Effective Governance and Policy Instruments: A Short Look to the Turkish Case

Presented by Günnur Diker, Budva, Montenegro
23-24 June 2015
Tailored and effective governance are key requirements for implementing sustainable tourism.

Governance is related to local and regional destination based politics.

The 4 strong points of effective governance:

• adopting new codes of the industry
• using new means of marketing
• keeping the product alive
• using an analytic approach
3 P’s of Good Governance: PUBLIC PRIVATE PARTNERSHIP

But these 3 P’s are more important:
PUBLIC PUBLIC PARTNERSHIP
TURKEY’s Tourism Governance
TOURISM DEVELOPMENT IN TURKEY (1982-2007)

• The Tourism Encouragement Law of 1982 (subsidizing the private sector to invest in Belek region of Antalya)

• Increasing the service capacity of tourism (new hotels, airports, roads, human resources, recreation facilities etc.)

• Implementing KnowHow into projects, using new technology

• Attracting FDI (Foreign Direct Investment)
TOURISM DEVELOPMENT IN TURKEY (1982-2007)

- Aggressive Marketing
- New Markets
- Product chain enlargement
- Practicing a good governance model
  (in collaboration with: ministry of FA, Economics, IA, Transportation, Development, Forestry, Work and Social Securities, Education etc.)
TOURISM DEVELOPMENT IN TURKEY (1982-2007)

Tourism Establishment Certificate

- Travel Agencies
  Association of Turkish Travel Agencies (TÜRSAB), 1972
  Law 1618 makes the membership of TÜRSAB compulsory for TA's
  Information Officer Certificate and Travel Agency Manager Certificate

- Tourist Industry Investors
  TYD Turkish Tourism Investors Association
  Only the Investors who has more than 4 m. Investment portfolio in Tourist industry can be a member of TYD

- Tourist property and marina operators
  Associations
  TUROB
  TÜROFED
  TUREB

- Airline operators
  THY national carrier and private air carriers (THY, TÖSHID)
How did it work?

- 3 Regions getting special planning due to their unique products (Istanbul, Antalya and Cappadocia)
- Supporting the private sector while entering the market (e.g. Providing support to ecological and local products, women in jobs, education based projects, social responsibility projects)
- Promoting clean energy usage, clean seas
TOURISM DEVELOPMENT IN TURKEY (2007-2023)

- *Tourism Strategy of Turkey*, by Ministry of Tourism
  - **Vision**: Place Turkey into top 5 Countries List, receiving higher numbers of Tourists and Revenues
  - **Planning**: Support an economic growth while reflecting the principles of sustainable tourism
  - **Investment**: Boost incentive schemes feasible and viable economic projects
  - **Organisation**: Implement good governance to ensure full and active participation of 3Ps and NGOs
The Plan

- Domestic tourism (providing alternative tourism products)
- Research and Development
- Objectives:
  - new brandings
  - Sustainable R&D with stakeholders
  - Transportation and infrastructure strategy
  - Steering Committees
  - National Tourism Databank Unit
  - To ease private investment projects and minimize the public share in the cost
The Plan

• New marketing and promotion strategy: Destination Management
• To set up and introduce new education programs in tourism with measurable outcomes
• Service quality: Total Quality Management in every constituent of the travel industry
• City branding: new points of attraction for new travelers
• Tourism diversification: Health, Winter, Thermal, Golf, Spa etc.
The Plan

- Rehabilitation of the tourism regions:
  - Strengthening the infrastructure
  - Extending the tourism season
- Thematic zones and corridors
- Making the cities global brands
Implementation

Corporate structuring and governance will be shared by:

- National Tourism Council (and City Councils)
- National Planning Organisation
- Ministry of Culture and Tourism
- National Tourism Certification Service
- Domestic Tourism Research and Steering Unit
Implementation - Organisational Chart

TOURISM STRATEGY of TURKEY - 2023

COUNCILS
- NATIONAL TOURISM COUNCIL
- CITY TOURISM COUNCIL
- TOURISM COUNCIL AT THE LOCAL LEVEL

GOVERNMENTAL INSTITUTIONS
- STATE PLANNING ORGANIZATION
- MINISTRY OF ENVIRONMENT AND FORESTRY
- MINISTRY OF TRADE AND INDUSTRY
- MINISTRY OF TRANSPORT
- MINISTRY OF FINANCE
- OTHER GOVERNMENT INSTITUTIONS

MINISTRY OF CULTURE AND TOURISM
- GENERAL DIRECTORATE OF INVESTMENTS AND ESTABLISHMENTS
- GENERAL DIRECTORATE OF PROMOTION
- GENERAL DIRECTORATE OF RESEARCH AND EDUCATION
- DEPARTMENT OF INTERNATIONAL RELATIONS AND EUROPEAN UNION COORDINATION

SECTORAL INSTITUTIONS
- TOURISM UNIONS
- CHAMBERS OF PROFESSIONALS
- MUNICIPALITIES
- UNIONS OF INVESTORS
- TURSAB
- UNIONS OF HOTEL OWNERS
- UNIONS OF TOUR GUIDES
- AGENCY OF INVESTMENTS SUPPORT AND PROMOTION
The Facts

- 8160 Travel Agencies
- 4260 Hotels
- 1.612 Million Bed Capacity
- 21% of the Export Revenues
- 40% of the Foreign Deficit covered
- 890.000 Workers in the Industry
- 52 National Airports
- The Visitors: 1980 $\Rightarrow$ 1,25M – 2014 $\Rightarrow$ 41,4M
According to UNWTO; the number of foreign visitors to Turkey in 2014 brought the country to the 6th position in international ranking with respect to international arrivals, and to the 12th regarding tourism revenues.

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*MILLIONS

*BILLION USD
TURKEY AIMS TO REACH

• 50 million visitors
• $ 50 billion annually by 2023
Thank you

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