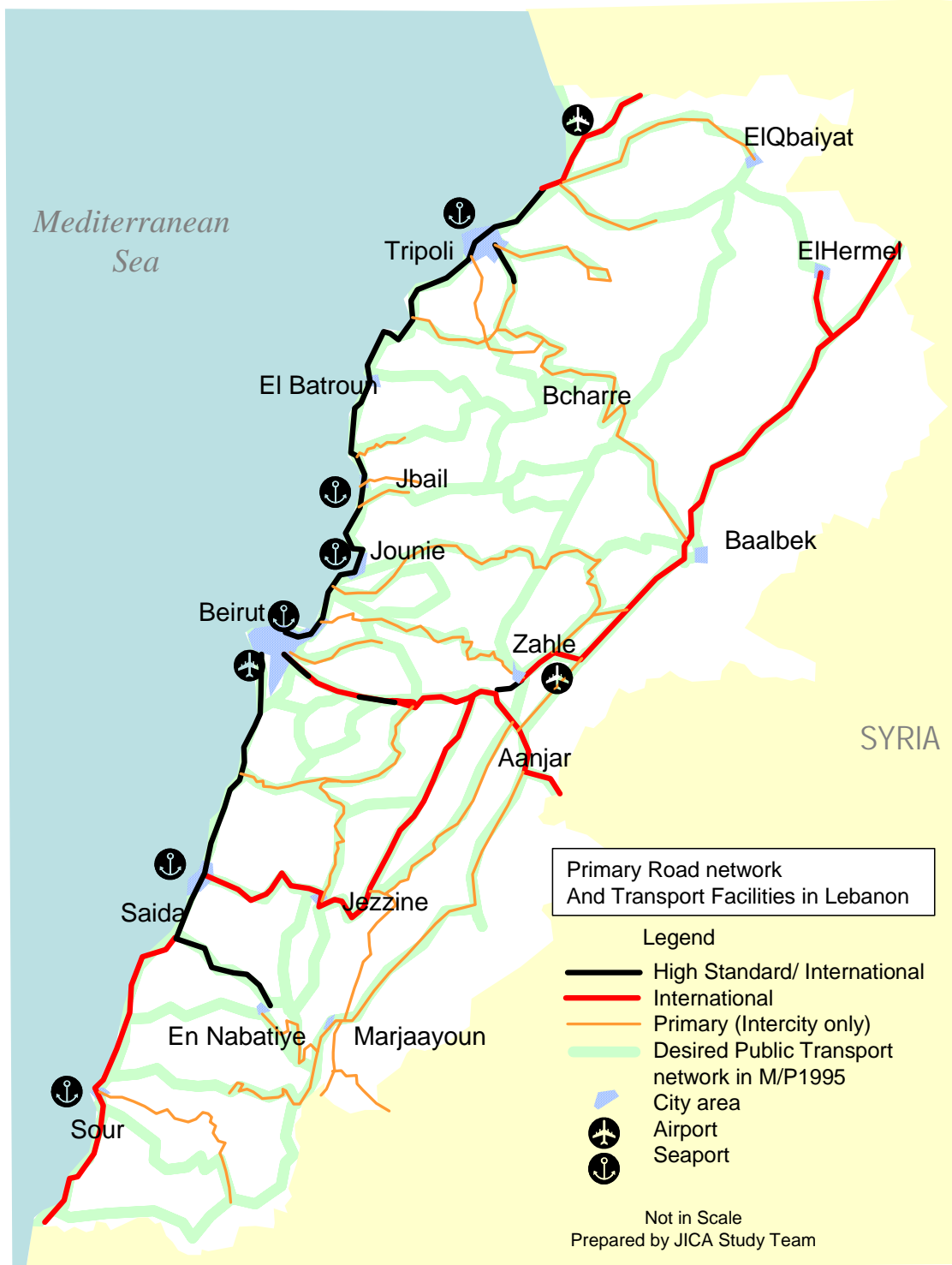
Table 3.2.2 Distribution of the Classified Road Network per Mohafazat (km)

Mohafazat	International	Primary	Secondary	Local	Total
North	84.1	416.5	287.7	709.4	1492.7
Mount	129.9	734.4	422.2	786.4	2072.9
South	136.3	215.5	439.7	704.0	1495.5
Bekaa	179.2	787.4	193.4	611.6	1271.6
Total	529.5	1653.9	1338.0	2811.4	6332.7

Source: MoPW&T

In the Bekaa region, one of target areas of the Study, international and primary roads are relatively well-developed. However, secondary roads which connects local tourism resources are not.

Figure 3.2.1 Existing Primary Road Network and Transport Facilities in Lebanon



Source: MOT Tourism Masterplan 1995, Arab World Map Library (Geo Projects Ltd.) 2002, IDCJ Economic Infrastructure Study 1997

(3) Issues of Road Transport Planning in Tourism Development

(i) Provision of five-star roads for circulation

Traveling comfort is important part of high quality tourism. "Comfort" means quality assurance, that pertains to experiences of travelers from door to door, from origin to destination. Specifically, pavement strength, pavement quality, landscaping including tree planting and safety are important considerations. Quality improvement of road infrastructure would be essential part of tourism development.

(ii) Signage, paintings, and safety control

Road equipment including signage for guidance and regulation, paintings, curved mirrors, guard rails, etc, are important to ensure the traveling comfort.

The MOT master plan in 1995 gives high-priority to the guide and directional signage. Particularly important are the provision of non-Arabic guides, visibility improvement (size of board and letters, position on roads, paint materials, etc.), consultation among related bodies regarding specifications and installation position, maintenance, and post evaluation. Safety equipment, curved mirror and railing, are essential particularly in mountainous sections such as the Bcharre access road. These are not existent, and material improvements need to be planned.

(iii) Capacity securing strategy for bypass, parking and abandoned vehicles

Practical measures are necessary for the on-road parkings, or vehicles left unattended which reduce road capacity, particularly in the mountainous sections. Bypass and traffic relief measures should be considered as well as parking management in order to secure the road capacity, and develop tourism events and accommodation facilities in the settlements. On the other hands, improper use of speed humps can be reconsidered for location and design.

(iv) Scenic road development

Parking facilities are necessary in sections with scenic view. Driving on a scenic road is a kind of tourism in itself, and may induces new tourism customers. Development and design standards need to be established.

(v) Strategy for conservation

It is desired that every countermeasure should be considered in order to keep a balance between road traffic and conservation of flora and fauna, and to maintain social environment of local communities. Other measures include re-designing of road cross-section to reduce the impact on animal crossing and to assist animals' migration, trees planting to reduce soil erosion, culvert redesign, and traffic relief and management including inspection of vehicles.

(4) Public Transport

Public transport accounts for nearly 12 % of inter-city passenger movements in Lebanon.

Organized and modernized transport operations can be seen among coastal cities and the Bekaa Valley. Table 3.2.3 shows the number of lines in service. In other areas, “service” (shared taxi) and taxi operated on personal and negotiation base serve passengers. Table 3.2.4 shows accessibility from Beirut by public transport. Governmental assistance for organization and regulation/operational standards introduction are planned. However, the differences in accessibility between coastal areas and mountains have not been reduced.

In the MOT master plan, ideal routes for public transport development have been proposed (Figure 3.2.1)

Table 3.2.3 Number of Public Transport Operation Lines

Localities	1996	1997	1998	1999
Great Beirut	9	27	22	24
Bekaa	0	0	13	15
North Lebanon	0	0	0	12

Source: MoPW&T

Table 3.2.4 Level of Service of Public Transport Originated in Beirut

Destination	Tripoli	Saida	Zahle	Baalbek	Bcharre
Mode	Express bus, Local bus, Service, Taxi		Service, Taxi	Service, Taxi	Taxi *
Operation mileage (km)	77	45	55	85	105
Cheapest cost per person (LL)	1500 for local bus	1500	2-3000	3000-4000	6000-
Fastest time (min.)	60 for express bus, taxi	40 for express bus and Taxi		90 by taxi	120 by Taxi
Capacity	55 seat for express		10-12 seats by Service		4 seats
Frequency and punctuality	Every 15-20 minutes	Every 30 minutes	Depend on passenger density, at most 60 minutes.		Depends on passenger
Quality	A/C and no-smoking for express		Low-safety, depends on drivers schedule, no A/C		

Source: JICA Study Team

* Accessing to Bcharre, local bus to Tripoli and service from Chekka stoppage are working.

(5) Air Transport

According to the Directorate General of Civil Aviation (DGCA), responsible for aviation development under the Ministry of Public Works and Transport, the Beirut international airport (BIA) is considered one of the best airports in the region, which offers its services to about 40 foreign airlines.

The area covered by BIA is around 7 million m². It has two runways, 3800 m and 3400 m with

a width of 60 meters each. Facilities for maintenance service, aviation control stations etc. are also developed as well as terminal facilities. There is no transport access to the BIA other than road transport. The planned parking capacity is 3,250 vehicles.

3.2.2 Water Supply and Sewerage

According to a World Bank report, the water supply and wastewater sector in Lebanon is unable to provide satisfactory services to the majority of its population. Almost half of all water produced is unaccounted for because of losses and inadequate billing, while leaking or overflowing wastewater collection systems cause severe sanitary hazard, contaminating surface water and groundwater. The service deficiencies are caused from neglect of infrastructure operation and maintenance.

The current allocation of responsibilities for water supply and wastewater is being simplified. Based on the Water Law 221 and its amendments, the old 21 water authorities in Lebanon will be consolidated into four regional authorities. An amendment to the Water Law on the integration of wastewater into the regional water authorities has been ratified by the Parliament and will enable the transfer of the responsibility for wastewater collection and disposal from the municipalities to MOEW. It is also mentioned that a water authority covering the Bekaa region encompasses Baalbek, Hermel, Zahle, and Chamsine.

Figures 3.2.2 and 3.2.3 show the progress of rehabilitation for water supply and wastewater treatment. The regional differences can be found; particularly, execution of wastewater treatment in coastal cities has prioritized while mountainous areas are left behind.

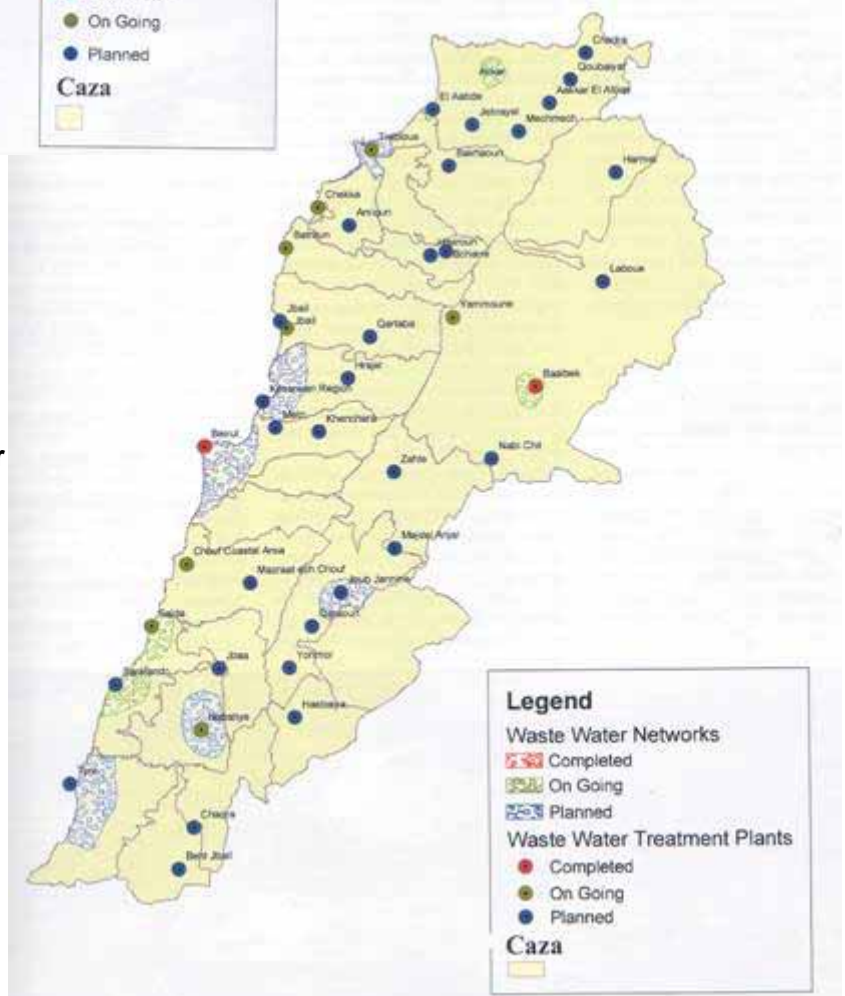


Figure 3.2.2
 Rehabilitation of Upper Water Supply

Source: CDR progress report

Figure 3.2.3
 Rehabilitation of Wastewater Treatment

Source: CDR progress report



3.2.3 Electricity and Telecommunications

(1) Electricity

Reinstalling reliable electricity supply in Lebanon was one of the critical components of the reconstruction and development program to restore the economy. Some 97.2 % of electricity in Lebanon is generated by thermal plants, with the rest by hydropower. Table 3.2.5 shows the existing electricity generation capacity in Lebanon.

Table 3.2.5 Existing Electricity Generation Capacity

Thermal	Capacity (MW)	Hydraulic	Capacity (MW)	Gas Turbin	Capacity (MW)
Zahrani	440	Qadicha	31	Tyre	70
Beddawi	440	Litani River	190	Baalbek	70
Zouq	610	Nahr Ibrahim	31	Zouq	23
Jiyyeh	331	Bared	14		
Hraycheh	75				

Source: EDL

To achieve the adequate supply, the government's strategy aimed at rehabilitating the war damaged electricity supply infrastructure, and expanding supply through the installation of more efficient modern facilities to meet the needs of the economy in a sustainable manner over the long-term.

To this end, the government formulated a medium term (1995-2003) electric power investment program projected to cost about \$2.1 billion for generation, transmission, and distribution. The priority was first to increase power generation capability by rehabilitating the existing generating plants and second to construct new capacities, prominently, two new modern combined-cycle plants to bring the total power generating capability to about 2,600 MW. This was to be followed by the development of a new high-voltage (220 - kilovolt) transmission network as the backbone of the power system, and the rehabilitation and expansion of substations, and medium and low voltage distribution networks to deliver electricity to final consumers.

(2) Telecommunications

Subscriber lines network capacity was increased to 1.73 million after the rehabilitation of public swithced telephone network, which is equivalent to one line for every three persons in Lebanon. Present subscriber number is around 700, 000 lines. A mobile telephone system (GSM) has been introduced by two competing operators, whose networks accommodate at least 500,000 subscribers.



Figure 3.2.4
Power Station and Transmission Network

Source: CDR

3.3 Marketing and Promotion

3.3.1 Marketing Activities by MOT

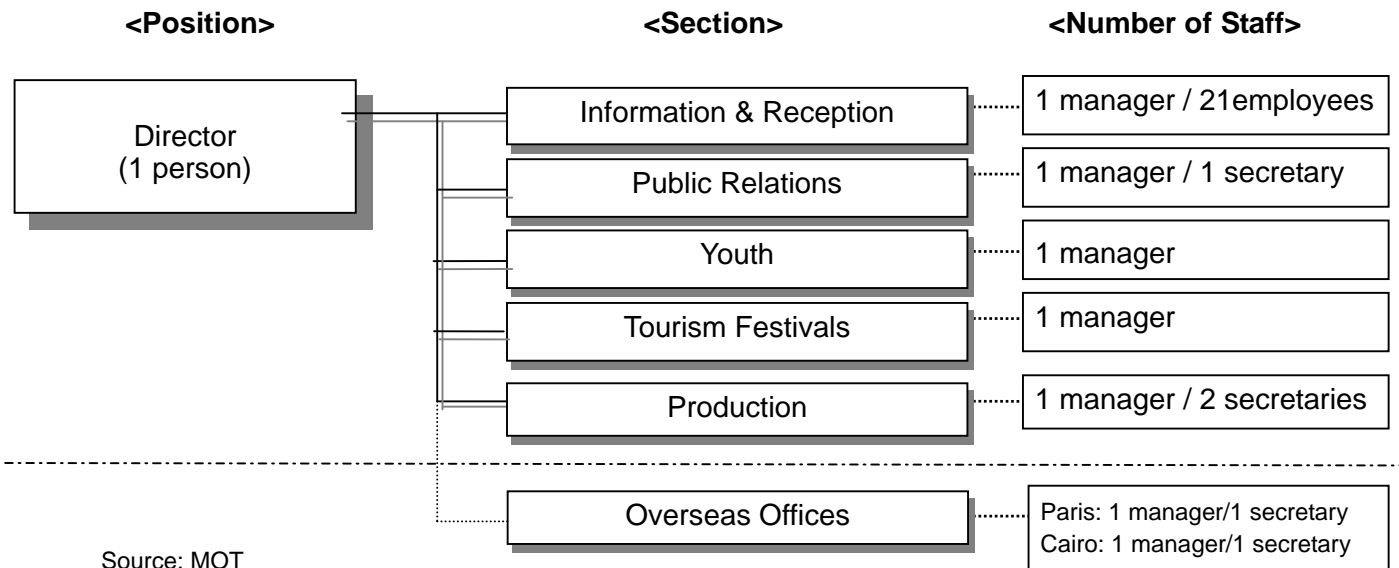
(1) Marketing Plan and Strategy

The Department of Tourism Development takes charge of marketing and promotion activities in MOT. There were several studies and planning on tourism marketing and development. However, due to the lack of comprehensive and well-established implementation strategy and human resources for marketing and promotion activities of MOT, the activities undertaken by each section of the Department lack in coordination, continuity and a focus.

(2) Organization Structure

The Department has a Director, a workforce of 33 employees in five sections and two overseas offices as shown in Figure 3.3.1. The existing compositions and functions are outlined.

Figure 3.3.1 Organization Structure of the Department of Tourism Development



Source: MOT

Position

- Director – appointed to this position in June 2003 on top of her directorship of Department of Exploitation of Archaeological Sites and Museums.
- Assistant –with extensive experience in international marketing and promotion.

Sections

- Information & Reception – tourist information services at the MOT information offices in Beirut (central Beirut, the airport and the port), Byblos, Zahle, Tripoli and Baalbek.
- Public Relations – coordination for international trade fair participation and hosting of The Arab World Travel and Tourism Exchange (AWTTE) and guest programs (familiarization tours).
- Youth – promotion of youth tourism in Lebanon.
- Tourism Festivals – approval/promotion of international/local festivals.
- Production – production of promotion materials (visitors guidebook, brochures, posters, maps, calendars, video tapes, films, etc.) and the photo-library service on tourism attractions.
- Overseas Offices – promotion for targeted countries and the region.

In addition to the above, MOT is an active member of the following three tourism-related organizations, serving effectively as their secretariats.

- National Council of Tourism in Lebanon (NCTL)
 - The council is a private sector entity, composed of stakeholders from the private tourism industry (hotels, tour operators, travel agencies, restaurants, media, etc.).
- National Committee of Eco-tourism
 - The committee was created in 2001 with the intergovernmental coordination of MOT and MOE. The committee is constituted by MOT, MOE, CDR, UNDP and NGO to develop and promote eco-tourism in Lebanon.
- National Committee for Health Tourism (NCHT)
 - The committee was created in July 2001 under the decree of Ministry of Public

Health with the cooperation of MOT. The main role of NCHT is to promote the inbound health tourism, especially in the regional Arab markets.

(3) Marketing and Promotion Budget

MOT's annual budget was US\$5.0 million in 2002, of which US\$1.8 million or 36.5% was spent on promotion. Compared to other tourist destination countries, Lebanon's budget is quite small.

Of the 2002 promotion budgets disbursed, 42.5 % was allocated to two overseas offices, 15.8% to fair/exhibitions and tourism festival respectively, 9.2% to guest programs and 7.9% to production (Table 3.3.2).

Actually, there are two categories of funds within MOT's budget. The first category is the fund for the general operations (personnel expenses, management cost, activity operation cost, etc.), which are classified as category I fund. This budget allocation for the 2003 financial year is equivalent to some US\$5.6 million. The second category is for tourism investment, which is classified as category II fund. According to the law of the public finance, the second category is able to roll over, if not spent. Currently this accumulated fund amounts to US\$ 5.0 million. On the other hand, it is not allowed to roll over any unspent funds from category I to category II or also from category II to category I.

Table 3.3.2 MOT's Budget for Marketing and Promotion

Sectional Breakdown	2001 (Actual)		2002 (Actual)		
Information and Reception					
-Domestic Offices	70,683,000	(1.9%)	68,899,000	(2.5%)	
-Overseas Offices					
*Paris	724,199,000	(19.7%)	918,099,838	(33.2%)	
*Cairo	182,518,000	(5.0%)	256,353,137	(9.3%)	
Public Relations					
-Trade Fair (Overseas)	988,283,000	(26.8%)	436,073,000	(15.8%)	
-AWTTE (Domestic)	4,780,000	(0.1%)	144,000	(0.0%)	
-Guests Program	149,397,000	(4.1%)	254,742,000	(9.2%)	
Youth	108,500,000	(2.9%)	97,000,000	(3.5%)	
Tourism Festival	1,096,546,000	(29.8%)	437,290,000	(15.8%)	
Production					
-Brochure	108,411,000	(2.9%)	69,260,000	(2.5%)	
-Book	-	(0.0%)	6,000,000	(0.2%)	
-Poster	38,348,000	(1.0%)	97,030,000	(3.5%)	
-Calendar	1,762,000	(0.0%)	9,206,000	(0.3%)	
-Photo	13,760,000	(0.4%)	29,360,000	(1.1%)	
-Video	123,447,000	(3.4%)		(0.0%)	
-Media Advertisement	6,000,000	(0.2%)	9,063,000	(0.3%)	
Others					
- Internet	-	(0.0%)	4,852,000	(0.2%)	
- The others	66,831,000	(1.8%)	69,058,000	(2.5%)	
TOTAL	L.L	3,683,465,000	(100.0%)	2,762,429,975	(100.0%)
	(US\$)	(\$2,455,643)		(\$1,841,620)	

Source: MOT, JICA Study Team

Money: L.L

(4) Promotional Activities

Within the budgetary constraints, the Department is trying to maximize promotional return by mobilizing all available promotional tools to match each segment of identified markets and products. Table 3.3.3 summarizes the combination currently employed with weighted emphasis on more important markets and products. The following are main promotional activities currently conducted by the Department.

(i) Trade fair promotion

MOT recognizes trade fair participation as an important means to promote Lebanon to the travel trade overseas. However, budgetary constraint is making participation difficult every year. Participation has decreased from 14 fairs in 2001 to nine fairs in 2003 as shown below. Also because of the difficulty to change the negative image of the Middle East in the non-Arab countries, the promotional target is shifting from European to the Middle East market. A complete list of the fairs participated in is included in Annex 3.3.1. Moreover, the

decision-making on trade fair attendance is not taken strategically and it is difficult to be well prepared and coordinated with the private attendance for performing the effective promotional presentation in trade fairs.

- 2001 14 fairs, of which 11 were in Europe including ITB Berlin, WTM London, and three in Middle East including ATM Dubai,
- 2002 12 fairs, of which nine were in Europe including ITB, WTM, and three in the Middle East including ATM and Kuwait International Exhibition
- 2003 nine fairs only, with five of them in Europe including, BIT Milan and WTM London and four in the Middle East including ATM.

(ii) AWTTE hosting

MOT is successfully hosting AWTTE in Beirut since 1995 with the help of the contracted local exhibition organizer. The major exhibitors are Arab countries and some from Europe and a few from Asia. Subsequently to the ATM Dubai and the Mediterranean Travel Fair in Cairo, it is growing up as an important trade fair dealing with Arab and European tourism markets. Recent accomplishments are:

- 2002 99 exhibitors from 19 countries: 10 from Arab countries, six from Europe, two from Asia and one from South America,
- 2003 128 exhibitors from 23 countries: 14 of them from Arab countries, six from Europe, two from Asia and one from North America.

(iii) MICE promotion

MICE market is important and many countries have a specific department or bureau to develop it as a national strategy. However, up till recently, no one or no specific section within MOT or the Government has been identified for promoting this important segment of the market. Lately, MOT created a unit to work in cooperation with other government organizations and stakeholders of the private sector dealing with this market in order to generate this potential market for Lebanon.

(iv) Media advertisement

Aside from its budgetary constraint, MOT recognizes inefficacy of media advertisement in Europe as far as the current regional political instability persists. One new clash reporting in the Western countries could kill a whole promotional effort. Because of that, recently MOT is performing limited media advertisement for the European with their budget. However, Lebanon started to have advertisement in CNN from the budget of the Cabinet of Ministers for Lebanon and which started in 2004. For the Arab market, MOT is supporting the winter shopping and skiing promotion with the cooperation of the Ministry of Economy.

(v) Event and festival promotion

MOT is supporting many private and public events in the form of “under the auspices of the MOT” and sometimes MOT gives them financial supports. Also MOT produces posters and

yearly events agenda, containing the local and international events scheduled, which have been distributed in and outside the country.

(vi) Guest programs

Because of the budgetary constraint, MOT does not have a fixed annual program or a fixed annual allowance. Guest programs are managed within available means only on request basis from interested parties overseas. In addition, MOT hosted French press visit, which was coordinated by MOT Paris office with 15 journalists participated in 2002 and, 31 journalists in 2003.

2002 four guest programs were hosted:

- a mixed press and travel trade group from Tunisia,
- a press group from Poland,
- a press group from UK,
- a business organization from USA.

2003 three guest programs hosted:

- a mixed travel trade and business organization group from Czechoslovakia,
- a travel trade group from Russia, and
- a mixed press and travel trade group.

MOT received some press guests which was coordinated by the MOT Paris office.

(vii) Information service (in Lebanon)

MOT is providing the information services at the MOT information offices in Beirut (central Beirut, the airport and the port), Byblos, Zahle, Tripoli and Baalbeck. However, the presentation of those offices, including promotional information and materials stock and distributing systems, needs to be upgraded.

MOT maintains a website in two languages, Arabic and French. Nevertheless, some information has not been updated/upgraded for a long time (e.g. International Festival agenda, new hotels information) and it is an urgent subject to develop the very effective website to attract the international tourists and tourism industry abroad. Now several plans for developing the website exist in MOT, but it is still under consideration at the moment, e.g. the SRI project funded by USAID: "Destination Lebanon.Com", or EU project: MEDINA (Mediterranean by Internet Access) and others.

(viii) Promotion activities by overseas offices

MOT has two overseas offices in Paris and Cairo. Their main roles are to conduct the promotional activities for the targeted countries (Paris office: targeted at France mainly and some other European countries, Cairo office: targeted at Egypt only) to the travel industry and the media, through the direct calls and trade fair promotion. In addition, the information

services are provided at their offices. For the past two years, while total promotional budget is shrinking, the budget of overseas offices is increasing (Table 4.3.2) and its role is becoming more important. The major promotional activities undertaken recently by each office are as below.

Paris office: trade fair participation (e.g. Top Resa, Salon Mondial du Tourism, Bedouk Exhibition), original French website promotion (www.ot-liban.com, started from 2001), FAM tour for the French travel agents and the press, media advertisement by magazine and TV (e.g. ELLE, Figaro, Les Echos, etc./ Tele Monte Carlo, Voyage, Cuisine T.V. etc.), poster campaign in the Paris' metro, event promotion in the Paris office, the sponsorship for promotional events related to Lebanon and other activities.

Cairo office: trade fair participation (e.g. the Mediterranean travel fair), event promotion, press conference, media advertisement in magazine and TV, and the sponsorship for promotional events and others.

(ix) Promotion materials

MOT has produced various promotional materials as listed in Annex 3.3.2: 29 site brochures (18 primary sites and 11 secondary sites), two maps, books, posters, CD/films, and other collaterals (give-away T shirts, badges, pins, music cassettes et al.). MOT's written materials are generally produced in three languages, usually Arabic, French and English. MOT produced more specific site brochures in seven languages for the primary sites and three languages for the secondary sites. Major promotional materials such as maps and site brochures are distributed to tourists at MOT offices. Other promotional materials such as posters, calendars and booklets are distributed to the tourism related sectors by MOT and some of them through Lebanese embassies overseas. The Department recognizes the deficiency in stocktaking due to the lack of resources (budget, manpower and equipment) and also the necessity of upgrading the contents and quality of the promotional materials to meet with markets needs.

(5) Cooperation Agreement

(i) Cooperation with neighboring countries

To strengthen Lebanon's competitive edge in the international market, MOT holds the following protocol agreements with two neighbor destinations in the region:

- Cooperation between Lebanon and Syria, contracted in 1991,
- Cooperation between Lebanon and Jordan, and
- Cooperation between Lebanon, Syria and Jordan, contracted in 1993.

(ii) Inter-regional cooperation

Lebanon is a member of the Arab Council of Ministers of Tourism or AMTOC, which was established to foster tourism in the Arab markets and also to promote the Arab countries in the international markets. Lebanon is conducting some promotional activities targeted at the Arab

market with cooperation of the member of this council (e.g. TV program advertisement, promotional events, etc). Also Lebanon is a member of the Conference of Ministers of Tourism of Islamic Countries. This organization is aiming at promoting tourism within the Islamic countries and setting up touristic relation with non-Islamic world.

(iii) Regional cooperation

Lebanon is a charter member of the World Tourism Organization and now a member of its executive council. Also Lebanon takes an important role in its Middle East committee, which is tackling the issues related to the budget and financing plan formulation of general program.

(iv) Cooperation with the private sector

Trade fair participation is the main area where MOT seeks cooperation of the private sector such as representative tour operators, travel agencies, hotels and others. MEA is an important partner for this cooperation in subsidizing air/freight costs substantially. Private sector sponsorship is often sought for media advertisement, guest programs and production of promotion materials as well.

Table4.3.3 Current Tools for Promotional Activity by Market and Product Segments

	Cultural		Vacation (Arab families)		Levantine (short break)		MICE		Medical		Winter skiers		Nature-based	
Arab (GCC,Saudi) Kuwait, Egypt, North Africa	*Promotion materials	★	*Media advert *Campaigns	★	Media advert *Campaigns	★	*AWTTE	★	*Promotion materials (NCHT) *seminar/worksh op	★	*Promotion materials	★	*Promotion materials	★
International (EU,USA,Asia)	*Trade fair *Promotion materials, *Guest program	★	N/a		N/a			★	N/a		*Trade fair *Promotion materials	★	*Trade fair *Promotion materials	★
Regional expatriate	*Promotion materials (+word of mouth)	★	Promotion materials (+word of mouth)	★	Promotion materials (+word of mouth)	★	N/a		N/a		*Promotion materials (+word of mouth)	★	*Promotion materials (+word of mouth)	★
Syrian/Jordani an	N/a		*Media advertisement *Campaign (+word of mouth)	★	*Media advertisement *Campaign (+word of mouth)	★	*AWTTE	★	(+word of mouth)	★	(+word of mouth)	★	(+word of mouth)	★
Diaspora (overseas Lebanese	(+word of mouth)	★	(+word of mouth)	★	(+word of mouth)	★	(+word of mouth)	★	(+word of mouth)	★	(+word of mouth)	★	(+word of mouth)	★



Active promotion undertaken



Some Promotion undertaken



Little promotion undertaken

N/A: Not Applicable

3.3.2 Promotion Activities by the Private Sector

(1) Tour Operators

The interview survey with the major tour operators in Lebanon has clarified that they are actively promoting their products and services locally and abroad according to their size of businesses and their target segments of the market. Their efforts are contributing to uplifting Lebanon's market exposure in a significant way, complementing MOT's resource-constrained efforts. Deployed efforts include:

- Participation in international/regional/local trade fairs,
- Media advertisement (e.g., trade and tourism magazines),
- Promotion materials (e.g., brochure, pamphlet and poster),
- Website promotion,
- Sales calls locally, regionally and overseas,
- Maintaining overseas sales/liaison offices (e.g., Nakhal has Dubai sales office), and
- FAM trip for tour operators and press abroad.

However, most tour operators are afflicted by the negative image to the Middle East these days especially in the non-Arab countries. They are very anxious for the strategic and comprehensive promotion, which aims at developing positive images of the country and also the region, being performed with the strong leadership by MOT.

(2) Hotels

The major international hotels are also putting lots of effort into promotion activities. They are trying to promote Lebanon as well as the hotel itself. Their major promotional activities are:

- Sales calls locally, regionally and overseas,
- Participation in international/regional/local trade fairs,
- Media advertisement (e.g., trade and tourism magazines, general magazine, TV and radio with using their brand-network),
- Website promotion through international hotel chains, and
- Promotion materials (e.g., CD-Rom, brochure, pamphlet, poster, etc).

(3) Airlines

Airlines with inter-continental flight network always play a major role in destination development and promotion, although their business objective obviously is to provide transport services for passengers or cargoes. For a relatively small destination like Lebanon to expand her market exposure, the airlines' role as a promotional medium becomes crucially important. MEA recognizes this importance and provides:

- Promotional campaigns,
- Media advertisement (e.g., Business Week, Le Monde, satellite TV abroad),
- Promotion materials (e.g., calendar, posters, CD),
- Participation in international trade fairs,
- MEA web site promotion,
- FAM trip for tour operators and press abroad, and
- Collaborative promotion with MOT, major players of tourism industry, and other tourism-related organizations.

3.3.3 Major Issues

Interviews with the staff of the Department of Tourism Development and some representatives of the tourism industry have revealed the following points as major issues that the Department and more broadly MOT need to tackle with:

- Lack of coherent promotion and marketing strategy for its implementation to guide the Department and the private tourism sector,
- Weakness in organizational structure hampering prompt response to changing market and business needs,
- Lack of capacity building programs to cope with increasing business volume and more demanding tasks (professional skill, expertise development),
- Specialized training of MOT staff, each in his field is required,
- Lack of consistent market monitoring, analysis and evaluation as a basis for effective marketing strategy formulation (system of data collection, analytical capacity, supporting equipment and facility),
- Insufficient quality of promotion materials and management skills of their stocktaking,
- Enhancement of collaboration between the public and the private sectors, and
- Development of the positive and strong images of Lebanon (needs of strategic image-building/brand planning).