

EGYPT ON THE HUNT FOR NEW TOURISM MARKETS



The Egyptian tourism minister announced in the Arabian Hotel Investment Conference Egypt's plan of looking for other tourism markets such as Japan and the BRIC (Brazil, Russia, India, and China) countries to further increase tourism profit and meet the USD 25 Billion revenue planned for 2017.

According to the tourism minister Mounir Fakhry Abdul Noor, the country already has a number of tourism plans such as reducing airport fees, launching aggressive tourism campaigns funded by the product sector, and the introduction of new tourism projects such as the Sharm Al Shaikh eco-tourism project to help increase tourist number to 14.7 million, the average number of tourists before the uprising.

In addition, the minister added that their traditional tourism markets are nearing saturation and shows no signs of improving. This time, they are eager to welcome the BRIC and are happy that the Japanese are once again coming back. Already, a new airline is in the works to service Cairo and Tokyo as well a second one planned for Cairo and Osaka.

Tourists stay longer

At present, there have already been favorable results largely due to the 32 percent increase in tourist arrivals in the first quarter of this year. Likewise, tourists now spend an average of 11.6 days in that period noting the influx of Russian, Polish, and Ukrainian tourists according to the minister.

Analysts such as Gavind Samson of Christie & Co Mena noted that among the countries involved in the Arab uprisings, it seems Egypt is recovering the fastest. He also mentioned that to achieve the same number of tourist arrivals as before the uprising, hotel rooms would have to be cheaper than usual. But with Europeans visiting Red Sea resorts, away from the Tahrir protests in conjunction with the effective tourism projects in place, Egypt is sure to recover faster than expected, he added.

Abdul Noor recalled how Egypt accommodated 14.7 million tourists in 2010 before the revolt bringing USD 12 Billion of tourism income. Shortly after the uprising in 2011, the tourist arrivals dropped to 9.8 million and income slumped to USD 8.8 billion. This reflects a 33 percent drop in the number of visiting tourists.

The tourism minister also added that there is a private sector fund set up by Egypt's tourism industry to help fund tourism promotion and advertising.

When asked if the conservative lawmakers in Egypt may pose a problem to the recovering tourism industry, he remained firm in believing that the new democratic government prohibits responsible and accountable public officials from making damaging decisions to the important tourism sector because it can damage their public image as well as the image they portray to the parliament and the press.

Encouraging Tourists to Visit

According to Abdul Noor, the Egyptian pound's value could go down by up to 10 percent but this nevertheless reflects positively on the tourism industry.

Despite the fact that there have been budget concerns in the country, it still prides itself in having little outstanding debts as well as having strong credit worthiness allowing the country to borrow more funds, said Abdul Noor at the conference.

To help improve tourism after the problems arising from the 2011 revolution, the country is giving incentives to low-cost carriers with the hopes of reducing airport fees in Aswan thereby resulting to more flights, more than the 120 planes a day on weekends at the Red Sea at present.

The minister also added that the number of tourist arrivals have decreased by 17 percent below the figures in 2010. He hopes this will improve knowing that tourism makes up 11.3 percent of Egypt's GDP while providing employment to 17 percent of Egyptians.

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