

# A REVIEW OF THE EFFECTIVE PUBLIC POLICIES FOR EGYPTIAN TOURISM GROWTH

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## **Abstract:**

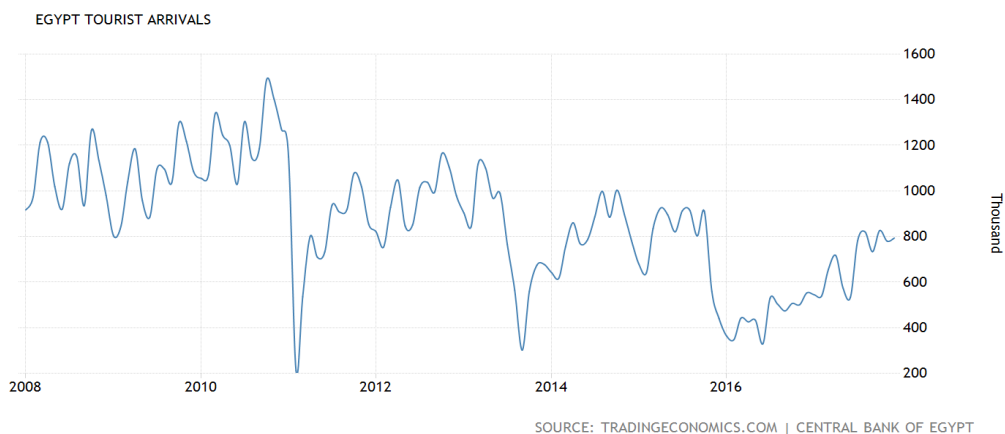
*Egypt is one of the most important tourist destinations worldwide. It is widely known because of its diverse tourism product. Tourism in Egypt is one of the main pillars of the economy. It is a main source of national income and foreign currency, as well as a major source of employment opportunities. In fact, Egyptian tourism is suffering since 25<sup>th</sup> of January Revolution, the revolution was followed by demonstrations and security disorders leading to a deterioration in the Egyptian economy. Therefore, a key challenge facing the Egyptian government, is to comprehend how to fortify the position of Egyptian tourism industry conditions in light of global economic and financial challenges and remain competitive in front of other emerging destinations, taking into consideration a sustainable development context. Generally, governments need to provide and promote a supportive physical, regulatory and social environment. The main objective of this research is to explore and analyze the impact of current public policies adopted by the Egyptian government officials and its economic impact Egyptian tourism industry. It also aims to investigate the scope in which these policies can be executed to develop Egyptian tourism industry.*

**Keywords:** Egypt, Tourism, Public Policy, Policy Formulation and Policy Implementation

## **1. Introduction**

Tourism in Egypt is one of the main pillars of the economy. It is a main source of national income and foreign currency, as well as a major source of employment opportunities. In fact, Egyptian tourism is suffering since 25<sup>th</sup> of January 2011 Revolution, the revolution was followed by demonstrations and security disorders leading to a deterioration in the Egyptian economy. During the years before the revolution, the process of economic development in Egypt was showing constitutional refinements despite the slowing down of the process as a result of the global financial crisis in 2008. The Egyptian government continued to adapt the economic remedies that started in 2004. Yet, the economic reforms efforts were not reflected on the majority of the Egyptians' living conditions. This reform strategy was planned within government circles in cooperation with some actors from the private sectors. After the revolution, the political instability of the transitional process from 2011 until 2014 has severely undermined an economy already approaching collapse. The economic indicators have dramatically collapsed. The GDP (Gross Domestic Product) growth rate has fallen from 5.1% in 2010 to 1.8% in 2011 and 2.1% in 2012, while the inflation rate has increased from 10.4% in 2011 to 13.4% in 2014 and finally the unemployment rate which increased from 9% to 13.2% (WTTC, 2017).

As a matter of fact, Egyptian tourism was not isolated from these turbulences influencing every sector of the economy. Egypt tourism sector peaked at 13.8 million visitors in the fiscal year (FY) ending June 2010, before the 2011 uprising (See Figure 1). The low point was in FY 2013–14, when fewer than 8 million tourists visited Egypt and revenues were half pre-uprising levels. The 2014–15 fiscal year saw a rebound to 11.6 million tourists, indicating the tourism sector was on track for a significant recovery (OECD, 2016). Indeed, the political upheaval, Russian airplane crash and fears over security at touristic places have devastated the country's tourism industry. This has been reflected on the level of unemployment and foreign currency reserves. In Egypt, one in eight workers is directly or indirectly engaged in tourism, generating 11% of the GDP. The unemployment has reached 13% in 2016, the loss of tourism jobs has imposed a heavy burden on the Egyptian government, which is taking serious actions to combat unemployment. In addition to the remittances, foreign direct investment, exports, and Suez Canal receipts, tourism is one of Egypt's largest sources of foreign currency. The Egyptian Central Bank is struggling to maintain Egypt's ability to import strategic goods while protecting Egyptian pound and guarding against inflation, steady flow of foreign currency is needed.



**Figure 1: Tourist flow in Egypt from 2008 to 2018 (OECD, 2016)**

Therefore, a key challenge facing the Egyptian government, is to comprehend how to fortify the position of Egyptian tourism industry conditions in light of global economic and financial challenges and remain competitive in front of other emerging destinations, taking into consideration a sustainable development context. In fact, as a result of the fragmented natures of the tourism activities, in order to thrive, it must be planned, developed and managed in a sustainable manner. Generally, governments need to provide and promote a supportive physical, regulatory and social environment. The Egyptian government in particular need to create the most appropriate incentives for private sector investments, develop a good network of infrastructure, facilitate the administrative procedures for travelling and adapt the required policies for growth. For several years, tourism has suffered from lack of coordination between different parties directly or indirectly related to the industry. This was also reflected in lack of coordination between various governmental bodies. Thus, leading to a long span of conflicting policy decisions. Finally, it is important to state that tourism is seen be the Egyptian government as a national priority involving all area of the public policy.

The main objective of this research is to explore and analyze the impact of current public policies adopted by the Egyptian government officials and its economic impact Egyptian tourism industry. It also aims to investigate the scope in which these policies can be executed to develop Egyptian tourism industry. The research problem is to address the existing Egyptian tourism policies, and how these policies can be executed to enhance the Egyptian tourism performance.

## 2. Literature Review:

## 2.1. An Overview of Tourism Public Policy

Governments are the key actors of tourism in worldwide, and they utilize tourism as a mode to gain economic and political benefits, and ensure the country's positive image. Additionally, governments are progressively perceiving tourism as a flexible industry able to catalyze economies and aid in reaching many economic objectives (OECD, 2016). Due to the fact that tourism involves steady movement of people between countries, it is considered to be one of the major global political activities. However, governments might act as a salient fact in tourism nowadays. Although there are occasions when they appear unsupportive; unimaginative; uncooperative; discouraging; or preoccupied with other strategic sectors, the industry could not survive justifiably without them (Kerr, 2003). It is important to mention that, tourism is an economic industry requiring adjustment through a set of regulations (Hall and Jenkins, 2004). Tourism all over the world, mostly relies on government policies to operate.

Lawrence and Dredge (2007) defines policy as a status, strategy, activity embraced by government and emerging from challenges between diverse thoughts, values and interests. Nonetheless, Hall and Jenkins (1995) regard policy broader than government actions. They vision policy-making as a political activity that is impacted by society's economic and social features, formal governmental structure and other characteristics of the political system. In fact, policy is considered to be a declaration of intent, providing a set of tourism development guidelines. After reviewing tourism policies, it is clear that they include several objectives like socio- economic development, employment opportunities and improvement of less developed areas. They are directed towards attaining long term sustainable tourism development (Scott, 2011).

Furthermore, tourism policy is public in nature because it educed by the public sector (i.e. central government, local authorities as well as, public business), which is government productive sector. Dredge and Jenkins (2007) highlight the complicated nature of policy making process, considering the environment, described by organizational fracture, with policies structured among various segments. Government is primary player in tourism policy making process (Bramwell, 2011) and has been acting as an interventionist in developing tourism (Ruhanen, 2013). Government dominates the tourism industry via official ministries, legislations, institutions, and different officially funded activities (Elliot, 1997). The main reasons for government intervention in tourism is political, environmental, social and economic (Nyaupane and Timothy, 2010). Government has main duties in tourism development: planning, coordination, stimulation, social responsibility, local community protection, entrepreneurship, legislation and regulation (Hall, 2005).

Furthermore, the policies need to be simply drafted to be easily understood and interpreted (OECD, 2003). In fact, policies are long- term guidelines (i.e. guidelines lasting ages), that is why, they should easily comprehended by individuals engaged in its implementation. During the tourism policy formulation process, it is an essential to set realistic and attainable policies easily implemented. Sometimes, formulated policies could not be implemented smoothly due to several reasons (Shoraiki, 2002). These reasons might include; unclear goals, insufficient corporation between stakeholders, insufficient and inadequate information related to goals, beside, goal achievement methods, and lack of committed stakeholders. Finally, there are many other reasons that might have an impact on policy implementation. These are like lack of appropriate resources, and absence of transparency in decision-making process (Yuksel and Yuksel, 2000). Additionally, inconsistent set of priorities might cause poor policy implementation of policies. Finally, policy formulation shape the tourism development structure and provide detailed activities and steps for its formulation.

To achieve tourism public policy goals, all concerned tourism stakeholders should be engaged in the policy implementation process. All stakeholders must be involved. The stakeholders in tourism industry are diversified from different sectors of the economy. They are government officials, private sector principals, non governmental organizations and finally the local community itself. During policy implementation, they should concentrate on a

number of issues. First, governmental actions in policy formulation should be matching or fulfilling local community wants and desires. Several policies confront problems while implementation because most of the programs are evolving through centralized decision making process, and unskilled local stakeholders (Shoraiki, 2002). Second, the policy implementation should have clear stakeholder roles. Thus, ensuring appropriate management techniques for collaboration among various stakeholder involved (Yuksel and Yuksel, 2000)

Moreover, public policies help make decisions, allocate resources and solve problems in the country. Such policies are formalized by the development of plans, programs and agreements. In fact, tourism, public policies boost the growth of national income, generate employment, increase foreign exchange, help ease the flow of tourists to different areas, provide more tourist destinations (Velasco, 2005). This results in improving the quality of goods and services offered by the destination (Monfort, 2000). Public policies on tourism are responsible for planning, development and promotion, while tourism marketing is responsible for attracting tourists to a destination, develop goods and services to meet their needs and also is responsible for promoting the resources of a destination (Kotler, et. al 2008).

As a matter of fact, the development tourism public policy is a complicated process, with long- term scale and wide scope. Developing tourism related infrastructure require long- term planning to ensure meeting expected future demand. Indeed, a tourism public policy comprise a number of tools set to lead prevailing tourism decisions. Tourism policies are vital in all countries to implement planned activities to attain set goals (Ismat and Abuhjeele, 2016). Worldwide, the main government function in guiding tourism policy is to assure that tourism can be an engine for economic and social transformation.

## **2.2. Tourism Public Policy in Egypt**

Egypt, as many other countries, represents an example where the role of the government has been shaped by a belief in the guardian or nation state ideal (Salem 1997). In the past, the Egyptian government role in tourism can be considered an interventionist state. The Interventionist State is usually perceived as an autonomous actor-unique and relatively independent in its own sphere of activity. This perception sees the policy outputs of this autonomous state to be better conceptualized because of the state's fairly unique interests and the fact that its organizational and administrative norms and procedures are generally independent of social force. In fact, the Egyptian government nowadays is taking steady actions to increase the level of private sector and local community involvement in the tourism industry. However, Egyptians are still regarding the government as the only source of power and services provision.

In Egypt, the Ministry of Tourism is in charge of setting tourism policy and for creating a consistent legal and regulatory structure for developing tourism. The Egyptian Tourism Authority and the Tourism Development Authority are under the umbrella of the Ministry. The main function of the Tourism Development Authority is to set and implement regulations for tourism investments, by aiding in the provision of land and facilitating access to loans for infrastructure development. The Egyptian Tourism Authority is in charge of inbound and domestic tourism promotion. It manages the diversification and development of the tourism product, on the regional and international scale. The Egyptian Tourism Federation embraces five tourism industry business associations: The Egyptian Hotels Association, the Travel Agents' Association, the Chamber of Tourist Establishments, the Egyptian Chamber of Tourist Commodities and the Egyptian Chamber of Diving and Water sports. It coordinates with the Ministry of Tourism for tourism planning, and for Tourism Workforce management (See Figure 2). According to the Egyptian law, the Egyptian Tourism Federation's views are considered before any new legislative measures (OECD, 2016).

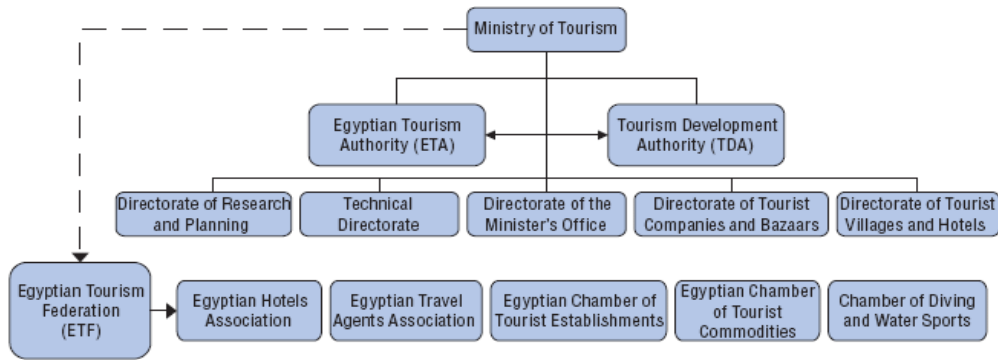


Figure2: Egypt: Organizational chart of tourism bodies (OECD, 2016)

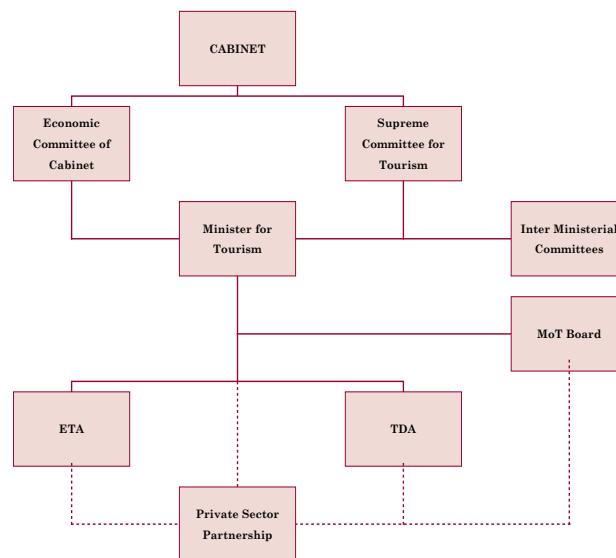


Figure 3: Top Level Structure for the Tourism Institutional Framework (ENCC, 2013)

Moreover, the Egyptian Ministry recognizes the need for an effective institutional framework to support horizontal co-ordination with other ministries and institutions for tourism policy development. In order to achieve this, there is a need to improve management structures and enhance co-operation between public agencies, the private sector and civil society at different levels; decentralize responsibility for tourism to improve relations between the government and private sectors; clearly identify the role of the government and investment sectors; sustain private sectors participation, represented by the chambers of the Egyptian Tourism Federation, and strengthen relations between the Ministry and other tourism clusters; and provide regular, accurate and transparent data (OECD, 2016).

The operation of the Egyptian tourism depends on government policies. In the past, financial provisions was a government task especially for infrastructure, and private sectors financing other activities like accommodation, transportation and leisure and recreational activities. As a result, policy implementation barriers results from governmental influence. However, nowadays the Egyptian government is encouraging the private sector financing of some infrastructure projects like power stations, airports, ports and others. This is implemented through Public-Private Partnership (PPP) approaches. Additionally, politicians focus more on economic objectives that consider

various economic issues like job opportunities, foreign currency earnings, and development resulting short-term outcomes (Personal et al, 2012). Indeed, sustainable tourism policies might demand more than ten years to be implemented, flexible policies should be adapted to match the progressing tourism industry (Esenyel et al, 2003). This might not be attractive to the private sector to participate in it due to postponed gains.

In 2012 the Ministry of Tourism asked the Egyptian National Competitiveness Council (ENCC) to revise and enhance its tourism strategy for doubling tourism, from its former peak in 2010, to the point of generating 20 million visitors by the year 2020. The two main goals of this policy was to develop the tourism industry as a whole and to disseminate tourism economic benefits among local community like employment opportunities and opportunities for new business enterprises as well as transportation networks, local community services, and handicrafts, thus creating social benefits accessing all segments of Egyptian communities. Even though tourism is an ideal economic stimulant for Egypt, the evidence for its benefits will have to be advocated to the local community to refresh their awareness. Indeed, the main aim of this initiative was to provide the Egyptian governments with the guidelines necessary for tourism policy formulation (ENCC, 2013).

According to the ENCC report, refreshing Egypt's tourism policies depends on adopting Best Practices, and on establishing strong competencies and capabilities in tourism product development, visitor experience, HR development, quality service delivery and marketing. the report points out that there are six main actions required to achieve tourism growth. The six actions must be taken and progress simultaneously. Gaps in the progression of these six actions will mean lost tourism dollars (ENCC, 2013)

- Achieving stability in Egypt's political situation.
- Taking immediate steps to become globally competitive. These steps relate to air access, ease of gaining tourist visas, visitor experience and value.
- Implementing the new multi-destination strategy in line with the product- and experience- diversification objectives
- Improving the effectiveness of tourism organization, the institutional framework and the legal and regulatory environment.
- Creating the means and desire for both Public and Private Sectors to work in a result-driven partnership to achieve agreed-upon results and objectives across tourism, as a whole
- Ensuring that tourism benefits contribute to social equity and inclusiveness.

Moreover, tourism has a negative impact, especially on local community. This is because of local community's resentment to accept tourism development. This means that the role of governments in tourism industry have been extended to address the social and environmental outcomes of development. The occurrence of the sustainable development concept in the 1980s has given larger environmental roles and functions in tourism planning (Ruhanen, 2013). Nowadays, governments try to ensure balanced economic benefits, the environment, and the local community to attain political support for developing tourism (Bramwell, 2011). Political economy assumes that stable political relationship between the government and the local community is essential to ensure political legitimacy and effective authority (Purcell, Nevins, 2005). In general, political economy assume that an essential role for government intervention is to enhance the processes of economic advancement and capital accumulation (Bevir, 2009). The Egyptian government is mainly concerned with economic growth rather than social and environmental issues (Wang and Bramwell, 2012).

As a matter of fact, Egypt faces a number of challenges within the tourism sector, including: suboptimal infrastructure, with restrictions on charter airlines at Cairo airports, overcrowded roads in Cairo and Alexandria and outdated railways; quality of service and workforce qualification gaps and the need for on the job training and basic technology skills as well as a lack of certified instructors and guides; a complex legislative and licensing framework, with a cumbersome project licensing process and a multiplicity of laws governing tourism investment and duplication in organizational responsibilities; safety and security and the need for enhanced marketing and promotion

to deal with political and stability perceptions; environmental sustainability; and entry regulations and connectivity to Egypt (OECD, 2016). Finally, all these are problems that need to be addressed and resolved by all the tourism stakeholders involved in the industry.

### 3. Research Methodology

The main objective of this research is to explore and analyze the impact of current public policies adopted by the Egyptian government officials and its economic impact Egyptian tourism industry. It also aims to investigate the scope in which these policies can be executed to develop Egyptian tourism industry. The research problem is to address the existing Egyptian tourism policies, and how these policies can be executed to enhance the Egyptian tourism performance. In this research, the independent variable are the drivers of effective tourism policies; the dependent variable is the potential implementation of tourism policies. The research hypotheses are as follows:

H0: There is no relationship between factors affecting tourism policies formulated by various Egyptian governmental bodies and the expected implementation of these policies.

H1: There is a significant relationship between the factors that affect tourism policies formulation and implementation.

In order to test these hypotheses, the research was conducted through a blend of quantitative (statistical techniques) and qualitative methods (discussion, interviews and reviewing literature). Bibliographic ideology was utilized in the stage of clarifying the theoretical structure, and descriptive techniques for data processing and results interpretation. The data collection is extracted from the different points of views of respondents, two sets of questionnaire were designed. The questionnaires sets utilized were structured and semi- structured. Additionally, the methodology encompassed reviewing official government reports published. In fact, they include the incentives offered by Egyptian government to encourage tourism development and policy. Most of the supporting documentation were taken from state institutions. Additionally, previous literature on the research topic was examined thoroughly.

Indeed, the research used quantitative methods because it is effective in data collection, and to obtain the needed information. The structured questionnaire utilized for data collection includes 20 questions to measure the independent and dependent variables. The questionnaire is composed of three sections: the first section is concerned with the demographic description of respondents, including gender, age, education, work experience and occupation. The second section includes the four elements impacting the process of tourism policy formulation. The last section encompasses eight questions measuring policy implementation. The second and third sections, are designed and extracted from reviewing literature. The study utilizes five-point Likert scale. The study population is stakeholder involved in tourism; private and public, comprising tourism associations' directors, travel agents' directors and owners, directors of restaurants and hotels. The questionnaires were distributed by email. 500 questionnaires were sent to them. Egypt during the period from 1/1/2018 to 30/5/2018. The emails were collected from the organizations database. Indeed, this method save time and response rate is acceptable, and the response rate is accepted. a brief overview of the procedure and ethical issues are communicated to the respondents. The study aim and questionnaire were explained, and anonymity and confidentiality were assured. Questionnaires were completed independently and without researcher assistance.

Moreover, the semi- structured questionnaire is prepared to discover the experts' points of views and opinions involved in the tourism industry. Experts were selected from travel agencies, hotels, consultants and managers in related governmental bodies. However, the objective of the semi- structured questionnaire was to examine the methods of developing and sustaining tourism policy in Egypt. 20 experts were interviewed. As a result of the time constraint, the semi- structured questionnaire were sent via email. The questions generate experts points of views.

## 4. Result and Discussion

### 4.1. Structured Questionnaire

A total sample of 387 participants responded out of 500. The questionnaire were analyzed using SPSS 19. 59.2% of the respondents were males. This was relatively adjusted participation to make the data significant. The participating respondents were classified to three sections according to age. According to the reaction of each section and the response, one section for those under 30 years old, then between 31 and 50 and above 50. The results presents significant predominance of the middle age group from 31 to 50 years old who represent the active sector of the population. The structure of the respondents age categories are as follows, 26% under 30 years' 57% from 31 to 50 years and 17% were above 50 years.

The level of education showed that majority of the respondents were holding a bachelor's degree and postgraduate degree. It is significant because the jobs in tourism industry require high academic competencies in strategic decision making. The respondents' structure constitutes Bachelor's and post graduate; 72% and 28% respectively. Additionally, the experience years were considered to expect the data accuracy related to seasons and tourist encounter. According to professional experience, respondents attaining more than 25 years represent 22%, while those with less than 20 years of experience 67%. The remaining 11% represent those with less than 10 years of experience. As for the sector of occupation, private sector was prevailing counting for 74.1% private sector, while the rest 25.9% are public sector. It is statistically relevant in comparison to the global tourism industry.

The Cronbach's alpha value of 0.851, which indicates a relatively high internal consistency for variables analyzed. In fact, in social science a Cronbach's alpha of 0.8 is acceptable, which means data is statistically reliable with all the values falling in a confidence interval of 0.05 giving 95% confidence interval. The results are statistically reliable thus appropriate for testing hypothesis of the study.

From the respondents' feedback concerning the transparency of tourism policy outlined had a transparency factor resulting a mean of 2.89, thus statistically significant to be implemented. The standard deviation of 0.59 calls from the policy makers' procedure in outlining these policies. Indeed, the clarity and transparency are difficult to determine, because they are perceived differently by respondents. There is always varying perception. Additionally, the questions concerning tourism policies implementation, they pose a provocation to the industry players, the implementation of these policies are accepted widely by the respondents with a mean 4.50 and a standard deviation of 0.62. this is due to the fact that most respondents see that policy implementation is the miracle solution for tourism recovery and development. Finally, when comparing the above results, the difference was significant statistically in assessing the importance of tourism policies in driving the industry.

Moreover, the questions concerned with tourism policy formulation, the element has a mean 3.19 and standard deviation 0.64. However, it indicates that 72.8% of respondents were satisfied in regard to policy formulation and they perceive them positively. Additionally, the result state that all Egyptian stakeholders are involved in tourism policy formulation. Indeed, the stakeholders must be involved in tourism policy formulation globally not only in Egypt. Accordingly, it is obvious that the primary success in formulation is the involvement of all stakeholders, organizations, local communities, and all other sectors related to the process of tourism development.

For the questions concerned with the ability of tourism policies to boost the economy, the element has a mean of 3.37 and standard deviation of 0.71. Clearly, Egyptian tourism policies are capable of enhancing the national economy. The Egyptian government recognizes the significance of finding new tools helping successful national tourism policy implementation and development plans. This requires an organizational level of coordination between all stakeholders involved. Furthermore, the government is the primary actor in the formulation process, it should organize and create conformity and coordination among all actors. In fact, the capability of tourism policies in boosting Egyptian economy were significantly differing but statistically relevant. Finally, these two above elements



present a significant confidence level in policy and significance related to tourism industry operation.

For the questions concerned with the potentiality of proper implementation of tourism policy in Egypt. The mean was 5.56 and the standard deviation was 0.78. The mean value show that respondents are satisfied with Egyptian tourism policy implementation. The feedback reflects the impact of “political instability on policy implementation, and now there is political stability that could allow the process of smooth implementation. Especially that all governments efforts are directed toward increasing number of tourists.

Analysis of Variance (ANOVA) and Pearson’s correlations were conducted. Both parameters proved strong ties among tourism policy and the economy. Correlation coefficients prove a strong relationship between the tourism industry success and the tourism policy implementation made by government.

By focusing on results reflected regarding the dependent factor, the mean is 4.98, which indicates that most of answers approved the researcher’s view. There was a significant number of challenges hindering effective implementation of tourism policy. Similarly, the most significant challenge preventing successful policy implementation was political instability confronted by the country for six years.

Moreover, it can be noted that the Pearson’s  $r$  value for tourism policy, its formulation and the economy are 0.258, 0.341 and 0.385. They indicate a non-significant relationship among these elements and tourism policy implementation. Additionally, policy, formulation and the economy measures significant values of 0.009, 0.000 and 0.000 respectively. This indicates that there is no statistical significant correlation among economy and policy, there is statistical significance correlation among proper policy, formulation and successful implementation. In comparison, it is noted that there is a strong relationship among proper policy and formulation with a Pearson’s correlation coefficient value of 0.789 biased to one. Proper policy and transparency and the economy score high results above 0.5 indicating the need policy formulation that are relevant and adequate for tourism industry. It is essential to state that correlation of implementation, formulation and economy all had a significant score in comparison to respondents’ feedback.

From the above given factors; it is clear that the Pearson correlation coefficient value reflects there is significant positive relationship among the four elements and policy implementation of 0.378, but it is relatively weak. Additionally, from the correlation box the Sig. (2-tailed) value is 0.001. This value is utilized to reflect if there is a statistically significant correlation among the two variables. The mean square of regression of 2.98, in comparison to the correlation significance of 0.01, sig value of 0.000a, an element less than 0.005, proves H1: there is statistically significant relationship among the elements that affect tourism policy formulation and the policy implementation.

As a result of this, H0 is rejected, it mentions that there is no significant statistical relationship among the elements that impact tourism policy formulation by Egyptian governments and policy implementation. This is because the Sig. value of 0.000a and the Pearson’s correlation coefficient value and Sig. (2-tailed) values all scored out of range required to judge relationship.

#### **4.2. Semi- structure Questionnaire and Interviews**

This section tackles analyzing results acquired from the interviews conducted, four questions were arranged together for the interview. The questions were prepared to find out answers to the research questions examining the essential factors required for tourism policy implementation and formulation to develop Egyptian tourism, to clarify the tourism benefits of tourism on developing Egyptian economy, to define the problems and challenges facing Egyptian tourism, and suggesting methods of improving tourism industry. For the purpose of this analysis, the questions are gathered into four questions and presented below.

**Question1: Please give a historical background concerning Egyptian tourism industry, and its economic impact?**

**The respondents agreed that** Egypt has an extraordinary array of assets and potentials for tourism. It holds the keys to some of the most iconic and powerful attractions in global tourism. It is one of the world's most unique and distinctive historic civilization, iconic heritage sites, unrivalled museum collections, the major marine and leisure potentials of the Mediterranean and Red Seas, Cairo and Upper Egypt. Egypt owns a diversity of landscape all set within a climatic context that is generally supportive of tourism. They also agreed that tourist numbers increased from 5 million arrivals in 2002 to 14.7 million in 2010. Before the current political crisis, tourism accounted for 11.3% of Egypt's gross domestic product. It provided 49% of Service Export Receipts and generated USD 12.5 billion in revenues. Direct industry employment stood at 2.8 million jobs, while indirect employment provided another 2.4 million jobs. Together these jobs constituted 15.4% of Egypt's total employment. If the industry achieves 20 million visitors by 2020, at least 200,000 more jobs could be created for Egyptian labor force.

**Question 2: Who are the entities responsible managing and supervising Egyptian tourism, both locally and nationally and are they considered effective?**

Respondents agree that in order to meet this high-level need for coordination and integration of services, the concept of forming a "Ministry of Tourism Board" should be explored. The Minister of Tourism would chair this board. Members would include the Secretary General of the Ministry of Tourism, the Chairman and CEO of the Egyptian Tourism Authority and Tourism Development Authority, and the Chairman and CEO of the Egyptian Tourism Federation, together with three selected independent individuals with appropriate skills and experience. The board would deal with sector governance, policy development, high level planning, and target setting. Additionally, they agree that New, innovative approaches for tourism policy implementation and formulation must include partnerships among government, ministries, institutions, state companies, and the private sector. Although government is organized vertically, solutions to modern-day problems involve lateral partnerships through various ministries and extra-governmental entities. In its drive to develop the economy, the Government of Egypt has created a high level Economic Committee of Cabinet. The Minister for Tourism is a key member, underscoring its importance to the economy's growth.

**Question 3: From your point of view what is the level of tourism development in Egypt?**

This question was proposed to get the full picture of the level of tourism development in Egypt. According to the interviewees, they all agreed that tourism in Egypt is developed. Indeed, Egypt has the necessary infrastructure and superstructure that enable it to be one of the top twenties tourist destinations. This is especially after the large pool of Mega Projects constructed in Egypt nowadays. This is also followed by a vast network of roads connecting all destinations and easing the transfer of tourists. They mentioned that the tourism needs more attention from the government side regarding marketing efforts, handling some minor obstacles to boost the number of tourists.

**Question4: Explain the problems and challenges confronting Tourism policy implementation.**

The expert interviewed agreed that past Egyptian tourism policies have been developed separately without considering other sectors' policies. Consequently, some aspects of different policies are mutually supportive while others are conflicting. The policy process in Egypt depends essentially on traditional knowledge (statistics and

reports, research and evidence), which has been legitimized by professionals and officially published facts, legal standards as well as statistical data. In fact, there is poor representation of private sector and local community in institutions, resulting a limited relationship among interests of large business and tourism agencies which is characterized by restricted participation of private sector in policy formulation. However, updated tourism policy was much more focused on the mutual benefits of all the stakeholder involved in the industry

## 5. Conclusion

The main objective of this research is to explore and analyze the impact of current public policies adopted by the Egyptian government officials and its economic impact Egyptian tourism industry. It also aims to investigate to what extent these policies can be implemented to develop tourism industry in Egypt. The research problem is to address the existing Egyptian tourism policies, and how these policies can be executed to enhance the Egyptian tourism performance. Accordingly, it was observed that tourism is one of the main sources on national income and foreign currency in Egypt. It was affected by the political instability occurring in Egypt for six years. There is a unified opinion among all the stakeholder's representatives that a clear and transparent tourism public policy should be formulated and implemented in an appropriate manner. However, the major concern is that it must be formulated and implemented by all stakeholder involved ranging from public sector principals, private sector representatives and local community representatives. This is in order to ensure diffusion of mutual benefits among the whole society. Additionally, the research observed that there is some obstacles facing the formulation and implementation process. This is due to the fact that the past tourism policy was set by government officials who did not take in consideration the other stakeholders. Thus, the objectives were not of common interest.

Moreover, tourism policy is an instrument for economic growth and employment opportunities. It is becoming a tool for developing tourist destination and for enhancing and conserving peripheral areas. Through effective tourism promotion policies, tourism can be a catalyst for consolidating less developed Egyptian tourist areas or giving them equitable growth opportunities. Many Egyptian public sector bodies are engaged in developing, planning, marketing and managing tourism regionally and locally. Therefore, they must be trained and collaborate with the private sector to get the experience. Additionally, an important challenge is to set up a mechanism to enhance tourism quality, thus achieving competitiveness, through improving performance on all levels. The second challenge comprise matching tourism development locally with the conservation and upgrading of tourism resources. Finally, it is important to mention that one of the specific aims of the Egyptian tourism policy is to eliminate inequalities among regions to increase a country's economic and social consistency.

Furthermore, The Egyptian Ministry of Tourism must contribute to the comprehensive tourism vision, utilizing it to provide support and orientation for regional initiatives and to ease coordination among tourism policy and various regional policies to ensure consistency. Sustainable tourism development recommends a coordinated approach at national level to implement partnership among various stakeholders. National policy must consider regional development strategies focusing on targeted approaches. Finally, the Egyptian government is increasingly seeking to innovate suitable strategies to improve the value of natural and cultural resources, while conserving them and ensuring sustainable economic development.

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