



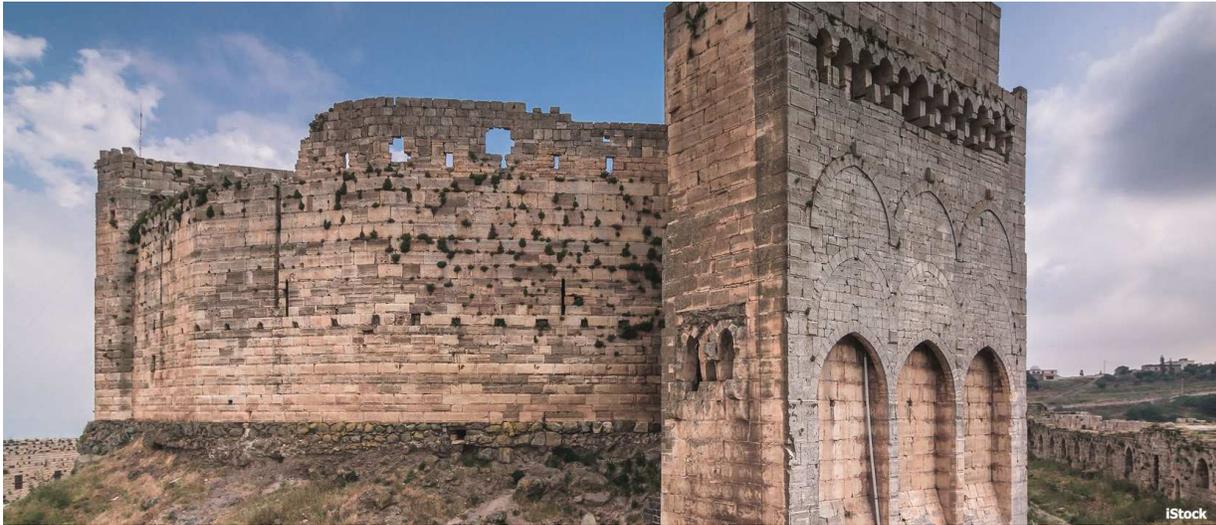
UNITED NATIONS  
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The National Agenda for the Future of Syria (NAFS) Programme  
Towards post-conflict reconstruction and reconciliation in Syria - by Syrians, for Syrians

# Travel and Tourism Sector in Syria

## And

### Peace Building



الأمم المتحدة  
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هذه الورقة هي من نتائج منصة الحوار التقني السوري لدى برنامج الاجندة الوطنية لمستقبل سوريا.  
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اخلاء مسؤولية:

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**Abbreviations:**

T&T	Travel & Tourism input
GDP	Gross Domestic Product
WTTC:	World Travel & Tourism Council
Bn	Billion
SYP	Syrian Pound
US\$	United States Dollar
UN	United Nations
INGOs	International Non-Governmental Organizations
PGA	Policy Gap Analysis

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## I. Abstract:

Talking about tourism in Syria's case might be premature today. However, tourism will have to be a key element in future peace-building and peace-keeping strategies. Peace is generally seen as a precondition for the development of the tourism industry. Yet the possible reverse effect from tourism to peace could also be considered.

While T&T does not in itself eliminate the risk of conflict, it can enhance intercultural understanding and add positively to peace through a two-track diplomacy and can help reduce the risk and incidence of conflict by a) creating a more open society and favoring cultural mixing, T&T can contribute to the national reconciliation process, b) fostering economic activity, it provides valuable opportunities for the population to earn an income. This reduces their incentive to engage in violent conflict and c) acting as a catalyst for co-operation and partnerships between a range of groups and stakeholders.

The conflict has dramatically damaged tourism in Syria and this paper would help start understanding the multi-faceted damage and the sector current and potential future dynamism. This must pave the way for sector policy analysis and vision development within the SPAF document using the policy gap analysis (PGA) as a tool with peace building as an ultimate purpose.

Syria tourism sector PGA, presented in this paper, is carried out according to the following phases:

- Sector vision development, based upon the Syria Vision 2030 in SPAF.
- Assess crisis impact on the sector, aiming at identifying policy gaps in relation to the Peace Building Nexus defined in SPAF, and focusing on the sector institutional governing context, Human rights and gender related issues.
- Identifying sector policy priorities and recommendations to deal with policy gaps.

## II. Background:

Travel & Tourism (T&T) flourished thanks to advancement in transportation and communication technologies and enhanced international relations. T&T proved to be one of the most powerful economic, social, cultural, ecological and political forces in the world today. It touches every nations and influences decision making at highest national levels. Given its significance, communities throughout the world welcomed it as an instrument for economic growth. Recognizing that T&T is a complex system of supply and demand wherein destinations provide different products and the traveling public desires diverse experiences, scholars have categorized it into subcategories that are seen individual enough to merit their own management approaches, marketing schemes, tour circuits and operators, college and university courses, research agendas and in some cases scholarly journals. Among the most prominent types are nature-based tourism, sport tourism, religious tourism, shopping tourism, adventure tourism, cultural tourism, sex tourism, beach and resort tourism, cruise tourism and heritage tourism.

### 1. Travel & Tourism Significance

Travel & Tourism is an important economic activity in most countries around the world.

Its impact on the economic and social development of a country can be enormous; opening it up for business, trade and capital investment, creating jobs and motivating entrepreneurial spirit for the workforce and protecting heritage and cultural values. To fully understand its impact, however, governments, policy makers and businesses around the world accurate and reliable data on the impact of the

**Box n.1 Travel and Tourism Significance:** Travel & Tourism generated US\$7.6 trillion (10% of global GDP) and 277 million jobs (1 in 11 jobs) for the global economy in 2014. Recent years have seen Travel & Tourism growing at a faster rate than both the wider economy and other significant sectors such as automotive, financial services and health care. Last year was no exception.

International tourist arrivals also surged, reaching nearly 1.14 billion and visitor spending more than matched that growth. Visitors from emerging economies now represent a 46% share of these international arrivals (up from 38% in 2000), proving the growth and increased opportunities for travel from those in these new markets.

sector is required. Data is needed to help assess policies that govern future industry

development and to provide knowledge to help guide successful and sustainable T&T investment decisions.

## 2. Travel & Tourism Contribution to GDP

As well as its direct economic impact, the sector has significant indirect and induced impacts (figure 1). WTTC recognizes that Economic total contribution of T&T contribution includes direct, indirect and induced impacts through its annual research.<sup>1</sup>

**The 'direct contribution'** of T&T to GDP is calculated from total internal spending by 'netting out' the purchases made by the different tourism industries. This direct contribution is calculated to be consistent with the output, as expressed in National Accounting, of tourism-characteristic sectors such as hotels, airlines, airports, travel agents and leisure and recreation services that deal directly with tourists<sup>2</sup>. (2). It reflects a) Internal spending on T&T: by residents and non-residents for business and leisure purposes and b) Government Individual spending: spending by government on T&T services directly linked to visitors, such as cultural (e.g. museums) or recreational (e.g. national parks).

**The 'indirect' contribution** includes the GDP and jobs supported by a) T&T investment spending – an important aspect of both current and future activity that includes investment activity such as the purchase of new aircraft and construction of new hotels; b) Government 'collective' spending, which helps T&T activity in many different ways as it is made on behalf of the community at large (e.g. tourism marketing and promotion, aviation, administration, security services, resort area security services, resort area sanitation services, etc.), and c) Domestic purchases of goods and services by the sectors dealing directly with tourists - including, for example, purchases of food and cleaning services by hotels, of fuel and catering services by airlines, and IT services by travel agents.

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<sup>1</sup> The UN Statistics Division-approved Tourism Satellite Accounting methodology (TSA:RMF 2008) quantifies only the direct contribution of Travel & Tourism.

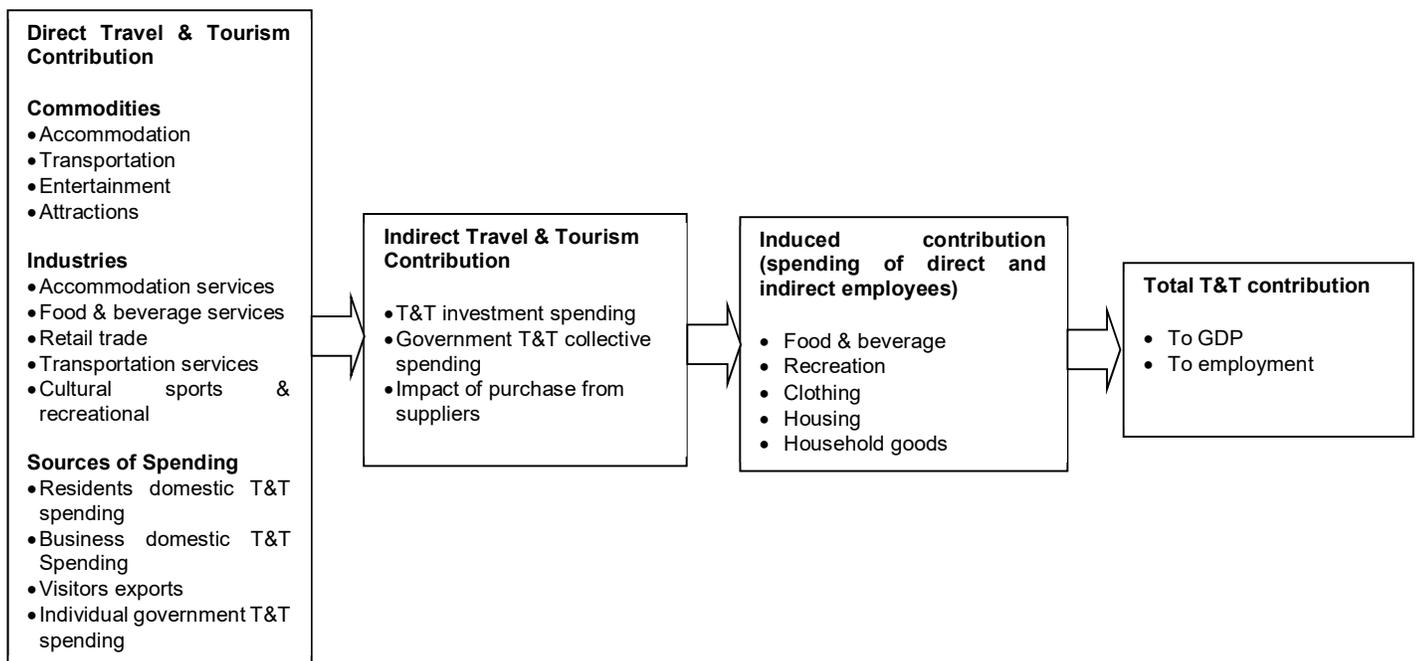
<sup>2</sup> This measure is consistent with the definition of Tourism GDP Specified in the 2008 Tourism Satellite Account: Recommended Methodological Framework (TSA: RMF 2008).

**The 'induced' contribution** measures the GDP and jobs supported by the spending of those who are directly or indirectly employed by the T&T sector.

The sector faces many challenges every year including the weakness and potential volatility of many currencies against the US\$, recessions in outbound market, world trade pace, changes of oil prices which affects living costs and consequently disposable household incomes and domestic consumer spending, and air fares.

Other challenges are related to destination markets situation, attraction capacity and investment opportunities.

The growth of this sector requires countries to adopt a concerted and coordinated approach to talent planning and development between their T&T industry, governments and educational institutions to ensure they fulfill their potential in the years ahead.



**Figure 1: Travel & Tourism input to GDP, World Travel & Tourism Council**

### III. Travel & Tourism in Syria

*“This year is the time to rebuild Syria and our economy,” Bassam Barsik, director of marketing at the Syrian Ministry of Tourism, told the Agence France-Presse news agency in Madrid 2016. Mr. Barsik said 1.3 million foreign visitors traveled to Syria last year, although that figure includes those who came from neighboring Lebanon for only one day. He said officials hoped to raise the number of visitors to two million in 2018.*

#### **Note:**

*Data about tourism in Syria during the crisis is not available and when is, it is not very reliable due to the difficulty in collecting data and verifying it in several regions in the country. The base year will be 2010 and the sources of this paper include:*

- *WTTC reports about Syria*
- *The Syrian Ministry of Tourism released data, through reports, interviews, others,*
- *Reports of other agencies including UN, INGOs, independent think tanks whether local or international.*

#### **T&T in Syria Until end 2010**

Before the beginning of the crisis in 2011, Syria was home to an array of tourist landmarks, from Damascus old Town to Aleppo’s citadel to the Roman-era ruins of Palmyra. Travel & Tourism sector was a major part of Syria’s economy. At its peak in 2010 more than 8.5 million tourists visited the country (refer to table n.2.1 annex n.2). Before 2011, Syria attracted large numbers of Western cultural visitors. It was also increasingly popular with luxury visitors and religious pilgrims.

#### **BOX n.2: T&T Contribution to GDP in Syria in 2010**

- **The Direct Contribution of T&T to GDP in Syria in 2010 reached US\$14 Bn (refer to Annex 1)**
- **The total number of hotels and restaurants and other facilities invested in by both public and private sector increased by 0.8% in 2010 compared to 2009 (refer to annex n2, table n.2.5) with a total new investment in 2010, reaching SYP18.7 billion (refer to annex n2, table n.2.4).**

*Note: SYP exchange rate to US\$ reached 517.30 in October of 2016 and a record low of 44.57 in October of 2010)*

#### **T & T in Syria 2011 to Present**

The country's Travel & Tourism industry has been a major causality of the crisis. Many of the country's cultural and historic treasures have been badly damaged or destroyed. The widespread insecurity throughout the conflict has meant most governments advise their citizens against travel to Syria. The crisis has also caused unprecedented weakness in the Syrian economy, which has had a negative influence on outbound tourism as well.

**Contribution of T & T to GDP in Syria:** The Direct contribution of T & T to GDP in Syria has increased to unprecedented levels in 2010 to reach 625.6 billion SYP. Since then it started decreasing to reach 304 billion SYP in 2016 losing more than 95% (in real prices 2016). This reflects sharp decrease of the total internal T & T spending within Syria which is generated by industries that deal directly with tourists, including hotels, travel agents, airlines and other passenger transport services, as well as the activities of restaurants and leisure industries. (refer to Chart n.1).

The WTTC reports that the direct contribution of visitor spending on travel and tourism to Syria's had decreased to 4.6% of GDP in 2014 equivalent to SYP 194 billion, from a high of more than 8% of GDP equivalent to SYP 600 billion in 2010.

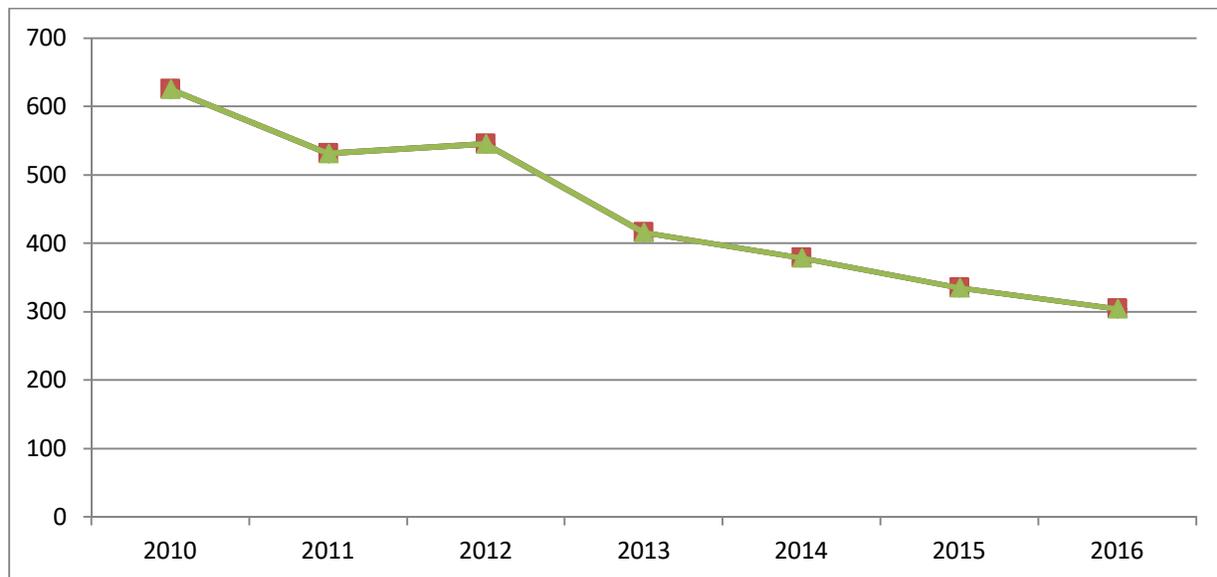
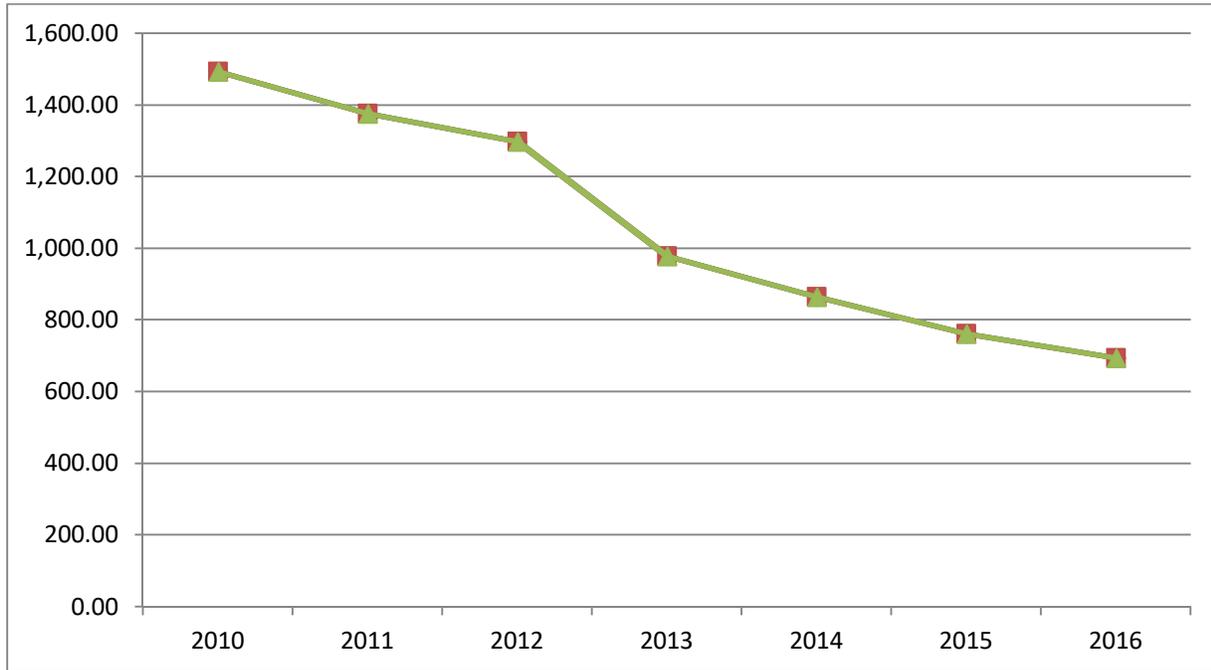


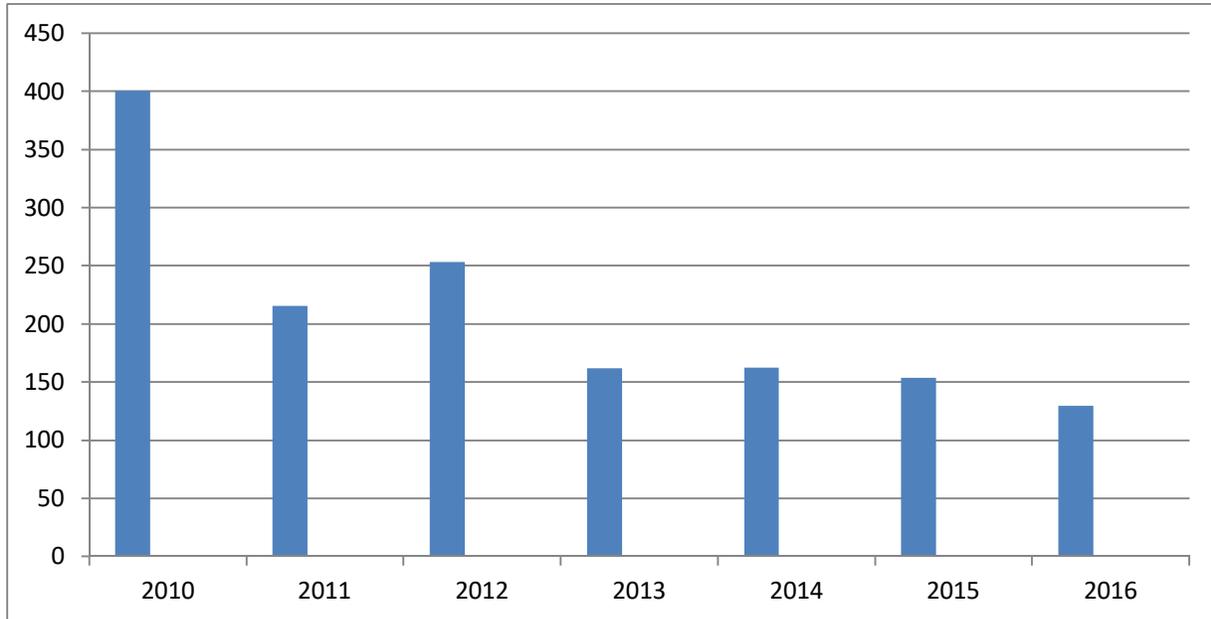
Chart n.1: Direct Contribution of T&T to GDP, Bn SYP, Real 2016 prices, WTTC, Syria, 2017

This has been joined by a sharp decrease in the T&T Total contribution to GDP in Syria. Which means a decrease in the indirect contribution to GDP (investment spending, government collective spending and domestic purchase of goods and services by the sectors dealing directly with tourists), and the induced impact (the GDP and jobs supported by the spending of those who are directly or indirectly employed by the T&T sector). (Refer to Chart n. 2).

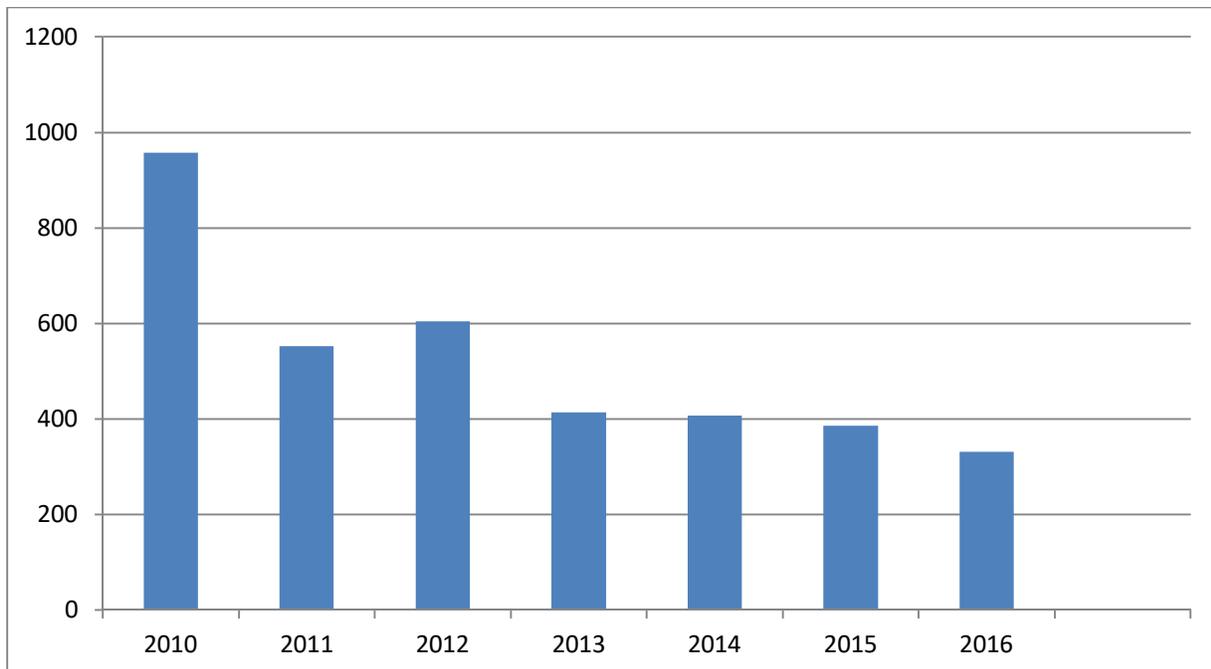


**Chart n.2: Total Contribution of T&T to GDP, Bn SYP, Real 2016 prices, WTTC, Syria, 2017**

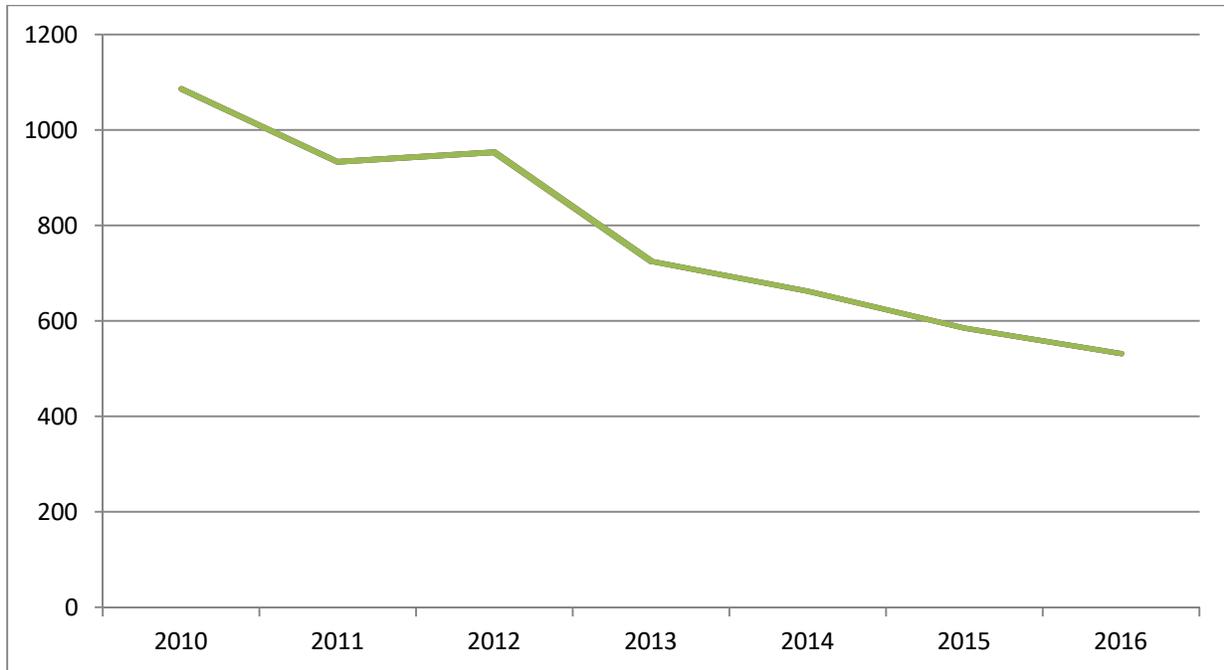
**Contribution to Employment:** The 67.6 % dramatic decrease of direct jobs within T&T between 2010 and 2016 caused a decrease of 65.3 % in the total impact of T&T to employment. (Charts n.3 and n.4).



**Chart n.3: Direct Contribution of T&T to Employment in Syria ('000 person)**



**Chart n.4: Total Contribution of T&T Employment in Syria ('000 person)**



**Chart n.5: Internal Tourism Consumption in Syria between 2010 – 2016, Bn SYP, Real 2016 prices, WTTC Syria 2017**

#### IV. Vision Development of Travel & Tourism Sector in Syria

A vision for the Travel & Tourism sector for the year 2030 based upon the Syria vision 2030 detailed in the SPAF 2016.

##### A) Vision Basics:

- Syrians are to rebuild the united Syria, and they will provide for peace.
- Travel & Tourism Sector in Syria has a great proven potential as a carrier for growth and sustainable development.
- The Sector has a great potential that was proven through its direct, indirect and induced contribution to the GDP in Syria pre-crisis.
- This potential is also proven through the sector significant participation in increasing employment in Syria and in building competitive advantages of the Syrian economy pre-crisis.
- The link between common interest and peace in Syria shall be enforced by a prosperous Travel & Tourism Sector.

##### B) Vision Principles:

1. Through all the components of the sector value chain and in all its categories, it provides multi-dimensional opportunities to rebuild human capital and offers for large segments of the Syrian population serious chances to restore their well fare. Such potential would motivate voluntary, safe and dignified return of IDPs and refugees and consequently participate in achieving Syria's long term development vision.

T&T is an industry like any other, requiring stability and trust to operate efficiently. Nevertheless, its socio-cultural impact might be far larger than other industries considering the nature of its components and products. It could be a mind opening and building bridges among different communities and linking cultures.

2. Sector governance that entails further partnership with private sector entities, local communities and knowledgeable communities in the different targeted regions in the country.

A governance that is based upon a policy redefining role of different partners within the value chain of industry.

A redefinition tailored upon potential individual and collective benefits, the targeted community role, T&T category and that involves the business models towards larger community ownership of segments of the process.

3. While defining the sector policies, integrating the priorities of enhanced peace

building culture, diversity conservation and sense of shared interest.

4. Suggesting advanced representations of all stakeholders that guarantee balanced interests, balanced regional support to the sector, effective monitoring and evaluation and paves the way towards efficient collective and individual evolution of the sector.
5. T&T would play a significant role in reconstruction and sustainable development in Syria.
6. Qualified, transparent and responsive public administration would surely earn the trust of the stakeholders and would enable increased efficiency across the T & T processes.
7. The indirect input of T&T sector to the economy would participate effectively in rebuilding the infrastructure, the social texture, mobilizing knowledge transfer channels and introducing new technologies to better exploit resources and respond to needs, which would support economic recovery, resilience and peace building.

### **C) Vision Logic**

T&T sector is based upon a complex platform integrating legal, institutional, financial, human resources and knowledge, infrastructure, services and investments. Consistency and stability are essential for any possible growth in this sector.

Tourism is categorized under several types including but not limited to, cultural, environmental, sex, religious, medical, ethnical, leisure. So selecting types to target based upon the available resources is crucial when developing the sector vision.

While developing this vision, internal and external, popular and luxury tourism are to be well distinguished. During the immediate years before the crisis, T&T proved to have a great potential within the Syrian economy. In 2010, the total input of the sector to the GDP reached almost 1,500 bn SYP (real 2016 prices) and its total contribution to employment almost one million person (refer to Tourism introduction and to annex 1).

### **D) Sector Recovery Approaches and Impacts:**

The role of T&T in the recovery period requires an aggressive approach considering its socio-cultural role that is closely tied to its economic role.

The suggested approach is based upon the above basics and principles and considers two levels:

1. An immediate level based upon the T&T categories and that proved to be functional during the crisis and/or have undisputable growth potential. These categories include Internal T&T and Religious T&T.
  - These categories have a direct impact on individual income, individual consumption, service supply including accommodation, leisure, food and beverage.
  - They would have direct, indirect and induced impacts on GDP and employment.
  - They might serve as carriers for other T&T categories.
  - Besides their economic impact, their cultural and social impact through participating in restoring confidence and trust within the Syrian society and through serving in better introducing the different Syrian communities to each other, and
  - They would serve as carriers for other T&T categories.
  
2. A long term and sustainable level based upon the indirect contribution of T&T sector to GDP and employment. This contribution covers the following three factors:
  - Mobilizing capital investment spending by all industries directly involved in T&T. This would require policies that facilitate investments and promote it in different T&T categories would. It requires deep market research and resource needs assessment and consequently risk evaluation and mitigation options.
  - Government collective spending in support of general T&T activities. This includes national as well as regional and local government spending. For example, it includes tourism promotion, visitor information services, administrative services and other public services. This needs to be regionally balanced and partnering with targeted communities and diversifying T&T categories. It would require a dynamic policy formulation and clear strategic planning led by the government and integrating the different stakeholders to guarantee integration among required socio-cultural impacts, economic impact and sustainable development priorities.
  - Supply-chain effects meaning purchases of domestic goods and services directly by different industries within T&T as inputs to their final tourism output. These would require development and integration of innovative technologies that would facilitate the supply chain effects and would increase efficiency of links among the diverse sectors.

## V. Policy Gap Analysis by Nexus

**Box n.3: Tourism competitiveness** for a destination is about the ability of the place to optimize its attractiveness for residents and non-residents, to deliver quality, innovative, and attractive (e.g. providing good value for money) tourism services to consumers and to gain market shares on the domestic and global market places, while ensuring that the available resources supporting tourism are used efficiently and in a sustainable way.

While exploring key indicators to be used to respond to PGA questions, the cases of Spain and Turkey were considered as examples. The case of Spain talks about regional development of tourism across the country (refer to reference n.2), which intersects with the approach adapted in this paper. The case of Turkey considers the effect of political conflict and terrorism on tourism (refer to ref n.3). As a result, the Key indicators that are used while responding to PGA questions in this paper are organized around four categories as follows:

- Indicators measuring T&T performance and impacts in Syria pre and during the crisis.
- Indicators monitoring the ability of Syria as a destination to deliver quality and competitive tourism services.
- Indicators monitoring the attractiveness of Syria as a destination.
- Indicators describing policy responses and economic opportunities.

The measurement framework comprises three types of indicator that can be applied to measure competitiveness in tourism – core, supplementary and for future development.

## Nexus 1: Current Situation and Policy Gaps in Emergency Response, Relief and Humanitarian Work

### Nexus 1-a: Voluntary Return and Reintegration

How did the tourism sector get affected by displacement, both internally and externally?

Internal and External Displacement movements in Syria since 2011, caused a severe disruption to T&T performance in the country. Info-graph n.1 provides an idea of internal displacement during 2017.

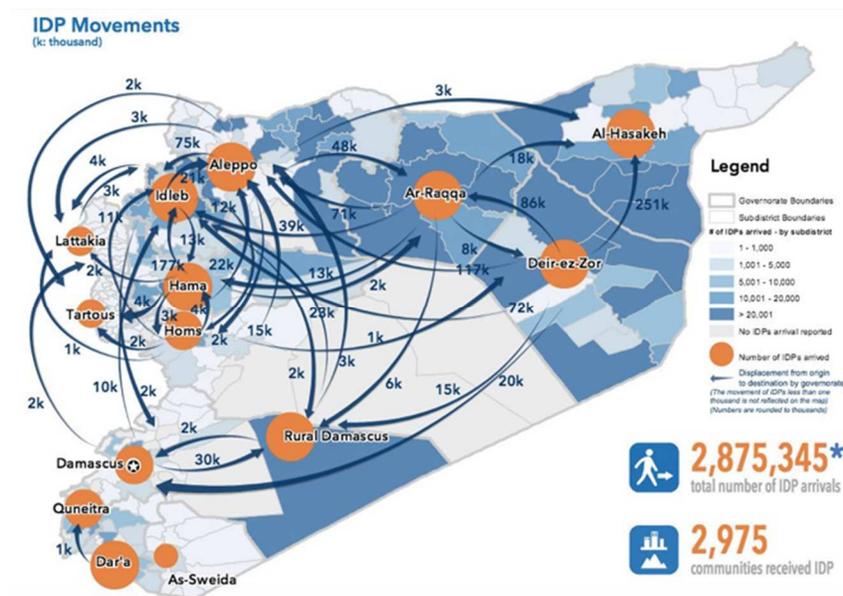


Figure 2: Internal Displacement Dynamism in Syria during 2017

Source: <https://www.humanitarianresponse.info/en/operations/stima/infographic/idp-movements-2017-glance>

Such population dynamism puts T&T in front of serious challenges. Linked to other causes, it caused a sharp decline in the attractiveness of the country as tourism destination and consequently decline in all indicators measuring the performance of the sector in Syria including:

- Tourism Direct Gross Domestic Product has significantly fallen from – in 2010 to – in 2017.
- Inbound tourism revenues per visitor from all source markets due to disruption in the supply chain relevant to the tourism industry.

- Overnights in all types of accommodation due to use of most accommodation to accommodate IDPs.
- Exports of tourism services and Labor productivity due to internal or external displacement of relevant human resources.
- The severe impact of changing population density because of displacement on Natural resources and biodiversity, and on cultural and creative resources.

Return of displaced Syrians, internally and externally, faces complex and complicated set of obstacles and challenges as elaborated in 'SPAF, the Return Home, Preparation for a dignified and safe return of Syrians, experts meeting report, 26–28 May 2015'. Challenges cover all aspects including the accumulated impact in the displacement destinations including the loss of main material and non-material assets of survival and of having a dignified life, the damage to services and the loss of properties in the origin home place. All the above accompanied with serious degradation in the situation of refugees in terms of health, education, capabilities, gender situation.

All the above accompanied with low level of coordination among the different stakeholders whether governments in host countries, local government, INGOs, local NGOs, and donors which led to a void on coordinated policies and actions that are crucial to face such complex set of challenges.

It might seem useless to talk about T&T impact on return, since the sector depends on an inter-related set of inputs from different sectors and requires all types of investments in preparing the ground for potentially successful performance, and very fragile in face of safety and security challenges. Currently, and based upon the above, Syria is far from being an attractive destination for T&T internationally.

Nevertheless, and if we look closely at the sector impact on GDP and employment (figure n. ), and if we consider the country's high natural, cultural and historical reserves, it might become more convincing to look at the preparation phases as a main carrier for, not only restoring the sector's heavily damaged foundations, but also to link this preparation to other vital objectives such as return of internally and externally displaced Syrians.

### **What is the current situation of the T&T sector both in areas of internal and external displacement and in the host communities?**

T&T sector in areas of internal displacement has lost most of its necessary resources and attractiveness because of the increased population density and consequent impacts, resources reallocation, scarcity of accommodation and relatively high prices, inability to

access natural, cultural and creative assets and the qualitative and quantitative decrease in the services as a result of fleeing of qualified human resources and the damage caused to T&T supply chain.

### **What is the role of the tourism sector in encouraging and/or enabling return?**

It is obvious how T&T sector could have a role in encouraging and/or enabling return, since reasons for return are mainly security, stability and availability of services (infrastructure, health and education). Nevertheless, T&T role could be deduced from its indirect impact which focuses on government collective expenditure joint to policies enabling private investments and capitalizing on local resources.

The two levels mentioned-above; the immediate and long term; would encourage public and private investments in related tourism areas which create job opportunities either directly or indirectly related to T & T and would encourage return of internally and externally displaced population.

### **What are T&T sector opportunities that could be invested in or built on to support the return policy recommendations?**

- Promoting domestic tourism and facilitating it. Facilitating access to information about tourism destination, accommodation and internal travel modalities and prices.
- Launching financially supported capacity building programs in the displacement origin regions and related to T & T would mobilize returns.
- Providing financial facilities to oriented investments in T&T in the displacement origin regions would encourage return.

## **Nexus 1-b: Local Response**

Should we examine the crisis direct impact on T&T between 2010 and 2016, we find that tourism domestic consumption has declined of more than 27 % and the decline of the T&T Direct Contribution to GDP of more than 50% (refer to annex, table 1: The Economic contribution of T&T), this clearly shows the decline of the sector competitiveness. This limits the ability of local response to compensate. Providing precise related data is a challenge. The following tries explain in details this impact and this response through focusing on inbound and domestic tourism economy.

### **What is the impact of the crisis on T&T sector service delivery?**

- The supply chain related to T&T sector has been severely affected by the crisis because of the significant damage to supply channels, the damage affecting related sectors which affected the productivity of these sectors and the availability of required supplies.
- A significant decline of flows of foreign clients in all types of accommodation (we must refer to the fact that it is difficult measuring unregistered and private accommodation).
- A significant decline in exports of tourism services compared with other sectors
- The internal and external displacement has negatively affected the level and evolution of productivity of those employed in tourism and the productive potential of the tourism economy.
- The damage caused to natural resources, biodiversity, cultural and creative resources and the difficulty accessing a lot of these resources negatively affected attractiveness of T&T in Syria and the ability of providing relevant services.

### **How did the service delivery structures/channels get affected?**

Significant challenges has emerged during the crisis to inbound tourism economy in Syria during the crisis including declining individual expenditure, changing costs of services and products, inaccessibility to services and diminishing attractiveness of T&T in Syria. All the above has led the sector into a closed down cyclone covering all aspects including services delivery. The structure/channels of service delivery got affected as follow:

- The diminishing capital investment has affected qualitatively and quantitatively the structure of service delivery.
- Domestic expenditure (including government individual expenditure) capacity has declined significantly since the beginning of the crisis which badly affected service delivery structure.
- Human resources has gained experience and participated to the attractiveness of Syria as a major Tourism destination until 2010. Because of the damage caused to

this attractiveness and the decline of the competitiveness of T&T since the beginning of the crisis, qualified human resources was lost to the sector which affected the quality of the services provided in all categories. Human resource has significantly increased in T&T until 2010 and then the sector contribution to employment has declined of more than 70% until 2016.

- The major financial, logistical and procedural difficulties facing production and internal commerce and import has caused severe damage to supply chain where Purchases by tourism providers, including imported goods decline of more than 50%.
- Physical damage, safety and security, consistency, financial and institutional difficulties have severely affected transport, country access points and roads and airlines.

**What are the existing T&T sector-related coping mechanisms, and what would be the impact of those on the short and long-term recovery of the tourism sector?**

As explained previously, the sector input platform was heavily damaged during the crisis, and coping mechanisms are not the proper term to use when describing ways how the sector evolved during this period, instead partial survival might better describe this evolution. Features of this survival could be summarized as follows:

- Large portion of tourism accommodation has changed status (prices, types and level of services) because of the severely decreasing demand of foreign visitor tourists and others and the increasing demand from internally and externally displaced Syrians, families and individuals. Most accommodations started receiving for long periods and for much lower prices than the usual practice.
- The diminishing level of services in the T&T in Syria since the beginning of the crisis in 2011 and very Localized leisure expenditure in some safe regions.
- On another level, capital investment has decreased significantly since the beginning of the crisis, with some modest signs of regaining vigor during the first quarter of 2018.
- A decreasing investment in employment and in capacity building to be able to survive the decreasing gains.
- The above has severe impact on the ability of the sector to re-launch because of the lost understanding of the complex set of success and tourism attraction requirements among the remaining actors due to the current practice and to the loss of the qualified human resource. It would require massive investments and balanced policies and strategic planning elaborated in partnership with the different stakeholders and on a regional level.

**What are T&T sector opportunities that could be invested in and build on in support of local response policy options?**

The sector is highly conflict sensitive, and major interventions chances are related to a higher political situation. Still, designed limited span intervention would be helpful in enabling local response. Such intervention require designing solutions according to region that provide more space for local authorities to formulate their regional tourism support policies, and to partner with private investors, INGOs, local communities in developing and implementing applied intervention within these policies.

This would enhance capital investment spending in increasing the attractiveness of the region and in start building relevant capacities.

Such solutions might be multi-faceted in terms of profit oriented and also supporting employment, respecting gender criteria, capitalizing on the region natural, tangible and intangible cultural heritage, historical and archeological resources.

## **Nexus 2- Current Situation and Policy Gaps in Building a Legal Framework and Institutional Rehabilitation**

### **How is the sector affected by the political and military situation on the ground?**

During the crisis, priorities and mechanisms of decision making diverge from those related to T&T support. Tourism promotion is unreasonable, capital attraction decreases, qualified human resource flee the seen of crisis versus more attractive contexts, demand decrease to minimum levels and in specific areas (religious tourism, and internal leisure tourism), the supply chain is heavily affected because of the damage to channels of delivery, the lack of raw material and the increasing prices and the instability of supply. All the above (elaborated in details in other previous sections), affected T & T performance in Syria as follows:

- Its contribution to GDP and to employment decreased to unprecedented levels and services within the sector are primitive.
- The attractiveness of Syria as tourism destination has fallen because of the military actions and their physical, physiological impact on the context.
- Political situation gave an image of Syria as a conflict, high risk, poor region, which affects its tourism attractiveness and consequently has negative impact on demand.
- Transport to and within Syria was heavily affected by the military actions across the country and by the political situation. Most of international airlines stopped their travels to Syria, international roads connecting Syria to other countries in the region were closed to civil passengers except for the road Damascus to Beirut. Internal transport has become lengthy and expensive. All that affected potential desire of foreign tourists to visit the country and that of local tourist of traveling internally.

**What aspects of the impact of the conflict on the tourism sector need to be taken into consideration in the political dialogue and while setting up mechanisms to support and sustain peace building and prevent relapse into conflict?**

It will be an easy task to convince participants in the political dialogue to consider aspects related to T&T sector, still it is worthwhile trying and it might be very rewarding regarding the output of the dialogue. Physical and conceptual aspects need to be considered in response to the damage caused to T&T sector in Syria and to support a sustainable peace:

- Physical aspects include:
  - Rehabilitation of transport channels to become easier and affordable, entry to the country procedure facilitation and re-establishing transport (road and flights) to and from the country.
  - Financing restoration of damaged historical and archeological sites
- Conceptual aspects include:
  - Exploring possible alternative governance structures within the T&T sector, on the first level to enable a more efficient linkage between T&T and the other sectors, and on the second level to encourage the growth of regional and more balanced T&T and tailored upon local inputs, resources and situation.
  - Easing the financing of T&T performance improvement, including promotion, capacity building,
  - Exploring new ideas such as organically linking the sector to recovery and resilience through knowledge, technology and business tourism ad enabling such ideas of materializing.
  - Focus within the discussions on the diversity of the Syrian tangible and intangible cultural heritage and on its historical interrelation with the world heritage and explore efforts to mobilize this heritage and upgrade it.

**What are the theme/sector opportunities that could be invested in and build on in support of building a legal framework and rehabilitating the institutions?**

Themes/sectors are of either strategic or applied nature. It should be considered that any related discussion, solution, suggestion needs to be flexible and dynamic to cope with the changing local and international context.

- The governance structure of T&T, where a more flexibility needs to be allowed to local decision making and more partnership with local communities to become increasingly

involved in the process and earning income from it and guardian of its progress and of its resources.

- Mobilizing a systematic strategic planning process considering immediate and longer-term opportunities, a serious, aggressive and non-classical planning that involves other sectors, that focuses on evolution, peace and gender, that does not run to easy solutions, that consider the accumulated cultural and human capital accumulated within Syrians across the world.
- Designing quality control standards and enforcement process in relation to dealing with cultural heritage, to support deploying this heritage always conserving it and supporting its evolution.
- Designing quality control standards and enforcement process in relation to service supply within the T&T.
- Enabling an encouraging legal and financial platform promoting balanced regional investment.
- Promoting solutions integrating local communities' priorities and facilitating, legally and financially, the establishment of "Tourism Cooperatives". They have multi-dimensional impacts; involving members of local communities in T&T activities, raising their awareness of the significance and importance of the resources in their region, creating shared interests which would generate profitable communication, mobilizing partnership among the private sector and the local communities, involving members of the community of decision making related to T&T local resources. All that would help the emergence of a new and efficient business and communication culture and would encourage creativity.

### **Nexus 3- Current Situation and Policy Gaps in Reconciliation and Social Cohesion**

#### **How did the conflict-related division in the Syrian society affect the theme/sector?**

It affected peace, safety and security, and most important trust. All those aspects are vital to a successful T&T. As a result, inputs to planning for T&T projects became very difficult to assess and changing quickly. Interests were not shared neither common, and priorities on the ground are very much different of those related to the success of T&T. consequently the sector lost its attraction as a possible source of income for both potential employers and employed.

#### **What aspects of the theme/sector would contribute to further division among Syrians and in the Syrian society if not accounted for in the peace building phase?**

Several aspects could become problematic and source of conflict within the T&T sector including:

- Un-balanced investment in the T&T sector whether regionally or culturally. This aspect covers legal and financial foundations of the sector and relates to all inputs and facilities offered to investments.
- Low involvement of local communities in regional sector planning.
- Low benefits from the T&T initiatives to local communities.
- Low level of quality knowledge among Syrians of the diversity and richness of the country.

#### **What aspects of the theme/sector could be used as opportunities to invest in and build on in support of reconciliation and social cohesion?**

- Respecting local cultures and diversity and reflecting those aspects within the T&T Policies and plans.
- Increasing quality knowledge among Syrians of the different types of diversity and richness of the country and of the potential they provide on several levels including social cohesion, economic prosperity and evolution.
- Encouraging balanced regional collective and individual investments in the T&T sector.
- Mobilizing partnership among the local authorities, local communities, and potential investors in identifying needs, solutions and investments options and models.

- In collaboration with INGOs and donors, Explore possible new business models suggesting a wider partnership with local communities.
- Enabling and encouraging legal and financial platform promoting balanced regional investment and promoting solutions integrating local communities priorities.

#### **Nexus 4: Current Situation and Policy Gaps in Rehabilitation of Physical and Social Infrastructure**

##### **What is the impact of the conflict on the theme/sector infrastructure if applicable?**

The impact caused to the physical and social infrastructure related to the T&T sector in Syria as a result of the crisis was thoroughly elaborated in the previous sections in this paper. It could be summarized in the following:

- The physical infrastructure including transportation means and ways suffers from serious damage affecting the functioning of T&T activities.
- Legal infrastructure enforcement efficiency needs to be improved.
- Qualified human resources numbers have decreased significantly during the crisis.
- Funding sources have become scarce during the crisis which affected investment spending heavily.

##### **What are the theme/sector opportunities that could be invested in and build on in support of rebuilding the physical and social infrastructure?**

- Enabling partnership increased participation of local communities sector related needs and priorities assessment and in decision making.
- Focusing on local cultural diversity and cross communities cultural linkages and introduce that aspect within the education process.
- Invest in human resources whether in building related capacities, in increasing knowledge about the shared and common interest in successful and profitable T&T
- Enabling shared investment built upon partnership among local communities' members.
- Mobilize conservation and preservation of natural and archeological resources and increase knowledge of local communities about these aspects and build their capacities to better engage in related initiatives.
- Encourage quality internal tourism and link it to education, and to business tourism.

## VI. Sector Policy Priorities:

1. The need to adapt a combined approach while contemplating policy formulation of the sector. Immediate term focusing on the categories that have the opportunity to grow immediately including internal tourism and religious tourism. Long term focusing on the enabling of the sector through its indirect impact including rethinking collective government spending, capital investment and enabling the related supply chain. This means mobilizing a systematic strategic planning process considering immediate and longer term opportunities, a serious, aggressive and non-classical planning that involves other sectors, that focuses on evolution, peace and gender, that does not run to easy solutions, that consider the accumulated cultural and human capital accumulated within Syrians across the world.
2. Since the sector is very conflict sensitive, a policy approach based upon a multi-layered coordination with other sectors and institutions relevant to its functioning and making part of its supply chain seems a priority. Improve security conditions for Syrian expats willing to visit Syria
3. Enhance the sector 'indirect' contribution to GDP and jobs. This could be supported by:
  - a) Spending on infrastructure that forms a main input to the sector value chain. This includes transport infrastructure an improved and wider roads, railways, and air travels network. It includes purchasing new and efficient means of transportation including buses, trains and aircrafts.
  - b) Spending on tourism marketing and promotion, on improved related administration services, security services and health and sanitation services,
  - c) Spending on improving human and cultural capital related to catering and cleaning services supplied to tourism facilities (such as hotels, airlines)
  - d) Spending on improving IT services related to T&T.
  - e) Spending on improved energy supply (raw material and services) related tot eh sector. This includes investing in designing new dynamic solutions integrating IT and renewable energy to guarantee supply and increase its efficiency. It requires, as well, investing in improving related human capital.

- f) Designing quality control standards and enforcement process in relation to service supply within the T&T.
4. Improved security conditions for Syrian expats willing to visit Syria.
    - a. Adapting an aggressive approach while considering partnership among the different stakeholders especially local communities and the need to join the policy thinking with applied models to test it and to increase its flexibility. This approach could be supported by: Designing solutions according to region that provide more space for local authorities to formulate their regional tourism support policies, and to partner with private investors, INGOs, local communities in developing and implementing applied intervention within these policies.
    - b. Promoting domestic tourism and facilitating it. Facilitating access to information about tourism destination, accommodation and internal travel modalities and prices.
    - c. Launching financially supported regional capacity building programs.
    - d. Providing financial facilities to regional investments in T&T.
    - e. Enabling an encouraging legal and financial platform promoting balanced regional investment.
    - f. Promoting solutions integrating local communities priorities and facilitating, legally and financially, the establishment of "Tourism Cooperatives".
    - g. Respecting local cultures and diversity and reflecting those aspects within the T&T Policies and plans.
    - h. Increasing quality knowledge among Syrians of the different types of diversity and richness of the country and of the potential they provide on several levels including social cohesion, economic prosperity and evolution.
    - i. Encouraging balanced regional collective and individual investments in the T&T sector.
    - j. Mobilizing partnership among the local authorities, local communities, and potential investors in identifying needs, solutions and investments options and models.
    - k. In collaboration with INGOs and donors, Explore possible new business models suggesting a wider partnership with local communities.
    - l. Enabling and encouraging legal and financial platform promoting balanced regional investment and promoting solutions integrating local communities priorities.

5. Designing quality control standards and enforcement process in relation to dealing with tangible and intangible cultural heritage, to support deploying this heritage always conserving it and supporting its evolution.
6. Designing quality control standards and enforcement process in relation to service supply within the T&T.
7. Mobilize conservation and preservation of natural and archeological resources, increase knowledge of local communities about these aspects, and build their capacities to better engage in related initiatives.
8. Encourage quality internal tourism and link it to education, and to business tourism.

# Travel & Tourism Syria PGA

## May 2018

### Annexes

1. THE ECONOMIC CONTRIBUTION OF TRAVEL & TOURISM: REAL 2016 PRICES,  
Source: WORLD TRAVEL & TOURISM COUNCIL
2. FIGURES 2009 -2010 (Source Minister of Tourism – Interview with Syria life, 28/01/2011)
  - 2.1 INOCOMING TOURISM TO SYRIA 2009 – 2010 (including 1 day visitors, transit and non tourism visitors
  - 2.2 Incoming Tourism to Syria 2009 - 2010 figures, Out Bond Countries
  - 2.3 Distribution of Tourists per region in Syria in 2010
  - 2.4 New, Accumulated and Under Construction Investment Figures in 2009 – 2010 in Syria
  - 2.5 Tourism investment in 2009 – 2010 in Syria

1. THE ECONOMIC CONTRIBUTION OF TRAVEL & TOURISM: REAL 2016 PRICES,  
Source: WORLD TRAVEL & TOURISM COUNCIL

Syria bn SYP, real 2016 prices	2010	2011	2012	2013	2014	2015	2016
1. Visitor exports	829.9	417.3	588.8	454.7	424.9	375.1	345.6
2. Domestic expenditure (includes government individual spending)	258.3	515.8	364.7	271.1	237.4	210.2	186.4
3. Internal tourism consumption (= 1 + 2 )	1086.2	933.1	953.5	725.8	662.3	585.4	531.9
4. Purchases by tourism providers, including imported goods (supply chain)	-460.5	-402.3	-408.4	-309.5	-283.6	-250.9	-228.0
5. Direct contribution of T & T to GDP (= 3 + 4)	625.6	530.9	545.1	416.3	378.7	334.5	304.0
6. Other final impacts (indirect & induced) domestic supply chain	444.2	376.9	387.0	295.6	268.8	237.5	215.8
7. Capital investment	106.0	164.6	75.4	56.3	38.2	31.6	30.0
8. Government collective spending	25.0	42.5	34.4	27.4	23.4	20.0	18.1
9. Imported goods from indirect spending	-3.1	-8.2	-3.3	-3.0	-2.9	-2.7	-2.4
10. Induced	295.7	269.5	259.6	185.6	158.8	140.3	128.5
11. Total contribution of T & T to GDP (= 5 + 6 + 7 + 8 + 9 + 10)	1,493.5	1,376.2	1,298.2	978.2	865.0	761.2	693.9
12. Direct contribution of T & T to employment ('000)	400.3	215.4	253.4	162.0	162.4	153.7	129.8
13. Total contribution of T & T to employment ('000)	957.1	552.6	604.0	414.2	407.0	385.6	331.7
14. Other indicators; Expenditure on outbound travel	135.9	50.4	50.8	51.7	47.4	39.6	37.1

2. FIGURES 2009 -2010 (Source Minister of Tourism – Interview with Syria life, 28/01/2011)

2.1. INCOMING TOURISM TO SYRIA 2009 – 2010 (including 1-day visitors, transit and non-tourism visitors):

Item	2009 (million incoming)	2010 (million incoming)	Growth (%)
Land Traveling	6	8	+44
Air Traveling	1.087	1.5	+34
Sea Traveling	0.095	0.0118	+24
Total incoming	7.182	9.5118	+42

2.2. Incoming Tourism to Syria 2009 - 2010 figures, Out Bond Countries:

Item	2009 (million incoming)	2010 (million incoming)	2011 (million incoming)	Change (%)
One day visitors and transit incoming	1.628.906	1.804.660	-	-
Arab Tourists	3.590.273	4.654.530	-	-
Gulf countries	-	-	-	-85
Jordan	-	-	-	-79
Lebanon	-	-	-	-51
Iraq	-	-	-	-19
Total non-Arab Tourists	1.436.679	2.378.260	-	-
Turkish Tourists	381.677	864.988	311.395	-64
Iran	-	-	-	-38
India	-	-	-	-24

China	-	-	-	-24
Malaysia	-	-	-	-24
Australia	-	-	-	
USA	-	-	-	-70
European Tourists	440.311	390.354	97.588	-75
Total Tourists	6.655.858	8.837.450	-	-

### 2.3. Distribution of Tourists per region in Syria in 2010:

Region	Number of Tourists	Percentage of Total Number
Damascus and Rural Damascus	3.854.623	45.7
Northern Region	1.452.794	17.2
Coastal Region	1.376.336	16.3
Median Region	1.031.482	12.2
North Eastern Region	476.069	5.65
Southern Region	238.034	2.82
Total	8.429.338	100.00

### 2.4. New, Accumulated and Under Construction Investment Figures in 2009 – 2010 in Syria:

	2009 (SYP Billion)	2010 (SYP Billion)	Growth %
New Investment (achieved projects)		18.7	
<b>Accumulated investments (achieved projects)</b>	208	226.7	9%
<b>Investments being achieved</b>	259	289	10
<b>Total investment cost</b>	466.5	515.3	9.4

## 2.5. Tourism investment in 2009 – 2010 in Syria:

	2009	2010	%
New Hotel put in services		57	
New Restaurants put in services		230	
Total in service	3,335	3,622	8
Hotels under Construction		63	
Restaurant under construction		28	
Total Restaurants under Construction	459	550	16.6
Number of beds entering in service		2,901	
Total beds in service	50,921	53,822	5.4
Beds in projects under construction		7,467	
Total beds under construction	77,544	85,011	9
Number of chairs in restaurants entering in service		34,798	
Total number of chairs in service in restaurants	324,661	359,459	11
Number of chairs under construction		33,807	
Total Number of chairs under construction	275,788	309,595	10.9