HOW WAS EGYPTIAN TOURISM AFFECTED BY THE GAZA WAR?



The ongoing Israeli war on Gaza has affected the tourism sector in neighboring countries, especially Egypt. Hotel occupancy rates are expected to decrease during the upcoming Christmas season.

According to Ghada Shalaby, the Egyptian Deputy Minister of Tourism and Antiquities, the ongoing conflict in Gaza has impacted tourism in Egypt. However, she clarified that the effects are insignificant and vary depending on the region and the type of tourist market. Shalaby mentioned that certain areas, such as Taba (South Sinai), have experienced a considerable impact with cancellations of reservations. In contrast, other cities, such as Luxor and Hurghada, have not been affected as much.

Egyptian tourism experts have confirmed that the cities of Taba, Nuweiba, and Sharm El-Sheikh in the South Sinai have been affected. However, the winter tourism season in Luxor and Aswan, cities far from the conflict axis, has not been significantly impacted.

According to Alaa Akl, the Chamber of Hotel Establishments official, almost 90% of hotels and camps in the cities of Taba and Nuweiba, situated on the shore of the Red Sea in Sinai, were shut down last month.

Ahmed Issa, the Egyptian Minister of Tourism and Antiquities, had previously stated that Cairo expected 15 million tourists to visit this year. However, due to the ongoing war in Gaza, it seems that achieving this goal has become challenging. Despite this, the Egyptian deputy tourism minister remains optimistic about reaching this number.

Despite the optimism of Ministry of Tourism officials, ratings agency Standard & Poor's reported that Egypt, Lebanon, and Jordan risk losing up to 70% of their tourism revenues if the Gaza war continues or expands, depending on the length of the conflict.

According to some experts, while it is natural for the Egyptian tourism sector to be affected by the war, they doubt that this impact will be significant and extend to all destinations. It is predicted that tourist reservations in Sinai cities may decline for Christmas, but it will not be to the same degree as in other Egyptian cities.

According to data from the Egyptian Cabinet Information Center, the tourism sector in Egypt has witnessed a surge in revenue during the first nine months of fiscal year 2022/2023, reaching \$10.8 billion. This is an increase from the \$8.2 billion earned in the previous fiscal year. Egypt has set a target of achieving tourism revenues of up to \$30 billion annually by 2028 and aims to welcome 30 million tourists annually by 2030.

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