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**THE POLITICS OF TOURISM IN TURKEY:
1963 TO 1995**

**by
AHMET KOROGLU**

**A thesis submitted in partial fulfillment of the
requirement for the degree of**

**MASTER OF SCIENCE
in
HOSPITALITY AND TOURISM MANAGEMENT**

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School of Food, Hotel and Travel Management
Department of Graduate Studies

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Finally, this thesis is dedicated to my family who has played a significant role in my achievement. I also dedicated this thesis to Ministry of National Education of Turkish Republic for introducing me to the world education.

Chapter I

Introduction and statement of study

Introduction

Political actions of government affect tourism industry in profound ways. This could be regulations, strict requirements for passports or visas control, providing investment incentives or disincentives and so on. To eliminate the problems and to get much more benefits from tourism, the need for government involvement and support of tourism industry at international to local level is critical. First, tourism does not exist in isolation from the rest of the economy. It requires infrastructural support, including airports, roads, etc. That in many cases government can best provide. Second, if the major benefits of tourism are to be realized, the local workforce must be educated and trained to provide quality services. This requires incentives to provide privately funded training or the establishment of government-supported training programs. Third, to promote tourism interest abroad, government supported is needed to establish national tourism promotion offices in other countries. Fourth, only government can

provide for the issuance of visas for visitors and others through overseas consulates and embassies.

The aim of this study is to investigate and identify the political dimension of tourism and to consider and present the case for government involvement in the development of tourism and, in particular, to examine the need for this action by government in Turkey. "After experiencing three military coups caused by social unrest and serious economic crises, Turkey adopted tourism not only as an economic growth strategy, but also as a tool for social change to encourage Europeanization and as an international political strategy to create a political stability image in the eyes of European people" (Tosun and Jenkins, 1996). Tourism activity in Turkey, as in many other developing countries, has become an important sector to alleviate economic problems. Tourism in Turkey has developed significantly since the introduction of export oriented economic development model and free market economy in early 1980's. The number of foreign tourist increased from 1,5 million in 1983 to 6,6 million in 1994. Registered foreign exchange from tourism throughout this period grew from US\$411 million to US\$4,3 billion.

Problem Statement

Some of the governmental regulations or activities affect decision making on tourism at the local, national, and international levels. This study will endeavor to identify which political actions of the government affect the tourism industry in Turkey.

Background

Prior to 1963, Turkey did not have an established tourism policy. Few facilities existed in the 1960s and 1970s. With the introduction of central state planing, the basic strategic preference of Turkey switched to mass tourism.

From the beginning of the 1980s the growing capacity of the country's tourism facilities led to a notable increase in the volume of tourism. This was made possible with the advent of a free market economy and generous incentives schemes that attracted domestic and foreign investors to tourism sector. Thus, tourism has become of great importance to the economy of Turkey.

In 1994, tourism receipts totaled US \$4.3 billion and accounted for about 23.9% of export revenues. The Ministry of Tourism target for the year 2000 as regards tourism earnings is US \$10 billion.

The Former Minister of Tourism, Abdulkadir Ates (1993), has said that Turkey's national policy on tourism falls under three main headings:

- Developing an effective tourism economy based on competition,
- Creating the most favorable social atmosphere for tourists and local people alike,
- Protecting and developing natural and cultural assets.

Purpose

The purpose of this study is to identify the political dimensions of tourism particularly in Turkey. This identification of the political dimension of tourism that challenge and provoke decision makers will help to understand where Turkey is headed in future in terms of tourism.

Significance

Most of the Third World countries, and even developed countries have problems with some governmental decisions which have affected not only tourism revenues but also future of the total economic development. Understanding the political problems will support the country' tourism policy and much more benefit from tourism in the next years.

This study may also provide a starting point for the development of Turkish Tourism that is becoming more popular and of great importance for export revenues.

Hypothesis

This study will identify hypothesis which will help to analyze government policies influence on tourism development in Turkey over the period of 1963 when the first tourism policy was established in Turkey to the present.

Scope and Limitations

A growing tourism industry in Turkey is a vital part of its economy. It is a source of acrid controversy and, yet a topic of vehement regional harmony in both international and sub-national politics. The necessity for understanding the politics of tourism takes on even a greater significance for Turkey.

This study's limitations are affected by the governmental decisions that play a role in development of tourism in Turkey between 1963 to present. In this study, role of the government in tourism, tourism policy, and tourism development in Turkey will be described.

Chapter II

Literature Review

Tourism has been rarely studied in terms of its political importance (Matthews, and Richter, 1991)

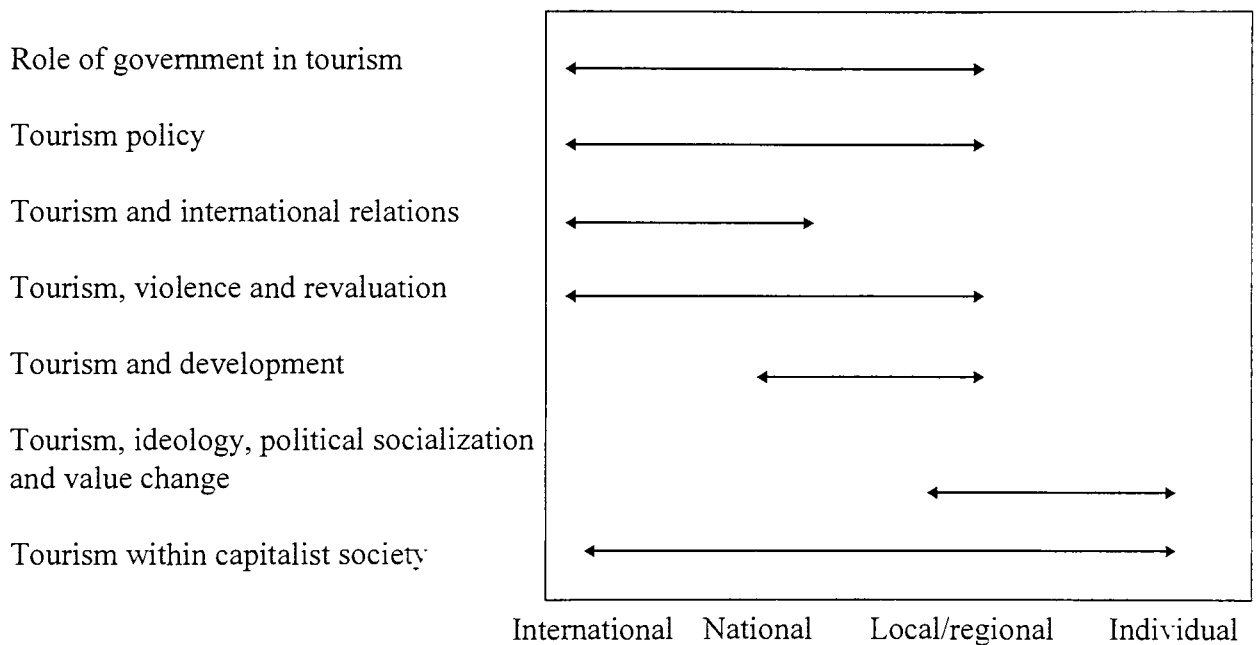
As stated above, there are a few articles and books written on the topic of political importance of tourism. Research on the politics of tourism are concentrated in several areas, including studies of individual countries' or regions' tourism development policies (e.g. Richter, 1989; Elliot, 1983; Fransisco, 1983; Wanhill, 1987), the political economy of tourism development, particularly in developing economies (e.g. Jenkins and Henry, 1982; Britton 1982; Harrison, 1992).

A selection is reviewed here together with the literature on tourism policy and the role of the government in tourism development to give an increased understanding in the issues concerning this study.

Most of the readings specify the major political dimension of tourism on an individual, local, national and international scale. As Figure I. shows that all subjects involve the role of the government in tourism, tourism

policy, tourism and international relations, tourism violence and revaluation, tourism and development, tourism ideology, political socialization and value change, and tourism within a capitalist society (Hall, 1994).

Figure 1. Major political dimension of tourism



Source: Hall, Colin Michael (1994) *Tourism and Politics Policy, Power and Place*. Chichester:Wiley, pp.18

THE ROLE OF GOVERNMENT IN TOURISM

International competition, national interest and the specific features of the tourist industry are all factors that make government intervention in tourism necessary even today. As Dogan (1989) said that tourism cannot develop without an active encouragement of the state. At the minimum, he continues, the state must cooperate with touristic development (for example, in visa policy, foreign exchange requirements, and import regulations). Furthermore, the state often plays an active role in opening up new areas to mass tourism, because either government expenditures or resources from international agencies are required for provision of infrastructure (roads, air ports, electricity, etc.) and often for touristic facilities themselves.

There are several areas of government concern in terms of function of government in relation to tourism. Hall (1994) identifies seven areas of public sector involvement : Coordination, planning, legislation and regulation, entrepreneur, stimulation, a social tourism role and a broader role of interest protection.

The question then arises, “which individual functions of government are related to particular tourism policies and decisions?” The answer will be

institutional elements. The institutions of the state provide the framework within which tourism operates (Hall and Jenkins, 1995). For example, Turkey's tourism is organized and administered by three institutional elements which are the State Planning Organization (SPO), the Ministry of Tourism (MT), and the Tourism Bank (TB). These institutional elements are responsible for marketing programs, education and training, legislation and regulations, public and private sector investment policies, public and private organizational structures, policies and planning, and environmental and socioeconomic program.

Coordination

As Brohman (1996) observed, in many developing countries, more active involvement by higher levels of state is needed to coordinate tourism with other economic sectors and national planning objectives. In some cases, he continues, coordination may be necessary to ensure that valuable tourism assets are not irreparably damaged by other economic activities (e.g., forestry, mining, oil exploration, and refining). Development of major infrastructure to serve resorts (e.g. roads, airports, electrical grids, and water supply) should also be coordinated to meet not only to demands of the industry, but also broader economic and social needs.

Planning

Planning for tourism occurs in a number of forms (development, infrastructure, promotion and marketing); structures (different government organizations); and scales (international, national, local and sectoral) (Hall, 1994). Also, Brohman (1996), pointed out that tourism planning may be used by the central state to pursue regional development objectives through the encouragement of growth in certain areas rather than others.

Legislation and Regulation

Legislation, stipulating regulations and terms under which activities related to tourism take place, such as operation of hotels and other forms of accommodation, operation of travel agencies, employment of specialized personnel etc. is a state responsibility. Establishing regulations for the protection and preservation of the tourist wealth and resources of the country, natural, historical and cultural, is also a state responsibility (Paphael, 1993)

Entrepreneur

Entrepreneur role of the government involvement is seen when government or its agencies undertake an operational role in the tourist sector. This role might be taken because of ideological reasons, as in many centrally planned economies. However, in many if not all developing countries, government has to undertake an entrepreneurial role to ensure that “pioneer” activities are initiated. This type of government intervention is common both to developed and developing countries, and it is suggested that this action is no less appropriate for tourism than other sectors of an economy (Jenkins and Henry, 1982).

Stimulation

Governments can stimulate tourism in three ways. The first way is financial incentives such as low-interest loans or a depreciation allowance on tourist accommodation. The second possibility is sponsoring research for the general benefit of the tourism industry rather than for specific individual organizations and associations. Thirdly, tourism can be stimulated by marketing, promotion and visitor servicing, generally aimed at generating tourism demand, although it can also take the form of

investment promotion aimed at encouraging capital investment for tourism attractions and facilities (Hall, 1994)

A Social Tourism Role

Social tourism involves the extension of the benefits of holidays to economically marginal groups, such as the unemployed, low income household, single parent families, pensioners and the handicapped (Hall, 1994). Governments might support providing holidays for the disadvantaged.

A Broader of Interest Protection

The last role that governments plays in tourism is that of interest protector. Hall (1994) stated, policy decisions will reflect a desire to meet the interests of the relevant level of government, i.e. national, provincial/state or local, rather than the sectionally defined interests of the tourism industry.

TOURISM POLICY

Every government must have a policy for tourism both at national and local level (Wanhill, 1987)

The development of tourism policy and national government intervention in tourism is clearly influenced by wider political, social and economic policies (Richards, 1995). Lickorish *et al.* (1991) identified two roles of government in tourism policy formulation: first, 'a deliberate action by government introduced to favour the tourism sector'; second, any action undertaken 'which may have implications for tourism, but is not specifically intended to favour or influence tourism development'.

Raphael (1993) also stated that tourism policy activity in particular is a government responsibility. Which should be the priorities and strategies in developing tourism product and services? Luxury or middle range accommodations? which geographic regions to develop? which product to promote? which category of foreign visitors to attract? These are the type of decisions which are taken by the Government.

Jenkins (1980) also pointed out that importance of the government intervention in tourism policy. He basically says that without government

involvement in tourism policy making, short-term development can give rise to long-term problems: “benign neglect” of tourism will not facilitate sound development.

As all of the literature mentioned that government active involvement is necessary to develop national tourism policy in developing countries even developed countries.

TOURISM AND INTERNATIONAL RELATIONS

Government leaders have perceived of tourism as a political bridge among nations (Richter, 1989)

International tourism has long been used as a means of international influence, by both the generating and receiving countries. 'Tourism is not only a "continuation of politics" but also an integral part of the world's political economy' (Edgell, 1990).

Many factors over which governments have some control affect international tourism. These include currency restriction, visa restriction, airport capacity limits, lack of information on investing, and so on. Obstacles result directly from government actions, inactions, or regulations that affect tourist trade in international arena. The Ad Hoc Working Party on Obstacles to International Tourism for the OECD's Committee on Tourism identified 40 specific obstacles to international travel and tourism in five different areas (Table 1): first, obstacles affecting the individual intending to travel (e.g. currency restrictions, restrictions on over-seas travel); second, those affecting companies providing services to facilitate travel (e.g. travel agencies); third, those affecting companies providing transportation (e.g. airlines, cruise liners); fourth, those affecting companies

providing reception facilities (e.g. hotel; and fifth, other obstacles such as discriminatory regulations (Ascher, 1984).

Table 1. Types of obstacles to international tourism

I. Obstacles affecting the individual intending to travel

1. Imposed by home country.
 - a) Currency restrictions imposed upon residents
 - b) Conditions and procedures for issue of travel documents.
 - c) Customs allowances for returning residents.
 - d) Restrictions on over-seas travel
2. Imposed by the host country.
 - a) Currency restrictions imposed upon visitors.
 - b) Entry visas, identity documents, limitations of duration of stay.
 - c) Formalities concerning entry of motor vehicles, pleasure boats or other craft.
 - d) Formalities concerning applicability of drivers' licenses car insurance, etc.
 - e) Restrictions on acquisition of property by non-nationals (e.g. holiday flats).
 - f) Taxes on foreign visitors.

II. Obstacles affecting companies providing services to facilitate travel (e.g. travel agents and tour operators)

3. Limitations on foreign investment/ equity participation
4. Restriction on the establishment of foreign owned entities (branches and subsidiaries).
5. Requirements for qualifications for operating professionally which are either directly discriminatory or more difficult for non-nationals to acquire.
6. Restrictions on non-national personnel and employment (e.g. visas, work permits).
7. Difficulties in obtaining licenses to operate
8. Relevant restrictions on transfer of funds in and out of the country (not covered under I above).
9. Restrictions upon the ability of non-established foreign companies to solicit for custom, advertise or sell direct to clients without locally established intermediaries.
10. Distinction in EEC countries between EEC and non-EEC nationals with regard to the above items.

III. Obstacles affecting companies providing transportation (e.g. airlines, railways, coach operators, cruise liners)

- 11-18. Categories as under II (3-10)
19. Restrictions on non-national airlines, coach operators or cruise liners.
20. Limitations on movements of passengers by foreign airlines or cruise ships.
21. Discriminatory landing dues, taxes or port charges.
22. Lack of reciprocal recognition of qualifications (e.g. air crew, site guides, coach drivers).

- 23. Requirements for government employees to use national airlines/ferry services.
- 24. Discriminatory access to special terms from state enterprises (e.g. airlines, railways), including differential commissions.
- 25. Limitations on access to reservation systems.

IV. Obstacles affecting companies providing reception facilities (e.g. hotels, resorts, car hire firms)

- 26-33. Categories as under II (3-10).
- 34. Restriction on imports of essential goods.
- 35. Requirements for placing of contracts (e.g. for site development) with local enterprises
- 36. Discriminatory tax regimes for foreign entrants (including tax holidays not available to nationals).
- 37. Restrictions on ownership by non-nationals (e.g. leasing only permitted) and problems related to security of tenure or repatriation of investments.
- 38. Limitation on access to reservation systems.

V. Other obstacles

- 39. Discriminatory regulations on health inspection/consumer protection, etc.
- 40. Compulsory use of centralized governmental/municipal organizations or middlemen.
- 41. Others

Source: Ascher, Bernard (1984), 'Obstacles to International Travel and Tourism', *Journal of Travel Research*, vol. 22, winter, pp.14.

With respect to international tourism, understanding of international law and politics, comparative politics and government, and comparative political theory would seem essential to the successful tourism professional (Mathews and Richter, 1991).

TOURISM AND POLITICAL STABILITY

Political instability or terrorist activities in the host country deteriorate the potential foreign inflow (Culpan, 1987).

Political stability is important not only for the development of the infrastructure that is required for tourism but also because of the central role that images play in tourism marketing and promotion (Hall, 1994)

Political violence can take several forms. These could be military coups, war and terrorism. Military coups may have a substantial effect on tourist arrivals. An additional element of the impact of political unrest and wars on tourism as well as the particular destination in which the violence actually occurred. For example, the Gulf War was widely credited for downturns in tourist visitation in Turkey, because of a perception in tourist-generating regions such as European countries and North America that it was generally unsafe to travel over-seas because of possibility of terrorist attack. Tourism is affected by terrorism through two means. First, terrorist activities can damage a destination's or country's tourist industry by creating an image of lack of safety. Second, tourists or tourist facilities, such as airport terminals or aircraft, may themselves be subject to attack (Hall, 1994).

TOURISM AND DEVELOPMENT

Tourism development can be politically useful in countries attempting to overcome a vague or indifferent national image, to change political directions, or to overcome a “bad press” internationally (Richter, 1987).

“Tourism has been accepted as an alternative economic development strategy by many governments in developing countries. Turkey is a developing country is not exceptional in this case” says Tosun and Jenkins (1996). Also, Alipouraghtopeh (1991) points out that motivations to develop tourism in Turkey are first, to gain foreign exchange, and second, to establish a politically stable environment for foreign investment.

Tourism development is strongly affected by political and legislative forces. Not only is tourism often manipulated for political purposes but ‘political factors can create, alter or destroy the bases of comparative advantage’ of tourism (Liu Z.H, 1994). Raphael (1993) presented the major steps that could be taken by a country wishing to develop its tourism in World Tourism Organization Seminar on Tourism Development and The Responsibility of The State, Budapest. These steps are;

- Elaborating a master plan
- Preparing the legislation

- Constructing the infrastructure
- Training the personnel
- Developing the products and,
- Establishing promotion mechanisms

As Liu stated above, these steps taken or not depend very much on the policy of government that may encourage or hinder the development of tourism local to national level.

Chapter III

Methodology

This paper will provide a historical and descriptive analysis of the development of tourism policy and government intervention in terms of tourism local to international level in Turkey, tracing the links between policy development and wider social, economic and political factors.

Turkish tourism development phases are given below (Adopted from Korzay,1994).

1. Awareness Stage (1955-1970)

A. Awareness of tourism phenomenon at:

- Government
- Public Administration
- University
- Private sector
- Public level

B. Awareness of tourism assets:

- Sea, sun and sand
- Cultural heritage
- Anatolia is the cradle of civilization
- Turkish hospitality

C. Awareness of tourism education:

- Secondary school level
- Advanced vocational school
- Undergraduate/ Graduate level
- Public/ Government level

D. Authority of regional tourism planning was transferred to Ministry of Tourism in 1970

2- Advocacy Stage (1970-1982)

A. Advocate the profitability of tourism assets to:

- Public
- Bureaucrats
- Universities
- Ministry of Tourism
- Ministry of Education

B. Inventory of tourism assets

C. Integrating activities with tourism supporting services goods and industries

D. Research orientation for tourism marketing plans

E. Advocate

Tourism education of formal/informal institution abroad

- Extension programs
- International seminars

- Tourism encouragement policies

- Financial
- Legal
- Educational
- Environmental

Pricing policies

- Skimming the cream
- Market prices
- Price cuts
- Penetrating prices

Area development plans with coordination and integration of;

- World Bank
- Ministry of Tourism

- Foreign and local universities
- State Planning Board

3-Action Stage (1982 to present)

A. Integration of tourism services and product

B. Area inventory of tourism assets

C. Development and market plans based on market research

D. Area development plans with special emphasis on resort development

E. Application of encouragement policies

- Investment on infrastructure and physical capacity
- Investment of education
- Investment in human resource development program
- Investment in educational material development
- Collaboration with local and foreign tour operators and investors
- Build-operate-transfer policy
- Low interest loans
- Various tax exemptions and import facilitation
- Grants reaching 40% of total cost

F. Development issues of this stage (1990 on)

- Participatory planning
- Privatization
- Decentralization
- Increasing local initiatives
- Competitiveness
- Productivity
- Sustainable Development
- Quality
- Reducing the dependency of private sector on government subsidies

Ideological Assumptions

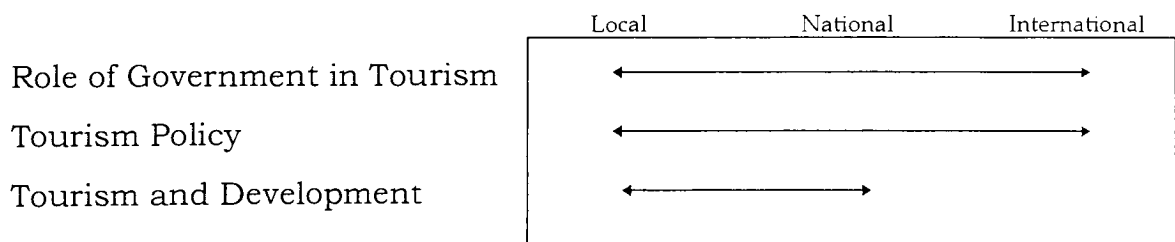
The analysis of this study is an unbiased look at the political actions and their effect in tourism industry in Turkey. Since It will be being used historical and descriptive analysis I do not feel personal bias will be a factor in this study.

Procedural Assumptions

It will be assumed that governments in Turkey will be able to determine which political actions affect tourism revenues and which directions will help to increase tourism earnings in other words total economic development in Turkey.

Procedures

The population for this study will be the development of the tourism industry in Turkey since tourism policy was established. In this study, the elements listed below will be examined on a local to international scale.



1- Role of Government in Tourism

- Institutional Elements of Turkey

- State Planning Organization
- Ministry of Tourism
- Tourism Bank

2-Tourism Policy

Five-Year Development Plans

- 1963-1967 First Five-Year Development Plan
- 1968-1972 Second Five-Year Development Plan
- 1973-1977 Third Five-Year Development Plan
- 1979-1983 Fourth Five-Year Development Plan
- 1985-1989 Fifth Five-Year Development Plan
- 1990-1994 Sixth Five-Year Development Plan

3- Tourism and Development

- Awareness Stage (1955-1970)
- Advocacy Stage (1970-1982)
- Action Stage (1982 to present)

Long Range Consequences

As a hypothesis develops as a result of the findings, further studies may be necessary to further implement tourism policy. Also additional studies to focus the hypothesis may be needed.

Chapter IV

Findings

GOVERNMENT INVOLVEMENT IN TOURISM IN TURKEY

Before 1963

Until the beginning of the planned period in 1963, there was no well-developed tourism strategy in Turkey. Various bodies tried to achieve modest aims with their own resources. Historically the first tourism movement was the Turk Seyyahin Cemiyeti, or the “ Turkish Association of Travelers,” in September 1923. The aim of the Association was to organize trips in order to make Turkey’s important cities and works of art known, as well as to instill pride in the Turk about his heritage. The name of the Association changed to “Turkish Institute of Touring and Automobile (T.T.O.K.) in 1930. Important steps were taken in 1934 when for the first time this sector attracted the government’s attention, and tourism was joined with the Foreign Trade Department and Turkish Office until 1937. In 1939 it was upgraded to the “Directorate of Tourism.”

In 1940, another tourism office was established in the administrative body of the “Directorate General of Publication.” The tasks of the Department of Tourism were defined in 1943 by the law regulating the “Directorate of Press and Information.” The name of this Directorate General was changed to “The Directorate General Press, Information and Tourism” on June 30, 1949.

The first meeting of the this committee was held on December 19, 1949. Draft Law No. 6086, entitled “Encouragement of the Tourism Industry,” which was prepared by the Tourism Consultative Committee, was put into effect on May 22, 1953.

The Directorate General of Press, Information and Tourism became The Ministry of Press, Information and Tourism on November 25, 1957, and continued its functioning under the name of the Ministry of Tourism and Information on July 2, 1963.

Planned Period

With the political change of 1960 came the economic and social changes set out in the new Constitution of 1961 and Turkey entered the planned mixed economy period with the First Five Year Plan of 1963-1967.

INSTITUTIONAL ELEMENTS OF TURKEY'S TOURISM

As mentioned chapter II, Turkey's tourism is organized and administered by the following three institutional elements.

- 1- State Planning Organization (SPO)
- 2- The Ministry of Tourism (MT)
- 3- Tourism Bank (TB) and (Turkish Development Bank)

These institutional elements are responsible for marketing programs, education and training, legislation and regulations, public and private sector investment policies, public and private organizational structures, policies and planning, and environmental and socioeconomic program.

State Planning Organization

It was not until the formation of the State Planning Organization (SPO) after World War that tourism became recognized as a sector to be included in the National Development Plans. Central planning was introduced on May 27, 1960, as a guiding principle of the economic policies, and after the election of October 1961, the concept of central planning gained strength (Alipouraghtapeh, 1991).

On September 30, 1960, Law No. 91 concerning the establishment of the SPO was issued. Reorganization of the SPO; decided by the Council of Ministers on 06.19.1994 based on the authority accorded by the Law No.4004,dated 06.16.1994 (<http://www.dpt.gov.tr/dptweb/yayin/spo1.html>).

The SPO supervises The National Development Plan. Moreover, the duties of the State Planning Organization are as follows;

- a) To advise the Government in determining economic, social and cultural policies and targets of the country by taking into account every type of natural, human and economic resources and possibilities of the country.
- b) To prepare long-term development plans and annual programs conforming to the targets determined by the government.
- c) To coordinate activities of the ministries and public institutions concerning economic, social and cultural policies, to ensure efficient implementation and advise the government regarding policy issues.
- d) To develop future-oriented strategies by working closely with international institutions, to help reduce uncertainties in the medium and long term for private sector by making policy recommendations in cooperation with the private sector.

- e) To put forward views and to advise on improving structures and activities of the relevant institutions and establishments and operations of local administrations so that development plans and annual programs could successfully be implemented.
- f) To monitor, co-ordinate and evaluate implementation of development plans and annual programs and if required to make proper amendments.
- g) To provide advisory services for the government as to implementation of financial, monetary, foreign trade and foreign exchange policies conforming with the targets of development plans and annual programs.
- h) To prepare the general framework of the incentives policies for the private sector and foreign capital activities to be consistent with the plans' targets and objectives and to make recommendations on policy issues for the government.
- I) To determine and make recommendations on the measures to be taken to accelerate development in priority regions and co-ordinate and monitor the progress of their implementation.
- j) To inform and propose to the government on improving relations with international economic institutions and carrying out contacts and negotiations with these institutions in accordance with the principles and targets of development plans and annual programs.

- k) To prepare development plans on a regional or sectoral basis
(<http://www.dpt.tr/dptweb/yayin/spo1.html>).

The centralized top-down nature of the SPO is crystallized into “The High Planning Council” that acts as the supreme body of the SPO. It is composed of the Prime Minister acting as the chairman, various ministers appointed by the Prime Minister and the Undersecretary of the SPO. The Prime Minister delegates the State Ministers to act as chair of the meetings in his/her absence. Depending on the topics to be discussed at the Council, the chairman can invite other ministers and bureaucrats.
(<http://www.dpt.gov.tr/dptweb/yayin/spo2ypk.html>)

In the meeting of the “High Planning Council” the draft of the five-year plans and annual programs/proposals for investment projects are discussed in order to reconcile the political, financial and technical aspects of these documents.

The high planning council is also responsible for determining the economic, social and cultural objectives as well as the strategies for planning. When the council begins to discuss the strategy of a plan, the planners set forth the alternatives which are taken into consideration by the council before arriving at the final decision.

The main objectives of the plan and its strategy as determined by the council are transmitted as guiding principles to the authorities of the SPO. The council also reviews the draft plans and programs to secure their conformities with the perceived objectives.

Finally, the plan/program and investment proposals are submitted to the Grand National Assembly (GNA) for approval. The approval by the GNA implies legislative power, imperative to be observed by all government organizations and ministries as well as the Ministry of Tourism.

The declaration of the SPO culminated in its Five-Year Development Plans, described in Table II. The SPO also actively monitors foreign investment in the tourism industry via the Foreign Investment Department, which is attached to the Prime Ministry. This department, which was established in 1980 and granted the necessary authority to speed up and simplify the procedures and formalities for foreign investment, can issue, without delay and on behalf of the government, investment encouragement certificates for tourism projects to the extent authorized under existing legislation and forward other proposals directly to the Council of Ministers for their approval (Alipouraghtapeh, 1991).

TABLE 2
FIVE YEAR DEVELOPMENT PLAN GOALS WITH THE REALIZED
TOURISM AND FOREIGN EXPENDITURES AND RECEIPTS

Years	Plan Goals	Expenditures % Rate Of Realization	Plan Goals	Receipts % Rate Of Realization
1963	20	20.5	13	7.7
1964	21	21.8	18	8.3
1965	23	24.3	25	13.8
1966	25	26.3	35	12.1
1967	28	26.8	48	13.2
TOTAL	117	119.7	139	55.1
1968	45	33.4	45	24.1
1969	50	42.2	55	36.6
1970	55	47.7	77	51.6
1971	60	42.2	110	62.9
1972	65	59.3	135	103.7
TOTAL	275	224.8	422	278.9
1973	62.2	93	90	171.5
1974	70.2	151.8	108	193.7
1975	79.3	155	129.6	200.9
1976	89.6	207.9	155.5	180.5
1977	101.6	268.5	186.6	204.9
TOTAL	402.9	876.2	669.7	951.5
1978	183.1	102.4	248.4	230.3
1979	188.6	95.1	315.8	280.7
1980	196.5	114.7	369.2	326.7
1981	204.8	103.3	454.8	381.3
1982	214	108.9	586.7	370.3
1983	223.6	127.3	691.6	411.1
TOTAL	1027.5	549.3	2418.1	1770.1
1984	142.4	276.8	452.4	840
1985	166.3	323.6	510	1482
1986	197.1	313.6	579.2	1215
1987	235	447.7	661.6	1721.1
1988	281.4	358	759.4	2355.3
1989	338	565	858	2556.5
TOTAL	1217.8	2007.9	2418.1	9329.9
1990	521.2	520	3306.9	3308.4
1991	617.4	592	3757.9	2654
1992	731.3	776	4270.5	3639
1993	866.2	934	4853	3959
1994	1026	866	5514	4359
TOTAL	3762.1	3688	21702.3	17919.4

Source of Data : Ministry of Tourism
The State Institute of Statistics
OECD Statistics

The SPO's responsibility and its tourism guidelines can be captured in the five-year development plans. Each plan includes a tourism sector which elaborates basic principles and progress, targets and estimates, investments, implications and political measures. It is likely that the SPO leaves most of the other responsibilities to the Ministry of Culture and Tourism (SPO, 1987)

Ministry of Tourism

The second institutional element for tourism development lies with the Ministry of Tourism. As mentioned, Ministry of Tourism and Information was established in July 1963. The administrative evolution of ministry went on to yet another change in 1968 when the “Affairs of Tourism and Information” became an independent ministry and in 1982, as “The Ministry of Culture and Tourism” which finally entered its present phase in 1990, as “The Ministry of Tourism”.

Basic responsibilities of the Ministry include:

- Underlying development policy
- Supervision of tourism development
- Promotional activities
- Project evaluation and implementation
- Financial assistance

While the SPO prepares the national development plans and general guidelines for each sector, tourism’s development, including the industry’s planning process and policy formulations, are mostly handled by the Ministry of Tourism.

Starting from early 1960's, as for the other sectors of the Turkish economy, Turkey has adopted the mixed economy principle in the tourism sector (until 1980). In conformity with this policy, the infrastructure for tourism development is provided by the government. Superstructural facilities are generally left to private sector investors, even though the government directly owns and operates a number of tourist facilities.

Further functions of the Ministry include: assisting, guiding and coordinating public sector investment in Turkey's tourism development which supervises and encourages all business activities in the field of tourism. The Ministry formulates Turkish tourism development policies and is responsible for coordinating their implementation.

The Ministry reviews feasibility studies submitted in support of proposals with foreign participation and ownership, not only in light of their general economic desirability, but also to ensure that the project will meet the code of standards relating to tourism laid down by the Ministry.

The Ministry is also responsible for assisting potential domestic and foreign investors in the evaluation and implementation of tourism development projects by providing technical know-how, statistical data and information related to potential sites, in order to ensure rapid completion of

projects. The Ministry assists investors in obtaining incentives provided by the government for eligible projects and coordinates the infra-structural facilities.

The Ministry of Tourism plays the main role in Turkish tourism development. Among the other institutions, the Ministry's role is vital in shaping the future of tourism in Turkey. The Ministry is assigned the duty of investigating, preserving, evaluating the national, moral, historical and cultural values. Evaluating the country's tourism potential to the widest extent and making it a prosperous sector of the economy is among the Ministry's duties.

Tourism Bank

The third institutional element of the tourism industry in Turkey lies with the TB, which is responsible for investment and financial aspects of tourism until 1989. It was established in June 1955 for the following purposes:

- To develop the tourism sector through direct investment.
- To operate tourism facilities
- To provide financial support to tourism enterprises.

The legal status of the Bank was declared as a State Economic Enterprise under the provisions of Decree Law No. 233 incorporated as a development and investment bank for tourism.

According to the Article of Incorporation of the Bank, published in March 1985, the Bank is identified as a sectoral development and investment bank for tourism whose share capital is owned by the government to engage in tourism industry operations and banking activities but not accepting deposits.

To fulfill the objectives of the fifth five-year plan and be in line with the government policy by mid-1985, the Bank made a structural change in

its objectives and thus ceased making investments directly. It concentrated on adopting a merchant banking role.

With the change of tourism policy, privatization of tourism operations in the late 80's; The responsibility of Tourism Bank was taken by the Development Bank in early 1989, which was established in 1975 named State Industry and Worker Investment Bank (Devlet Sanayi ve Isci Yatirim Bankasi). In 1988, the name of the bank changed to "Turkish Development Bank".

Before the policy restructuring was applied to the Tourism Bank , it was active in different aspects such as physical planning, land use investigation, and subdivisions as well as the zoning and tourism amusement areas. It had decided to develop a group of joint venture companies with parties having high expertise in each field to provide professional services to the tourism sector.

An aim of the Turkish Development Bank, however, is to provide financial support to national development. To achieve that goal, it follows finance policy on industry and tourism sectors before investment, during the investment and after the investment. Especially, the Bank implements the context of five year development plans in terms of financing of

investment. The Bank is also a contact point for any tourism investors and at the service of the tourism sector for information and data, services procurement, financial matters and general consulting.

The change in the policies of the Tourism Bank in 1985 and finally its acquisition by Development Bank can be explained by the new economic policies which affected the Bank. At the time of the Bank's establishment, the private sector unwilling to invest in tourism sector. Facilities needed to be developed and the TB began to build up its TURBAN chain of hotels, campsites, marinas, and other facilities, which have establish a high reputation in Turkey's tourism market.

TOURISM POLICY IN TURKEY

Three military coups have been taken place in Turkey the past three decades, and important social and economic changes have taken place. The first coup in 1960 was followed by a new constitution; the second in 1971 came after political violence and economic crises in the preceding years, and the coup in September 1980 followed similar but more serious social and economic trouble (Aslanyurek, 1984).

Turkey entered a 'planned development' period after the coup in 1960, as national development planning became a part of the 1961 constitution. Thus, "tourism policy objectives in Turkey have been determined by five-year development plans which are imperative for the public sector but only indicative for private sector" (Olali, 1990). Each plan has its principles, targets and measures with emphasis on the tourism sector given below.

FIRST FIVE-YEAR DEVELOPMENT PLAN (1963-1967)

Principles and Targets

1. Tourism should be used as an alleviating economic problems. It is emphasized that Turkey's historical and natural environment are suitable for development tourism in Turkey.
2. To predict the demand will be determined by past experience.
3. Tourism sector should be made more productive by increasing the tourist staying days (length of visit) to achieve more revenue. The beginning of the this plan, length of visit of foreign tourists was four days and expenditure of foreign tourist was \$60 during the period. It is expected that the length of visit of foreign tourists will be six days and foreign tourist will spend \$100 during the length of visit at the end of this plan.
4. It is recommended that the concentration to be given to those regions that are already tourist attracting centers.

Measures to achieve the proposed goals

1. To increase the demand, informational campaigns will be done for inbound tourism as well as domestic tourism.
2. An organization will be promptly established and given the necessary authority to deal with all aspects of tourism.
3. The establishment of “Tourism Development Societies” in towns and cities with the participation of the relevant tourist organizations will be encouraged.
4. Some measures will be taken to increase the tourist length of visit.
5. Tourism Bank will be restructuring and modification in dealing with financial support for tourism investment.
6. Legislations and regulations will be established to develop Turkish tourism.
7. Festivals will be organized in Turkish cities to increase demand.
8. The priority will be given training to tourism employees.

SECOND FIVE-YEAR DEVELOPMENT PLAN (1968-1972)

Principles

1. Social and cultural aspects of tourism will be benefited during this period.
2. Especially foreign tourism receipts, foreign arrivals and average expenditures will be increased. Also, domestic tourism will be given full attention.
3. Tourism investment will be encouraged in some regions that have highly touristic potential area and lodging and transportation of tourism sector will be based on the requirements of mass tourism.
4. Price policy in tourism sector will be regulated as regards of international competition.
5. Organizations of tourism sector will be rearranged.
6. Investments policy for tourism infrastructure and model establishments will be made by public sector, other investments will be made private entrepreneur.

Political Measures

1. Amendments necessary to current “organization law” to reorganize the Ministry of Tourism and Information structure.
2. Tourism Information on Turkey will be given only the Ministry and appeal for multi-sectional cooperation.
3. The food service industry and its hygienic quality will be improved.
4. The Tourism Installations Association will be organized. This was for clarification of an institution to be authorized for a uniform operational policy.
5. Realization of the needs to apply a policy to encourage investment in deprived regions.
6. The issues of education and training to be coordinated under one institution rather than different public organizations.
7. Physical planning for tourism will be taken place according to Turkey’s general physical plan.
8. Cooperation with other countries in the region.

THIRD FIVE-YEAR DEVELOPMENT PLAN (1973-1977)

Targets

1. The number of foreign visitors' arrivals and citizens traveling abroad is expected to have an annual increase rate of 13%. During the same period, expected tourism receipts and tourism expenditures will respectively increase about 20% and 13% annual growth rate.
2. It is projected that accommodation capacity will surpass 126,00 beds at the end of this period.
3. It is predicted that 27,000 employees will be needed for tourism establishments. To achieve that amount, different kinds of programs will be prepared.

Principles and measures

1. Investments, promotion and the reorganization of the tourism sector will be based on the requirements of mass tourism.
2. In principle, investments for tourism superstructure will be made by the private sector in accordance with the requirements of the international and domestic tourism activities. In cases where the Turkish private sector proves financially inadequate in undertaking

joint projects partnership for the foreign investors. The public sector will also intervene when pilot operations are needed to activate the market.

3. Physical planning studies will continue in regions where there is a high potential for tourism by reorganizing the use of land and infra-structural activities. Physical planning studies will also be oriented toward preventing the unregulated development of hotels and recreation areas. The plan calls for construction of tourism installations to be made in harmony with the infra-structural investments.
4. Coastal lines, tourism zones and national parks will be preserved and utilized in the interest of the public.
5. Financing for tourism superstructure will be provided mainly through the Tourism Bank.
6. By spreading the holidays in the country during the year, domestic tourism activities will be regulated in order to prevent domestic demand for accommodations coinciding with foreign use. Resort facilities of public enterprises will be made available for international tourism.
7. Emphasis on training and education.

FOURTH FIVE-YEAR DEVELOPMENT PLAN (1979-1983)

Targets

1. Expected tourism receipt will extent an annual expansion rate of 23% and expected tourism expenditure will expand an annual growth rate of 4.1%. At the end of this period, net tourism receipt are expected to be around US\$468,000 million.
2. It is estimated that the number of tourists to Turkey will reach 13,942 and approximately 8,935 Turkish citizens will travel abroad by the end of this period.
3. The lodging capacity of the facilities is expected to be approximately 95,000 beds in the year 1983.

Principles and Policies

1. All aspects of the tourism sector will based on the essentials of mass tourism. Priority to establish accommodation facilities will be given in a high potential regions for tourism.
2. Public sector involvement will step up in regard to investment and management. Private sector, and foreign capital will be encouraged to invest in Turkey.

3. Foreign investments will be promoted without any upper limit on the share of company capital that can be foreign owned.
4. The administration of state-owned recreational facilities will be centralized.
5. The passenger-carrying capacity of the country's airline facilities will be increased.
6. Suitable conditions will be provided for holidays and recreation for working population.
7. Coastal lines (sea, lake, and river) will be used as tourism area. The legal framework applying to areas where tourism is to be developed will be clarified.
8. Service stations will be operated. They will be under the control of Ministry of Information and Tourism.
9. To balance the demand in every month, some measures will be taken and necessary investments will be done.
10. To decrease the waiting line in border entry during the peak months, necessary actions will be taken place.
12. Tourism education policy will be reviewed. Ministry of Information and Tourism will coordinate other organizations that related to tourism education.

13. Tourism procedures will be made more up-to-date and a computerized system will be developed for the improvement and more rapid collection of statistical data for border entry and exit points.

FIFTH FIVE-YEAR DEVELOPMENT PLAN (1985-1989)

Targets

1. The plan targets for the year 1989 as regards of a net foreign inflow worth US\$540 million through an average 13.2% raise of foreign tourism receipts and 18.9% of expenditures.
2. The plan forecast 3 million foreign visitors to Turkey in 1989, which indicates an average annual growth rate of 10.8 up to 1989. During the same period, Turkish citizens traveling abroad are estimated to rise 2.5 million with an annual rate of 3.5% at the end of this period.
3. It is projected that accommodation capacity registered by the Ministry of Tourism will exceed 100,000 beds at the end of this period.

Principles and Policies

1. National, historical, archeological and cultural values of the country will be evaluated with a view to ecological balance, environmental preservation and embellishment.
2. Turkey will develop its tourism relations with the OECD and OPEC countries, including Balkan and Third World countries.

3. Funds will be primarily given to mass tourism projects, but individual tourism initiatives will not be overlooked.
4. Data concerning tourism statistics will be improved.
5. Strategy for the preservation of national and cultural assets will be integrated to take into account their use for tourism purposes.
6. The Tourism Bank will direct its available funds to credit rather than direct investments.

SIXTH FIVE YEAR DEVELOPMENT PLAN (1990-1994)

Targets

1. According to this sixth Five-Year Plan (1990-1994) the number of foreign visitors' arrivals is expected to reach 7.4 million with an annual increase rate of 8.2% to 1994. During the same period, Turkish citizens traveling abroad are estimated to rise to 2.2 million with an annual increase rate of 4.8% at the end of this period. Expected tourism receipts and expenditures respectively with about 13.6 per cent and 18.4 annual increase rates, are US\$5.5 billion and US\$1 billion.
2. It is projected that accommodation capacity registered by the Ministry of Tourism will exceed 350,000 beds at the end of this period.

Principles and Policies

1. Efforts will be made to develop golf, winter, thermal, health, festival, the third-age, and youth tourism.
2. For professional tourism training, training centers will be modernized, hotel-schoolsystems will become widespread to meet the demands of

contemporary tourist accommodation, and foreign language teaching will be practiced in these institution.

3. Present accommodation will be given momentum to operate under proper health standards, provided that their infrastructures are completed.
4. Tourism infra-and superstructures will be improved in terms of quantity and quality.
5. Charter transportation will be improved and Turkish travel agencies will be encouraged to improve their competitiveness among foreign operators.
6. Measures will be taken for increasing occupancy rates and quality of existing accommodation. Incentive policies will be developed based on variation and diversification of existing and potential tourism supply. Further studies will be made to spread the tourist season throughout the year.
7. Priority will be given to protection of the environment, natural and cultural assets.
8. Small and family accommodation establishments will be given priority and incentives for development
9. Facilities will be further provided for Turkish nationals to take holidays under favorable conditions (OECD, 1992).

TOURISM DEVELOPMENT IN TURKEY

Awareness Stage (1963-1970)

As mentioned, Turkey entered a 'planned development' period after the coup in 1960, as national development planning became a part of the 1961 constitution. In general, the administrative structure of Turkey was characterized by a strong central government.

The Ministry of Tourism and Information responsible for guiding, supporting, coordinating and supervising tourism was founded in 1963, when Turkey entered the planned development period (Ates, 1993).

The establishment of the Ministry of Tourism and Information in 1963 followed by legislation in 1964 setting up local bodies and overseas offices of the Ministry of Tourism and Information.

Tourism Bank was founded to develop the tourism sector through direct investment, operate tourism facilities and provide financial support to tourism enterprises in 1955.

All marketing strategies were put into effect at the awareness stage to raise positive interest for tourism assets, education, employment agencies, government bodies, universities, and in the eyes of the public (refer to Table 3).

As a result of the awareness stage, scholars, educators at the institutes, tourism sector members and families started to strongly recommend vocational subjects such as travel/hotel/tourism management for their youngsters in schools.

Authority of regional tourism planning was transferred to Ministry of Tourism in 1970. Within this context first land-use plans were prepared and put into effect for Turkey's western and southern coastlines. At the same time various infrastructure investments both at national and regional levels were realized by the related government agencies (Ates, 1993).

Various infrastructure investments both at national and regional levels were realized by the related government agencies. Especially, investment in tourist accommodations were realized by three publicly-owned banks (Tourism Bank, Emekli Sandigi, The Vakiflar).

TABLE 3 Turkish tourism development phases as to political actions (1963 to 1970)

<i>Evaluation process of Turkish tourist phenomenon Awareness Stage 1955 to 1970</i>	<i>Government regulations and activities</i>
<p>A. Awareness of tourism phenomenon at:</p> <ol style="list-style-type: none"> 1. Government 2. Public Administrators 3. University 4. Private sector 5. Public level <p>B. Awareness of tourism assets:</p> <ol style="list-style-type: none"> 1. Sea, sun, sand 2. Cultural heritage 3. Anatolia is the cradle of civilization 4. Turkish hospitality <p>A. Awareness of tourism education:</p> <ol style="list-style-type: none"> 3. Secondary school level 4. Advanced vocational school 5. Undergraduate/Graduate level 6. Public/Government level 	<ul style="list-style-type: none"> • Tourism Bank was established in 1955 • State Planning Organization was established in 1960 • Ministry of Tourism and Information was established in 1963 • Authority of regional tourism planning was transferred to Ministry of Tourism and Information in 1970 • Land-use plans were prepared for western and southern coastlines • Under bilateral agreements, Turkey abolished entry visas for several countries • International cooperation agreement with few countries • Investments in tourist accommodations by three publicly-owned banks (Tourism Bank, Emekli Sandigi, The Vakiflar) • TUREMS in Istanbul and Izmir • Tourism Bank offered on-the-job training programs

In this stage, there was very limited formal education (tourism education was under the auspices of business administration schools). On the contrary, Tourism Bank offered on the job training programs and TUREMS (Tourism Educational Centers) were opened in Istanbul and Izmir.

Since International cooperation agreement with a view to facilitating reciprocal tourism movements, Turkey concluded some agreements with following countries in this stage. Bulgaria 1964, Yugoslavia 1965, Jordan 1966, Iraq 1966 and Egypt 1968.

Advocacy Stage (1970-1982)

Even though political instability became apparent in the beginning (military coup in 1971) and the end of this period (anarchic conditions in late 70's and military coup in 1980), Turkish government involved in tourism sector to alleviate economic problems (Table 4).

In 1970's, the responsibilities of Ministry extended to such areas as: planning, certification, and controlling of the investments and tourist facilities; training the employees; certification of the professional tourist-guides and, even the determination of the room rates and the basic fares for package tours (Ates, 1993).

Within this period, holiday villages and a chain of marinas had been constructed to be pioneering facilities by the Tourism Bank, which was a state economic enterprise (Ates, 1993).

In this stage, area development plans, with the collaboration of public administrative bodies and international organizations, which took place at the advocacy stage had a positive/voluntary impact on the related bodies. One is particular, technical assistance in the field of tourism is concerned

TABLE 4 Turkish tourism development phases as to political actions (1970 to 1982)

<i>Evaluation process of Turkish tourist phenomenon Advocacy Stage 1970 to 1982</i>	<i>Government regulations and activities</i>
<p>I- A. Advocate the profitability of tourism assets to:</p> <ul style="list-style-type: none"> 1-Public 2- Bureaucrats 3- Universities 4- Ministry of Tourism and Information 5- Ministry of Education Youth and Sports <p>B. Inventory of tourism assets</p> <p>C. Integrating activities with tourism supporting services goods and industries</p> <p>D. Research orientation for tourism marketing plans</p>	<ul style="list-style-type: none"> • The responsibility of Ministry of Tourism extended in 1970 • Bilateral agreements between several countries • Holiday villages and a chain of marinas had been constructed to be the pioneering enterprise by • The Ministry of Tourism organized familiarization tours for travel agents, press representatives and potential tourism investors. • Most of the loan finance for investments in accommodation & other tourist facilities was to come from the Tourism Bank • The building of service stations on the main roads began in 1979
<p>II- Advocate:</p> <ul style="list-style-type: none"> 1. Tourism education of formal/informal institutions abroad <ul style="list-style-type: none"> a) Extension programs b) International seminars 1. Tourism encouragement policies <ul style="list-style-type: none"> b) Financial c) Educational c) Legal d) Environmental 1. Pricing policies <ul style="list-style-type: none"> c) Skimming the cream d) Penetrating prices e) Market prices f) Price cuts 1. Area development plans with coordination and integration of: <ul style="list-style-type: none"> a) World Bank b) ILO c) UNDP d) Foreign and local universities e) State Planning Board f) Ministry of Tourism and Information 	<ul style="list-style-type: none"> • Curriculum development and exchange programs with foreign universities in terms of education • In terms of education 11 advanced vocational school and 5 universities. In addition, Vocational courses (6-12 months) by Ministry of Tourism • Development of TUREMS • Tourism Bank and TUREM training centers • Technical assistance from TECO's in 1972 to establish practical training program • Italy offered six scholarship to Turkish students • Integrate activities with foreign tour operations • The prices of tourist accommodation facilities are subject to prior approval by the Ministry of Tourism and Information • Technical assistance had been provided by UNDP in 1977 for the tourism projects • More rapid development of tourism in Antalya with the support of World Bank.

OECD works through its Technical Cooperation Committee (TECO) and its Development Center.

In addition to area development plans with international organization, bilateral agreements based on reciprocity between the countries in field of tourism, especially in promotional activities, were realized with Balkan Countries 1971, Greece 1979, Algeria 1980, Germany 1980, Pakistan 1981, Czechoslovakia 1981, Tunisia 1981.

Action Stage (1982 to present)

With the beginning of the 1980's, the stabilization program was introduced to create an economy with an export orientation development model, and less government intervention (free market economy), with greater reliance on market forces (Aslanyurek, 1984). As a result of this program, several actions have taken place in terms of tourism (Table 5) and the tourism sector enjoyed the most attractive incentives provided by the Tourism Encouragement Law and the Foreign Investment Law (Ates, 1993). Legislation was passed on the encouragement of tourism in 1982. The basic legislation, Law 2634 of 1982 "for the Encouragement of Tourism", offers incentives for investors operating in the tourism sector. (See Appendix A for further information about the law). These include:

- land appropriations;
- Tourism Bank loans and Tourism Promotion fund credits;
- considering tourism investors as exporters;
- setting up installments for the Forest Fund;
- allowing facilities to enjoy electric, gas and water at reduced prices;
- the right to employ foreign employees;
- the right to sell liquor;
- the right to operate chance games (gambling).

TABLE 5 Turkish tourism development phases as to political actions (1982 to present)

<i>Evaluation process of Turkish tourist phenomenon Action Stage 1982 to present</i>	<i>—————→</i>	<i>Government regulations and activities</i>
<p>I- Action of tourism phenomenon at; a) Integration of tourism services and products b) Area inventory of tourism assets c) Development of market plans based on market research e) Area development plans with special emphasis on resort development</p>		<ul style="list-style-type: none"> • Tourism Encouragement Law in 1982 • Participation of several different international tourism fairs • In 1983, the "star" system for grading hotels and tourist complexes has been introduced • Local and international workshop • Surveys have been conducted in different areas of tourism • Bilateral agreements between several countries • Agreement between United Nation Development Plan and UNESCO/ICCROM to conduct structural studies in 1982
<p>II- Application of encouragement policies</p>		
<ol style="list-style-type: none"> 1. Investment on infrastructure and physical capacity 2. Investment of education 3. Investment in human resource development plan 4. Investment in educational material development 5. Collaboration with local and foreign tour operators and investors 6. Build-operate-transfer policy 7. Grants reaching 40% of total investment coast 8. Low interest loans 9. Various tax exemptions and import facilitation 		<ul style="list-style-type: none"> • Ministry of Tourism established "model" accommodation facilities through the Tourism Bank in 1982 and 1983 • Tourism Bank provided credit facilities and loans until 1989 • Increasing number of TUREMS and TUGEV • Free determination of room and package room rates • The Ministry of Tourism had received loans from UNDP for training instructors • Collaboration with ILO to implement training programs • In terms of education 44 advanced vocational schools <ul style="list-style-type: none"> 10 undergraduate hotel programs 9 vocational secondary schools 5 graduate program
<p>III- Development issues in this stage (1990 on)</p>		
<ol style="list-style-type: none"> 1- Participatory planning 2- Privatization 3- Decentralization 4- Competitiveness 5- Reducing the dependency of private sector on government subsidies 6- Productivity 7- Sustainable development 8- Quality 9- Increasing local initiatives 		<ul style="list-style-type: none"> • Incentives from government are more selective • Liberalization of air transportation • Increasing number of airport • Decentralization of planning authority to local bodies • For the protection of the environment, measures were taken

The Ministry also provides incentives designed to encourage the constructions of tourism installations. These include:

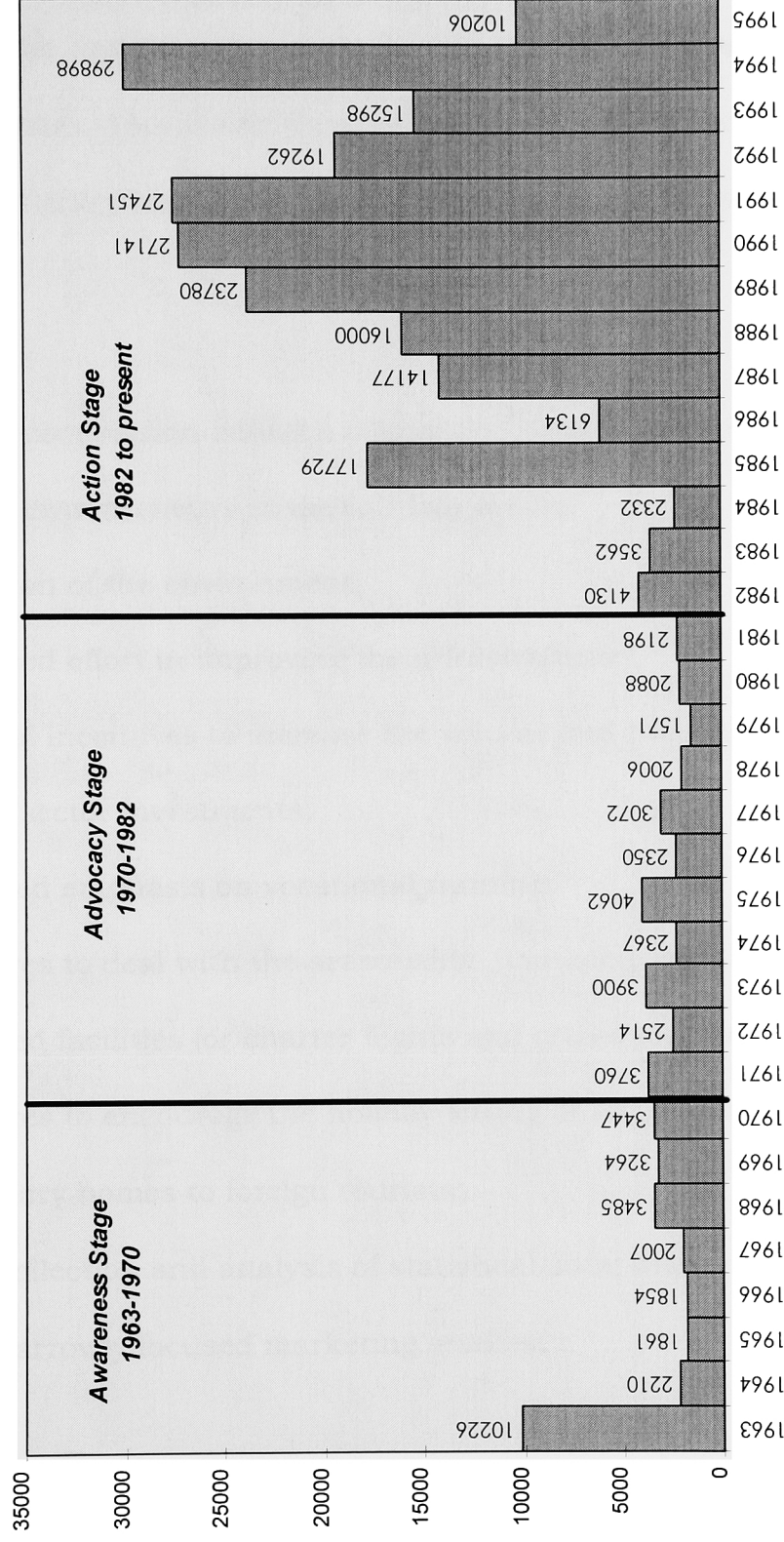
- investment subsidies;
- customs exemption;
- exemption from construction duties;
- an incentive premium;
- a premium for supporting usage of resources;
- allocation of foreign exchange exempted from tax and duties.

These measures have been successful in attracting substantial investment in accommodation both from within Turkey and from abroad (International Tourism Reports, 1989)

To cope with the increasing demand for inbound foreign tourism in Turkey, the Turkish government gave priority to bed expansion capacity by introducing tourism incentives in 1982 (Cooper and Ozdil, 1992). With very successful application of the investment encouragement (tourism incentives) policies caused a sudden increase in physical capacity. During the this stage, the number of beds registered by Ministry of Tourism increased from 62,372 in 1982 to 275,342 in 1995 (Figure 2).

Figure 2

OPERATION OF BEDS REGISTERED BY MINISTRY OF TOURISM BY YEAR (1963-1995)



* 1963 shows total number of beds were operated during that year
After 1963 shows that number of beds were added each year

As International Tourism Reports (1993) observed the 1982 acts form the backdrop against which policy objectives as regards the tourism sector are set out in the annual programs. The report continues and the former Minister of Tourism, Abdulkadir Ates (1993) states that in recent years, the government in Turkey has tended to focus on goals and issues as outlined below:

- closer cooperation between official and semi-official bodies and private entrepreneurs in the tourism sector;
- protection of the environment;
- continued effort in improving the infrastructure;
- financial incentives to increase the volume and productivity of private sector investments;
- increased emphasis on vocational training;
- measures to deal with the seasonality /low occupancy rate problem;
- improved facilities for charter flights and cruise tourism;
- measures to encourage the holiday letting of Turkish-owned secondary homes to foreign tourists;
- rapid collection and analysis of statistical data; and
- more narrowly focused marketing studies.

Bilateral agreements were realized with several countries in this stage. These are; Syria 1982, Hungary 1982, Italy 1986, USSR 1986, Romania 1986, China 1991, France 1992, Argentina 1992, Israel 1992, Turkmenistan Republics 1992, Morocco 1992, Uzbekistan 1992, Krygyzstan 1992, Kazakistan 1992, Azerbaijan 1992, Albania 1992, Portugal 1993, Moldova 1993, Lithuania 1993, Denmark 1993, Makedonya 1993, Gurcistan 1994, Latvia 1994, Ukraine 1994, India 1995, Philippines 1995, Russia 1995, Brazil 1995, Mogalistan 1995, Estonia 1995.

CHAPTER V

Conclusion and Recommendation

The main objective in this study has been evaluation and description of the government actions in terms of the development process of the tourism industry in Turkey. Until 1982 tourism played only a minor role in the expansion of Turkey's economy. However, in the 1980's, with export orientation economy and free market economy, Turkey's receipts from international tourism grew more rapidly. Table 6. indicates that in 1963 the number of foreign tourist arrivals was just under 200,000 with the associated income of \$7.7 million. In 1995, these figures were 7.7 million and 4.9 billion respectively. In 1963 income from tourism constituted 0.1% of GNP and 2.1% of export earnings. In 1995 the former rose to 3% and the latter exceeded 22.9%.

“An account of government's role-and-duty to intervene in tourism is hamstrung by its inability to convey the turbulence of the tourism political environment. Neither policy nor government in static. Both get shaped by a myriad of competing claims and influences, some controllable, some not. Government change, some on a regular basis, most of them according the

Table 6. IMPORTANCE OF TURKISH TOURISM

Year	Tourist arrivals (million)	Tourism receipts (\$ million)	Share of receipts in GNP(%)	Share of receipts in export earnings(%)
1963	0,198	7.7	0.1	2.1
1964	0,229	8.3	0.1	2
1965	0,361	13.8	0.2	3
1966	0,440	12.1	0.1	2.5
1967	0,574	13.2	0.1	2.5
1968	0,603	24.1	0.2	4.9
1969	0,694	36.6	0.3	6.8
1970	0,725	51.6	0.5	8.8
1971	0,926	62.9	0.5	9.3
1972	1,035	103.7	0.6	12.4
1973	1,342	171.5	0.8	13
1974	1,110	193.7	0.6	12.6
1975	1,540	200.9	0.5	14.3
1976	1,675	180.5	0.4	9.2
1977	1,661	204.9	0.4	11.7
1978	1,644	230.3	0.4	10.1
1979	1,524	280.7	0.5	12.4
1980	1,288	326.7	0.6	11.2
1981	1,405	381.3	0.8	8.1
1982	1,392	370.3	0.7	6.5
1983	1,625	411.1	0.8	7.2
1984	2,117	840	1.7	11.8
1985	2,617	1482	2.8	18.6
1986	2,391	1215	2.1	16.3
1987	2,856	1721.1	2	16.9
1988	4,173	2355.3	2.6	20.2
1989	4,459	2556.5	2.3	22
1990	5,398	3308.4	2.1	25.5
1991	5,518	2654	1.8	19.5
1992	7,076	3639	2.4	26.5
1993	6,501	3959	2.2	29.8
1994	6,671	4359	3.3	23.9
1995	7,747	4956	3	22.9

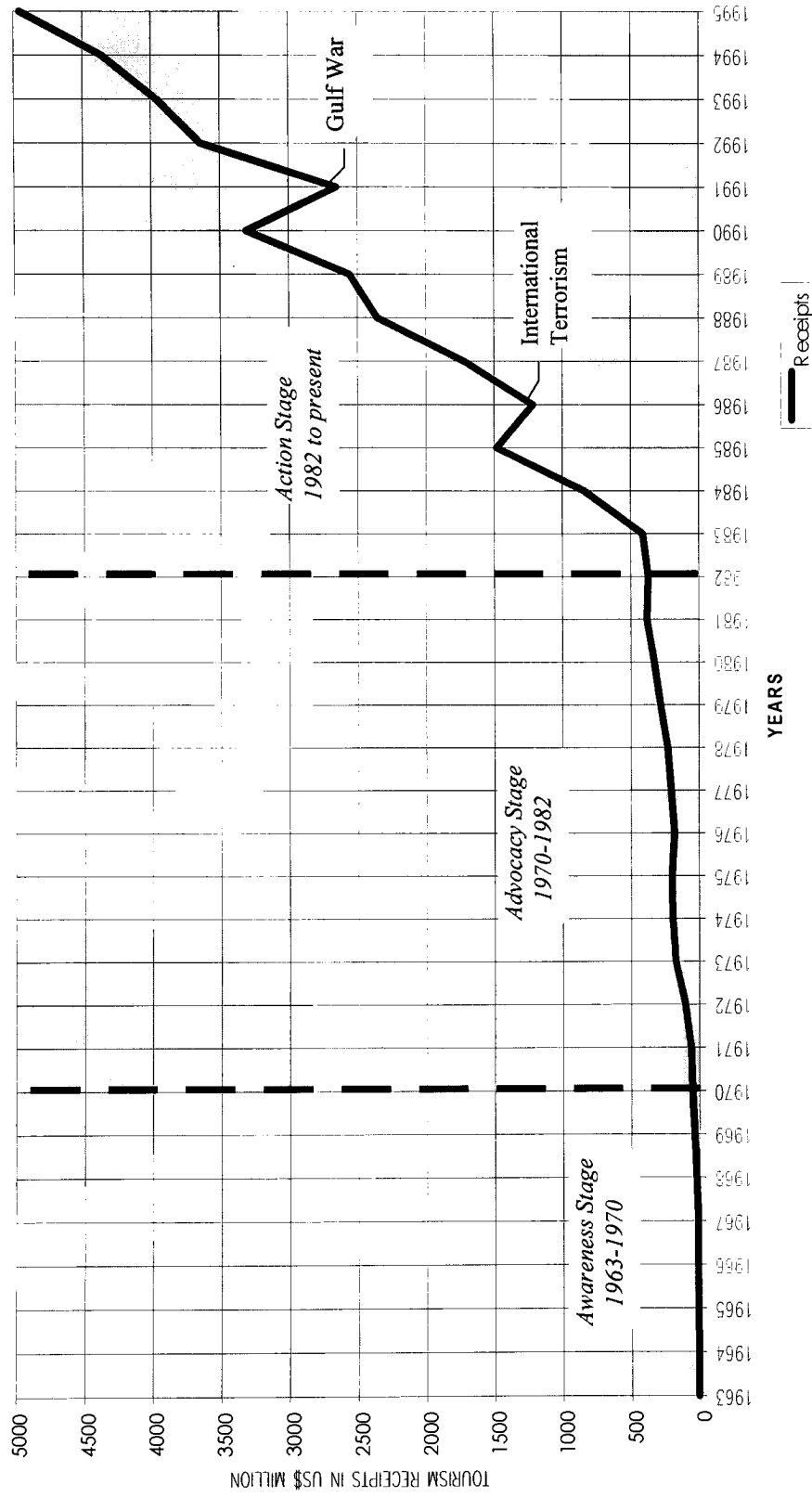
rhythms of their own. International economic and political events force changes, reactions, and initiatives that were not foreseen” (Richter, 1989).

In addition to that in such circumstances tourism is a potential source of instability. Not only is tourism seasonal activity but it is also susceptible to changes in fashion or random external factors. For example, the attack at the Rome, Vienna, and Athens airports in 1985-86, combined with the TWA 828 hijacking and the Achille Lauro ship-jacking, provoked broad travel consumer reaction, most notably trip cancellation. The other political situation in the 1990s, Gulf War, badly affected tourism demand in Turkey and thus had adverse effects on the economy (Figure 3).

Over the period of 1963 to 1995, the organizational structure of Turkish tourism has been changed several times. The organizational changes may very well be explained by the governmental instability. The instability of the government became apparent between the 1960s and 1980s as manifested in the three military interventions. This type of instability and other internal problems (Cyprus crises in 1974, the anarchic conditions of the late 70s, military coup in 1980 and problems with the terrorist group), even external problems (International terrorism, Gulf War) as mentioned affected tourism industry that the number of foreign tourists

Figure 3

TOURISM RECEIPTS (1963-1995)



Source of Data : Ministry of Tourism Statistics
The State Institute of Statistics
OECD Statistics

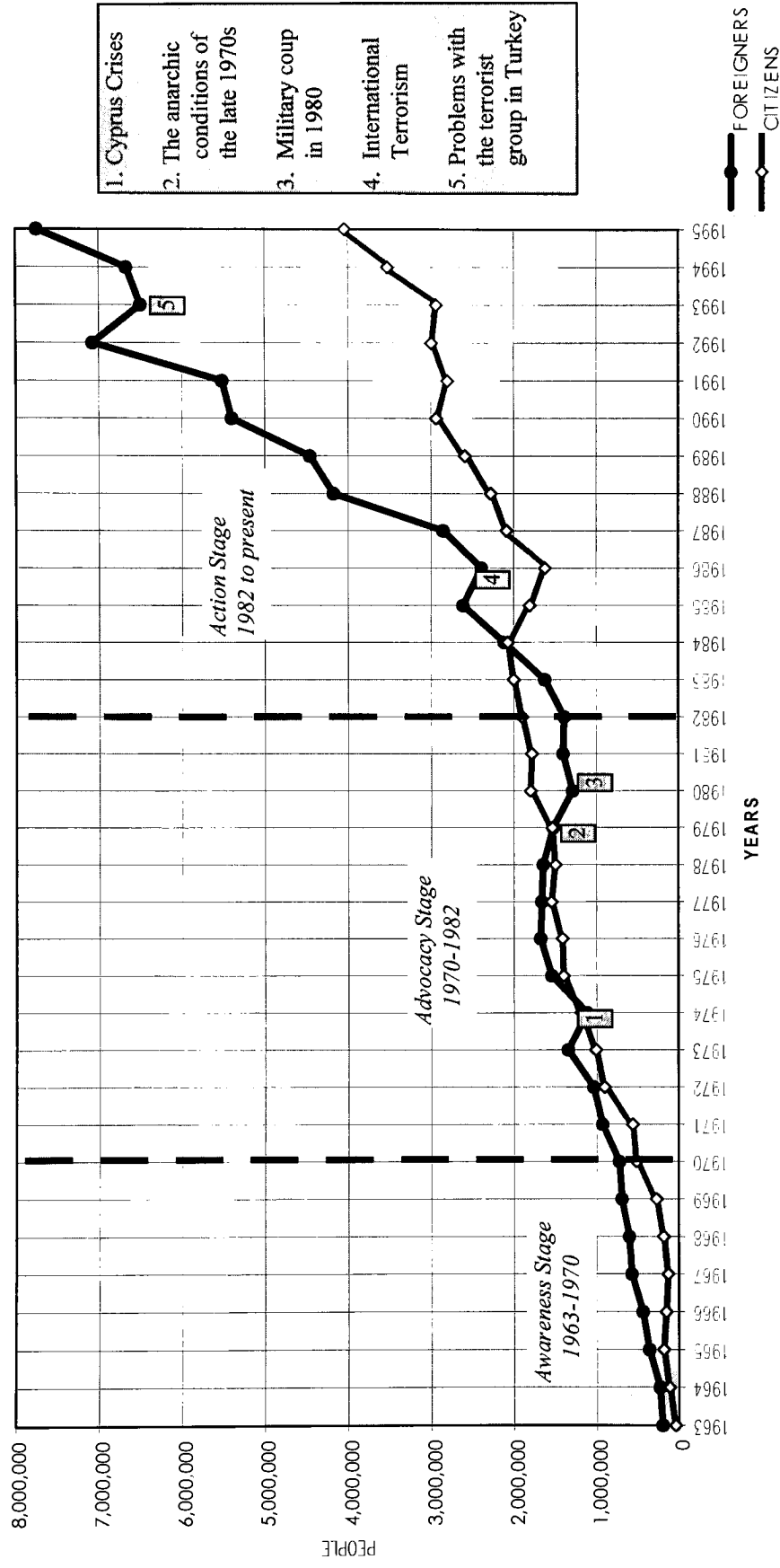
arrivals decreased (Figure 4) and receipts from tourism decreased as well in Turkey.

As International Tourism Report (1993) stated, “it is unlikely that there will be any enormous changes in the development pattern of Turkish tourism in the foreseeable future. Given to country’s size, diversity of climate and terrain, and rich historical heritage, there still remains a huge potential for further development.” Thus, government strategy would be focused more intensively than in previous years on the development of the tourism sectors. These would be as follows;

- Government should foster the expansion of tourism as a means of encouraging investment in infrastructure, especially in the least-favoured areas. In other words, government would provide backing for certain innovations (new tourism product policy) so as to facilitate their distribution nationally and their placement on the market;
- Government would prevent the overlap of assistance mechanism (community, national, and local at several levels) for infrastructure and accommodation establishments, as well as a surfeit of alternative co-financing and financing arrangements that can hold up and complicate project processing;

Figure 4

NUMBER OF FOREIGN ARRIVALS AND CITIZENS TRAVELLING ABROAD (1963-1995)



Source of Data : Ministry of Tourism Statistics
The State Institute of Statistics
OECD Statistics

- Educational centers and training program opportunities would be extended by coordination with international organization and international countries.
- Government in Turkey would emphasis that the capacity to cooperate bilaterally or multilaterally with European countries to arrange joint activities or share experience;
- Government would maintain a close link between tourism development policy and promotion abroad, the national framework often being the essential minimum for promoting the destination on foreign markets;
- Turkey should gather statistics and monitor economic activity nationally for purposes of international comparison and domestic comparison with other sectors and, if need be, for pointing policies in the right direction.

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APPENDIX - A

LAW FOR THE ENCOURAGEMENT OF TOURISM(*)

Law No: 2634
Date of Passage: 12 March 1982

Official Gazette No: 17635
Date of Official Gazette: 16 March 1982

SECTION ONE
Purpose, Scope and Definitions

Purpose

ARTICLE 1 — The purpose of this Law is to ensure that necessary arrangements are made and necessary measures are taken for the regulation and development of the tourism sector and for giving this sector a dynamic structure and mode of operation.

Scope

ARTICLE 2 — This Law comprises provisions governing the tourism sector, including definitions of tourism regions, areas and centres and means of establishment and development of such regions, areas and centres and of encouragement, regulation and inspection of tourism investments and facilities.

Definitions

ARTICLE 3 — The following terms shall have the meanings given here when used in this Law:

- a) "Ministry": The Ministry of Tourism;
- b) "Tourism Regions": Regions the boundaries of which are determined and announced by the Council of Ministers upon the proposal of the Ministry;
- c) "Tourism Areas": Areas within Tourism Regions which require to be developed on a priority basis, where natural and socio-cultural assets are concentrated and the boundaries and exact locations of which are determined and announced by the Council of Ministers upon the proposal of the Ministry;
- d) "Tourism Centres": Places or areas of importance for tourism, within or outside the tourism regions, the boundaries and exact locations of which are determined and announced by the Council of Ministers upon the proposal of the Ministry;
- e) "Tourism Establishments": Commercial ventures operating in the tourism sector jointly or individually established by real or legal persons of Turkish or foreign nationality;
- f) "Tourism Investment Certificate": Certificate issued by the Ministry to investors in the tourism sector for a specified investment period;
- g) "Tourism Establishment Certificate": Certificate issued by the Ministry to establishments operating in the tourism sector;

* These provisions of Law 2634 for the Encouragement of Tourism and the related legislation that are contrary to Decree-Law 520 on the Organisation and Duties of the Directorate-General of the National Lottery Administration are hereby abolished (Decree-Law 177, Art. 58, Official Gazette of 6 June 1988)

b) "Certified Tourism Investments and Establishments": Investments or establishments for which certificates have been issued by the Ministry;

i) Yachts: Vessels registered as yachts in Certificates of Measurement and, in the absence of such Certificates of Measurement, all other sea-going vessels used for sports and excursions but not qualified for passenger and cargo transportation.

SECTION TWO General Provisions

Determination of Tourism Regions, Areas and Centres

ARTICLE 4 — In the determination of tourism regions, tourism areas and tourism centres, account shall be taken of the natural, historical, archaeological and sociocultural tourism assets of the country and her potential for winter, hunting and water sports, for health tourism and for other types of tourism.

Procurement of Certificate

ARTICLE 5 —

a) It shall be compulsory to procure either a tourism investment certificate or a tourism establishment certificate in order to benefit from the incentives, exceptions, exemptions and rights prescribed in this law and other enactments.

b) Investments with certificates shall commence, be completed and be put into operation within the periods of time specified by the Ministry. However, such periods may be extended in cases of circumstances of force majeure acknowledged by the Ministry.

Preservation and Utilisation of Natural Tourism Resources

ARTICLE 6 — Such structures and facilities as may contribute to the preservation and utilisation, in the interests of the public, of state-owned and controlled sites may be constructed and operated in tourism regions and tourism centres in accordance with the land use plans, subject to the conditions outlined in article 8 below and without the need to have a title deed, provided, however, that the certificates referred to in article 3 hereof have already been obtained.

Other structures, buildings and facilities may also be constructed and operated, in the interests of the general public subject to the prior permission of the Ministry, in state-owned and controlled sites in tourism regions and tourism centres, provided that such structures, buildings and facilities shall not disrupt the natural and cultural features of the region or harm tourist enterprises, and that they conform to the land use plan.

Seas, lakes and streams and their shores and banks may not be exploited in such a way as may spoil or destroy their characteristics. The exploitation of such resources, for example through extraction of sand, gravel and rocks, shall be conditional upon the obtention of permission from the Ministry, subject to prior approval of the Turkish Naval Forces Command pursuant to Law no 1738 concerning Navigation and Hydrographical Services.

Plans

ARTICLE 7 — Plans prepared or caused to be prepared and submitted by the Ministry to the Ministry of Public Works and Settlement in connection with tourism regions and tourism centres shall be approved within six months; in the case of maps and shore lines, approval shall be granted within two months.

The Ministry shall be authorised to modify or to approve implementation plans concerning tourism, acting in accordance with the master plans approved by the Ministry of Public Works and Settlement, in tourism areas and tourism centres.

As for lands and plots outside the tourism areas and tourism centres but within the boundaries of municipalities and neighbouring areas and which have been allocated by land use plans for use for touristic purposes, land use plans for those lands and plots on which a certified tourism establishment holding a certificate has been built or in connection with which a request is made by the Ministry shall be amended on a priority basis.

Land use plans and infrastructure projects concerning uses other than tourism shall be implemented by the institution concerned only after the approval of the Ministry has been obtained. The Ministry shall notify such institution of its comments on the issue within a period of three months.

Such formalities outside the tourism regions and tourism centres shall be co-ordinated by the Ministry and the institution concerned.

Use of Immovable for Tourism Purposes

ARTICLE 8 — A. Of the immovable in such places falling within tourism areas and tourism centres as have been allocated for tourism at the request of the Ministry and for which land use plans have been prepared:

(1) Forests and those owned by the Treasury shall be allocated to the Ministry by the institutions concerned.

Such allocations shall be completed after the completion of the following formalities and within one month of the date of the request:

(a) Sua sponte registration of roads and excess roads covered by lands owned or controlled by the State but not yet registered in the name of the Treasury;

(b) Allocation of forests for tourism and amendment of management plans thereof.

(2) Those owned by public organisations shall be registered with the Land Registry in the name of the Treasury and allocated to the Ministry within not more than two months of the date of demand. Conditions and terms of payment relating to such assignments shall be agreed upon by and between the Ministry and institutions concerned in accordance with article 30 of Expropriation Law no. 6830.

(3) Those owned by other real or legal persons and by foundations but which do not have a tourism establishment certificate shall be expropriated and registered with the land registry in the name of the Treasury by the Ministry and shall be transferred, within one month of such registration, to the Ministry. In the event of any disputes, litigation and proceedings shall be carried out and concluded not on the grounds of the expropriation decision but on the grounds of the price assessed therefore. The fact that a dispute may not have been settled shall not prevent the land in question from being allocated for use for tourism purposes.

(B) The Treasury shall not demand any payment from the Ministry until such time as immovable allocated in accordance with paragraph (A) above are transferred to the investors.

(C) Principles, terms and prices to apply to the allocation and lease of such immovable to investors, the establishment of easement and termination of rights thereon and other conditions relating thereto shall be laid down jointly by the Ministry, the Ministry of Finance and the Ministry of Agriculture and Forestry, which shall be under no obligation to comply with the provisions of Tendering and Bidding Law no. 2490 and Forestry Law no. 6831.

(D) The Ministry shall be authorised to lease out or allocate such immovable to real and legal persons of Turkish and foreign nationality, to establish easement on such immovable including individual and permanent rights thereon, and to establish easement free of charge on such immovable in favour of public organisations in order to provide infrastructure, all in accordance with the principles and procedures to be set forth pursuant to paragraph (c) above.

(E) The acquisition of immovable in tourism regions and tourism centres may be exempted by decision of the Council of Ministers, from the restrictions on foreign nationals imposed by Villages Law no. 442 and Real Estate Law no. 2644.

(F) The provisions of this article shall also apply upon the Ministry's request to immovable at such places within the tourism regions but outside the tourism areas and tourism centres as are allocated to tourism by the land use plans of the locality if and when an application is filed with the Ministry for an investment in such places.

(G) Notwithstanding the provisions of this article, touristic, educational and recreational facilities owned by public organisations shall continue to operate under the management of the organisation concerned even if they remain within the boundaries of tourism regions and tourism centres.

Public Investments

ARTICLE 9 —

(a) Infrastructural requirements of tourism areas and tourism centres, such as roads, water supply, sewage, electricity and telecommunication facilities, shall be completed by the public organisations concerned on a priority basis. Allowances allocated by the Ministry or organisation concerned to this end may not be utilised for other purposes without the prior consent of the Ministry.

(b) Public organisations shall not programme any investments directed towards tourism operations without the prior consent of the Ministry.

Price Lists

ARTICLE 10 — General principles concerning the preparation and approval of lists of prices to be charged by certified establishments shall be set out by the Ministry. Such establishments shall submit to the Ministry not later than the end of July each year the price lists they plan to implement during the following calendar year.

Certified establishments may not charge prices other than those given in the lists approved by the Ministry. Such establishments shall post the approved lists in easily visible places in accordance with the principles set out by the Ministry and shall present them upon request.

Notification

ARTICLE 11 — Investors and operators holding tourism certificates shall obtain the prior permission of the Ministry for any transfer or leasing out, in part or in whole, of the establishment with which the certificate is concerned and for any amendment, in part or in whole, of the ownership structure and field of activity of the establishment; it shall be a condition of any such amendment that the establishment shall continue to be a tourist establishment.

Furthermore, investors holding tourism certificates shall, during the investment period, notify the Ministry twice a year of the progress of their investment, while establishments holding tourism certificates shall submit data to be used in the determination of Turkey's tourism figures to the Ministry on a quarterly basis.

Triptyques or Carnet de Passage Services:

ARTICLE 12 — (Rescinded by Law no 2817, dated 18.4.1983)

SECTION THREE Principles and Provisions Concerning Incentives

Principles of Encouragement and Co-ordination

ARTICLE 13 — Incentives in the tourism sector, and procedures and principles concerning the ways in which tourism investments and establishments may benefit from such incentives shall be specified jointly by the ministries concerned and the Undersecretariat for the State Planning Organisation under the co-ordination of the Ministry.

Priority for investments shall be, in descending order: tourism areas, tourism centres, tourism regions and other sites designated by the Ministry.

Of the certified tourism establishments, those earning foreign exchange in the amounts that are specified annually by the Ministry for this purpose shall be regarded as exporters.

Tourism Loans

ARTICLE 14 —

(a) Tourism loans shall be allocated, on a priority basis, to investments made in tourism areas and tourism centres.

(b) The Tourism Bank Inc. of the Republic of Turkey may obtain foreign currency loans from foreign sources for allocation to certified investments in tourism areas and tourism centres.

The terms and conditions agreed upon for the loans made available by the Treasury shall also apply to loans obtained in this way, and general principles concerning the allocation and repayment of such loans shall be established jointly by the Ministry, the Ministry of Finance and the Undersecretariat for the State Planning Organisation.

Payment of Contributions to Forestry Fund in Instalments

ARTICLE 15 — The sum payable by certified tourism establishments located in forests pursuant to paragraph (c) of supplementary article 3 of Forestry Law no 6831 shall be paid, starting in the third year of allocation, in five equal instalments over a period of five years.

Rates of Utilities

ARTICLE 16 — (Amended: Law No. 3754) Certified tourism investments and establishments shall pay for utilities such as electricity, gas and water at the lowest of the rates that apply to the industrial facilities and homes in the locality.

Communication Facilities

ARTICLE 17 — Any and all procedures and allocations in connection with requests of certified tourism investments and establishments for telephone and telex facilities shall be carried out on a priority basis.

Employment of Personnel

ARTICLE 18 —

(a) Certified tourism establishments may employ qualified foreign personnel and experts with the approval of the Ministry and the Ministry of Interior, and provisions of Law no 2007 concerning the Trades and Services to be Performed in Turkey by Turkish Citizens shall not apply to such personnel.

However the total number of foreign personnel so employed may not be higher than 10% of the total number of employees. This ratio may be increased to up to 20% by the Ministry. The personnel in question may start working at the establishment 3 months prior to the date when it commences commercial operations.

(b) The employment of personnel aged under 21 at certified tourism establishments and covered by Law no 2559 concerning the Duties and Powers of the Police shall be subject to the prior permission of the highest civil authority of the locality.

Sale of Alcoholic Beverages and Games of Chance

ARTICLE 19 —

(a) Certified tourism establishments shall be exempt, subject to the permission of the Ministry, from the provisions of article 173 of Public Health Law no 1593 and of article 61 of Elementary Training and Education Law no 222 which concern the sale of and licences for alcoholic beverages.

Minors aged under 13 may, if accompanied by their parents, be admitted into certified tourism establishments under Law no 2559 concerning the Duties and Powers of the Police on condition that the Ministry has granted prior permission to this effect.

(b) The Ministry shall be authorised to designate gambling places and to grant permission to the persons that are to operate such places, provided that such places are complementary to certified tourism establishments. The Ministry shall decide who, other than those holding foreign passports, may be admitted into such places and under what conditions.

Official Holidays, Weekends and Lunchtimes

ARTICLE 20 — Certified tourism establishments and sales stands exclusively for the sale of services under such certificates shall, during the working hours specified in the certificate issued by the Ministry, maintain their operations throughout official holidays, weekends and lunchtimes.

Tourism Development Fund

ARTICLE 21 — A "Tourism Development Fund", attached to the Ministry, is hereby established for the purpose of supporting tourism investments to be made in tourism areas and tourism centres with loans with maximum repayment periods of 20 years for up to 15% of the total investment cost and expenditures on the development of foreign marketing opportunities.

Revenues of the Fund

ARTICLE 22 — Revenues of the Tourism Development Fund shall be composed of:

- (a) Annual appropriations allocated from the Ministry's budget for this purpose;
- (b) That portion of the profits of the Tourism Bank Inc. of Turkey that corresponds to the Treasury's share;
- (c) Interest on loans to be extended out of the Fund;
- (d) A certain share, to be fixed by the Council of Ministers, of the revenues derived from tripiques or customs pass cards (carnets de passage); (*)
- (e) Fines to be imposed on tourism establishments in accordance with this Law;
- (f) Service participation revenues and other aids and donations.

Use of the Fund

ARTICLE 23 — The Tourism Development Fund shall be utilised by the Tourism Bank Inc. of the Republic of Turkey.

Expenditures to be made out of this Fund shall not be subject to the provisions of General Accounting Law no 1050 and Tendering and Bidding Law no 2490.

The authority to make payments out of the Fund shall belong to the Minister of Tourism.

The fund shall be subject to auditing by the Ministry of Finance.

Provisions as to Incentives in the event of Transfer

ARTICLE 24 — Those taking over the certified tourism investments and establishments on the condition that the purpose and nature thereof are not affected by such transfer shall benefit, subject to the prior permission of the Ministry, from the same incentives.

Incentives in the Event of Termination of Tourism Activities

ARTICLE 25 — In cases where certified tourism investments and establishments may terminate their tourism activities and not resume such activities within a one-year period, they shall be liable, pursuant to the provisions of relevant enactments, to repay the monetary equivalent of the exemptions, exceptions and rights to which they became entitled under the incentive arrangements.

* Interim Article 2 concerning the payment of a share to the Bank of Tourism by the Touring and Automobile Board of Turkey has been abolished by Article 54 of Law 2317 of 13 April 1983.

If, however, establishments terminate their activities by reason of circumstances of force majeure such as war, natural disasters and epidemics, the Ministry may waive their obligations of repayment, subject to the approval of the Ministry of Finance and the Undersecretariat for the State Planning Organisation.

SECTION FOUR Yachting Tourism

Operation of Marinas

ARTICLE 26 — Real or legal persons may operate marinas subject to the obtention of the necessary certificate from the Ministry. However, in operations to be established by foreigners, at least one of the shareholders in such undertaking must be a real or legal persons of Turkish nationality.

Yacht Operation

ARTICLE 27 —

(a) Real or legal persons may operate yachts subject to the obtention of the necessary certificate from the Ministry. The Ministry shall be authorised to grant permission, without having to comply with the provisions of article 823 of Turkish Commercial Law No. 6762, to hoist the Turkish Flag on those yachts which are otherwise unable to do so.

(b) Principles concerning the use of foreign-flag yachts along the Turkish coasts and between Turkish harbours shall be determined by the Council of Ministers as may be required.

Principles of Navigation in Territorial Waters

ARTICLE 28 —

(a) Yachts coming in from foreign harbours to Turkish harbours and yachts leaving Turkish territorial waters en route to foreign harbours shall have to make their entry and exit through designated customs entry and exit points.

(b) Statements made and procedures fulfilled in accordance with the provisions of Articles 34, 35 and 41 of Customs Law No. 1615 by foreign-flag yachts coming in from foreign harbours or spending the winter in Turkey at the first harbours they call at or the last harbours at which they lay anchor for winter shall also count as valid at any other Turkish ports they may subsequently call at.

(c) Sanitary formalities carried out on yachts at any Turkish port shall remain valid for a period of one year and visas shall not be required of such yachts unless they call at a foreign port. However the nearest harbour administration or civil authority shall be informed immediately in the case of any death or the outbreak of any contagious disease.

(d) Foreign-flag yachts and yachts used by foreign nationals may in regions determined and announced by the Council of Ministers with the agreement of the Turkish General Staff:

(i) cruise on routes shown in their cruise documents, and

(ii) call and anchor at harbours along the route where there is no customs office, without any restrictions for sight-seeing purposes.

Duration of Stay in Turkey of Yachts and Cabotage Rights

ARTICLE 29 — Foreign-flag yachts may stay up to two years in Turkey for maintenance, repair, docking or wintering purposes. This period may be extended in accordance with principles to be determined by the Council of Ministers.

Turkish-flag yachts of certain specifications, to be determined jointly by the Ministry of Transport and Communications and the Ministry, may be chartered to foreign nationals for such purposes as excursion, sport or entertainment. The use of yachts so chartered for commercial purposes is forbidden.

The use of foreign-flag yachts for excursion, sport and entertainment purposes shall not be regarded as commercial passenger transportation.

CHAPTER FIVE

Inspection and Penalties

Authority for Inspection

ARTICLE 30 — (Amended: Law No. 3492) The Ministry shall be exclusively authorised to inspect investments and establishments holding tourism certificates, to check those characteristics of such investments and establishments on the basis of which certificates are issued and to establish whether they maintain such characteristics as well as to categorise such establishments.

If the Ministry deems it necessary, matters on the basis of which inspections and classifications are to be made may be determined by real or legal experts designated by the Ministry. However, the Ministry shall take and implement any and all decisions based on such examinations. The qualifications of the experts, the principles and procedures for designating them, their functions and powers and the principles concerning the conduct of their examinations shall be specified in a regulation.

In cases when it so deems necessary, the Ministry shall also have examinations carried out on its behalf in accordance with the principles set forth above, to serve as the basis for inspections of investments and establishments not holding tourism certificates, in which case it shall inform the relevant authorities so that appropriate action may be taken.

Fees payable to experts to be appointed from outside the Ministry shall be paid out of the Tourism Development Fund.

Penalties

ARTICLE 31 —

(a) Without prejudice to any penalties that may be imposed under other legislation, certified tourism investments and establishments failing to comply with the provisions hereof or the conditions laid down in the regulations concerning the enforcement of this Law shall be liable to the penalties described below.

(b) The fines referred to in article 33 below shall be assessed by the inspection officials and copies of minutes indicating the fine imposed shall be forwarded to the establishment in question and to the nearest tax office in order to ensure payment thereof within 7 days.

Fines remaining unpaid within this period of time shall be recovered pursuant to the provisions of Law no 6183 concerning the Procedure of Payment of Public Claims.

No objection raised or litigation entered into against such fines shall serve to halt the collection thereof.

Warnings

ARTICLE 32 — Holders of tourism certificates may be warned either by the inspectors or by the Ministry on account of faults, failures and deficiencies observed in the management and administration of the tourism investments and establishments.

Fines (*)

ARTICLE 33 — Fines shall be imposed in the cases and amounts described below. The Council of Ministers shall be authorised to increase such rates by up to 100%.

(a) A fine of five thousand to fifty thousand Turkish liras in cases when required corrective action has not been taken despite a warning or when the same or a separate act has occurred calling for a second warning or when more than one act requiring a second warning is noted during a single inspection or when information required to be reported to the Ministry is not furnished in time or when misleading information is furnished;

(b) A fine of 10 times the excess amount charged when amounts have been charged in excess of the price indicated in approved price lists;

(c) A fine of fifty thousand Turkish liras in instances when a part or the whole of the establishment is kept closed for a period of more than thirty days in a year without informing the Ministry and for reasons not acceptable to the Ministry;

(d) A fine of twenty thousand to one hundred thousand Turkish liras in cases where the reputation of the country's tourism is damaged and where grave fault and negligence are definitely established in the protection of either personal security or the security of the property of the customer;

(e) A fine of twenty-five thousand to one hundred thousand Turkish liras in cases where it is established that offences have been committed on the premises due to either the involvement of the proprietor or person in charge or the fault or negligence of same. Provisions of specific legislation are reserved;

(f) A fine of one hundred thousand Turkish liras in cases when an establishment, having been liable to at least two fines during the same year for the same or different reasons, commits an act requiring the imposition of a new fine.

* The fines applicable in the cases indicated in Article 33 were increased by 100 % by Council-of-Ministers Decision 35.9621 of 27 June 1985. The fines envisaged by Articles 33 and 36 are increased every year under Laws 3506 and 3591 of 7 December 1985 and 4 December 1989, respectively.

Cancellation of Tourism Investment or Tourism Establishment Certificate

ARTICLE 34 — In any of the following cases the Ministry shall cancel the tourism investment or tourism establishment certificate:

(a) Commitment of a further offence requiring the imposition of a fine following the imposition of the penalty referred to in paragraph (f) of article 33 above;

(b) Failure to commence construction work or to start to operate the tourism establishment within the specified time limits, without any reason acceptable to the Ministry;

(c) Assignment or leasing, in part or in whole, of an establishment for which a certificate has been issued or modification of the ownership structure or field of activity or title of such an establishment or the rehabilitation thereof without the prior consent of the Ministry;

(d) Occurrence of the circumstances referred to in paragraph (e) of article 33 above and where keeping such an establishment open may be harmful for Turkish tourism or personal security;

(e) When it is established that the quality of the facilities has been downgraded significantly, whether from the point of view of the tourism operation or from that of public health standards;

(f) When the facilities have ceased to possess the qualities required for certification, during the investment or operation phase.

Objections to and Litigation against Penalties

ARTICLE 35 —

(a) Warnings issued in accordance with the present Law shall be final.

(b) Objections to fines imposed by inspectors may be raised within seven days by petitioning the Ministry.

Upon receipt of such a petition, the Ministry shall make its final decision either to approve, to adjust or to cancel the penalty within a month at most.

(c) Files for annulment of decisions of the Ministry concerning fines and for annulment of other penalties may be lodged with the administrative courts of the place where the certified establishment is located.

Other Penalties

ARTICLE 36 —

(a) In the event of any violation of the provisions of article 6 hereof, a term of imprisonment of three to eighteen months or a heavy fine of fifty thousand to one hundred thousand Turkish Lira or both shall be imposed:

(b) Those who violate paragraph 2 of article 29 hereof shall be liable to a heavy fine of fifty thousand to one hundred thousand Turkish Lira.

The fine shall be doubled in the event that the violation is repeated.

SECTION SLX
Final Provisions**Regulations**

ARTICLE 37 — Regulations governing the following shall be issued within one year from the publication of this Law:

(A) Matters to be governed by regulations to take effect upon decrees of the Council of Ministers :

(1) Matters concerning the formation of work groups to designate tourism regions, tourism areas and tourism centres, and the functions, powers and procedures of these groups and their relations with the Ministry;

(2) The issue of tourism investment and tourism establishment certificates, the nature of the management, personnel and operation of the establishments concerned and the physical conditions with which these are to comply;

(3) Matters pertaining to the inspection of certified tourism investments and establishments in respect of the qualities on the basis of which the certificate has been issued, of their price lists, cleanliness, orderliness, services, management and administration and of other points including the questions of human and environmental health and security of persons and property, and pertaining to the qualifications, appointment and powers of inspectors;

(4) Matters pertaining to the operation of marinas and yacht charters and to the implementation of articles 28 and 29 hereof.

(B) Matters to be governed by regulations to be prepared by the Ministry in conjunction with various other ministries as follows:

(1) With the Ministry of Finance:

(a) Matters concerning the collection and deposition with the Tourism Development Fund of fines imposed thereunder;

(b) Matters relating to the utilisation and auditing of the Tourism Development Fund.

(2) With the Ministry of Interior:

Matters pertaining to the employment of foreign nationals in certified tourism establishments as exempt from the provisions of Law no. 2007 concerning the Trades and Services to be Performed in Turkey by Turkish Citizens.

(3) With the Ministry of Public Works and Settlement:

Matters pertaining to the preparation and approval of land use plans in tourism areas and tourism centres.

(C) Matters to be governed by regulations to be prepared by the Ministry:

(1) The respective rights and obligations of those holding tourism certificates in their relations with the Ministry, each other and their customers and the conditions with which they shall be obliged to comply in such relations;

(2) Principles and procedures pertaining to the penalties and fines imposed thereunder, the composition of boards at the Ministry to be in charge of taking decisions as to penalties and matters concerning the implementation of penal clauses;

(3) Other matters that may be required for the enforcement of this Law.

Provisions Rescinded

ARTICLE 38 — Law no 6086 concerning the Encouragement of the Tourism Industry (.....) is hereby rescinded.(*)

Interim Article 1 — Tourism establishment construction certificates and tourism establishment operation certificates issued under Law no. 6086 concerning the Encouragement of the Tourism Industry must be replaced within three years of the date of entry into effect of the regulation referred to in paragraph (A-2) of Article 37 hereof. Formalities concerning such replacement shall be exempt from any and all stamp duties, taxes and fees.

Interim Article 2 — (Repealed by Law No. 2817, dated 18.4.1983) Article 4.

Interim Article 3 — The supreme Board of Co-ordination of Tourism shall be authorised to declare tourism areas and tourism centres for the purpose hereof until tourism regions, tourism areas and tourism centres are announced in accordance with the principles set forth in article 4 and paragraph (A) (1) of Article 37 of this Law.

Interim Article 4 — Yachts may have and use wireless equipment on board in accordance with principles to be decided upon jointly by the Turkish General Staff, the Ministry of Transport and Communications and the Ministry, until such time as new arrangements are made in this connection in Law of Radio Communications, No. 3222.

Interim Article 5 — Regulations issued under the Law 6086 concerning the Encouragement of the Tourism Industry and provisions of articles 11, 12 and 13 of the same Law not contradicting this Law shall continue to be operative until the regulations to be issued thereunder take effect.

Interim Article 6 — The carrying out of decisions to demolish structures falling under article 6 hereof shall be postponed until the end of the year 1982 in connection with facilities owned by establishments holding tourism certificates and operating in areas owned or controlled by the State.

Supplementary Article 1 — (Amended by Law no 3487, dated 27.10.1989) Without prejudice to rights previously granted and currently being exercised and rights entered into the land registry, hot and cold mineral springs resorted to for cures shall be transferred to tourism investors pursuant to the provisions hereof.

The powers of the authorities referred to in Law 927 dated 10 June 1926 and in article 1 of Law no 4268 dated 17.6.1942 as amended by Law no 6977 dated 24 May 1957 shall belong to the Ministry, provided that such powers shall be restricted solely to the tourism areas and centres indicated. However, dividend and duty entitlements of provincial administrations shall be reserved.

* The provision that was contained in the space marked (.....) in Article 38 above and that concerned Article 12 of the Customs Law 1615 was abolished by Article 54 of Law 2817 of 18 April 1983.

Those beneficiaries who are not making full use of resources allocated to them in tourism areas and tourism centres may continue to make use of such resources if they submit to the Ministry a statement confirming their commitment to make full use of such resources, accompanied by their plans and projects in this regard, within one year of the date of entry into effect of a regulation to be issued pursuant to this Law and if such plans are approved by the Ministry. Otherwise, excess amounts of the spring used shall be made available to those willing to operate such spring waters.

A regulation to be issued by the Ministry in conjunction with the Ministry of Health and Social Welfare and the Ministry of Energy and Natural Resources shall lay down principles for the determination of excess amounts of spring waters used by real and legal persons, that hold a right to operate water springs resorted to for cures, the manner and conditions of operation of excess spring waters not used, the exploitation of newly discovered spring waters, and the regulation of relations with other beneficiaries in this connection.

Supplementary Article 2 — (Supplemented by Law 3754 of 30 May 1991) Caravans and motorcaravans owned by foreigners who have entered Turkey may remain in Turkey for up to 2 years for maintenance, repair and wintering purposes, and their owners may leave Turkey by other means.

Procedures and principles concerning the utilisation and stay of motorcaravans and caravans owned by foreigners that are permitted to spend the winter in places and warehouses designated for this purpose shall be set out in a regulation by the Ministry of Tourism after obtaining the opinion of the Ministry of Finance.

Supplementary Article 3 — (Supplemented by Law 3754 of 30 May 1991) While making arrangements and taking measures to regulate and develop the tourism sector and to give the sector a dynamic structure and mode of operation, the Ministry shall take all measures to assist in the formation of professional bodies with the status of public organisations related to the sector.

Entry into Effect

ARTICLE 39 — This Law shall enter into effect on the date of its publication.

Execution

ARTICLE 40 — This Law shall be executed by the Council of Ministers.

APPENDIX B

Year by year Turkish government activities in terms of tourism will be given that all information adopted from annual publication of OECD's "Tourism Policy and International Tourism Policy in OECD Member Countries" over the period of 1963-1996.

1963

Under bilateral agreements, Turkey had abolished entry visas for nationals of the Member countries of N.A.T.O. and CENTO (except for Iran), Australia, Finland and Japan

Turkey authorized tourist visits with an identity card or a passport expired less than five years to nationals of Austria, Belgium, France, the German Federal Republic, Italy, Luxembourg and the Netherlands.

Turkey had introduced a special tax of 50 per cent, with a minimum of Turkish pounds 500 (\$55), on all purchases of foreign currency for travel abroad, including tourist travel, and on the purchase of tickets, including the cost of forwarding baggage.

Turkey allowed motor vehicles to enter without a tryptique for a stay of up to four months.

1964

The O.E.C.D Council decided on 28th April, 1964, to raise the minimum automatic individual tourist allowance provided by the Code of Liberalization of Current Invisible Operations from the equivalent in foreign currency of \$500 to the equivalent of \$700 per journey. Turkey, which is allowed temporary derogation's from the provisions of the Code, is not bound to grant these amounts. It should, however, be noted that Turkey now allows the equivalent of \$200 per year.

The “European Agreement on travel by young people on collective passports between Member countries of the Council of Europe” was at present in force between Belgium, France, Greece, Ireland, Italy, the Netherlands, the United Kingdom, and Turkey. (July 1, 1964)

Agreement concluded Bulgaria with Turkey in 1964 with a view to facilitating reciprocal tourist movements, to promoting technical cooperation and tourist publicity, and to contributing to tourist development programs.

1965

The Turkish Authorities had taken several measures to promote and facilitate foreign tourism. Thus, reduced fares had been granted for railway tickets purchased abroad for journeys in Turkey, post offices and museums have closed later during the tourist season and camping would be authorized on school grounds.

Turkey had abolished certain very stringent exchange controls. Thus, foreign tourists may now change back into foreign currency and surplus Turkish money on leaving the country.

Bills concerning the establishment of travel agencies had been prepared.

In 1965, Turkey no longer requires customs documents for the temporary importation of vehicles for private use.

Turkish government had set up a Ministerial Commission for coordination to hasten the application of the new measures for promoting tourism in 1965.

1966

Agreement concluded Spain with Turkey in 1966 In May 1966 with a view to facilitating reciprocal tourist movements, to promoting technical cooperation and tourist publicity, and to contributing to tourist development programs.

In cooperation with the Tourism Committee, it organized a Seminar on tourism development in Greece, Portugal, Spain, Turkey and Yugoslavia. This seminar enabled participants from these countries to exchange views on the main problems implementing an effective government policy for tourism development with experts on the subject from government and private sectors of tourist exporting countries.

1967

In June 1967, Turkey reduced the amount that may be imported from T.L. 500 to T.L. 100 and the amount that can be exported from T.L. 200 to T.L. 100.

Member countries continued in 1967 to provide substantial technical assistance for tourism, either directly or through international

organizations such as the OECD and UNO. Aid was granted not only to Member countries such as Turkey and Portugal as well as to Yugoslavia, but also to third countries developing their tourist industry.

Agreement concluded Turkey with Rumania and Iraq in 1967 with a view to facilitating reciprocal tourist movements, to promoting technical cooperation and tourist publicity, and to contributing to tourist development programs.

1968

Since 4th March 1968, Turkey allowed a bonus on currency exchange by tourists at accredited exchange offices in order to rebate indirectly, insofar as spending by foreign tourists was concerned, the indirect taxes to which tourist consumption was subject in that country. The effect of this premium was to raise the exchange rate from T.L 9 to T.L 12 per dollar.

1969

Governments of Greece, Turkey and Iran to create a tourist highway linking these three countries. At the same time the governments of Turkey, Iran and Pakistan were discussing the preparation of various plans for the overall development of tourism in this region. Greece and Turkey were considering the conclusion of an agreement for closer

cooperation in the development of tourist exchanges and exploitation of common resources in this field. In order to facilitate two-way tourist traffic, Turkey had concluded tourism agreement with Greece.

Work was in progress with a view to formalizing the process-verbal signed by Greece and Turkey in March 1969. In 1969, the road-building program was processing in both countries, one of the objectives being to complete the “grand circle” concept to improve communications generally between several of the Greek islands and Turkish mainland.

Turkey was endeavoring to foster the growth of domestic tourism as a foundation for the further development of foreign tourism.

In Turkey, Izmir airport was being expanded for use of foreign tourists.

The regulations concerning the acquisition of title to land in Turkey by foreigners, for purposes of tourism development, were being eased progressively.

1970

Cooperation in tourism between Greece, Yugoslavia, Bulgaria, Rumania and Turkey was agreed to in Belgrade in early 1970, and a draft agreement was initialed by representatives of these countries.

Following the devaluation of the Turkish Lira on 9th August 1970 which raised the exchange rate from 9 to 15 lira to the dollar, the Turkish

Government abolished the tax on the purchase of convertible currency which had already raised the exchange rate for Turkish tourists to 13.50 lira to the dollar.

1971

Investments in tourist accommodations by three publicly-owned banks (the Bank for Tourism, the Emekli Sandigi, and the Vakiflar) amounted to some \$60 million in 1970 and 1971.

In 1971 some 150 people graduated from the government-organized courses for guide-interpreters. During the same period 67 students graduated from the official Ankara and Istanbul hotel schools and 191 people received diplomas on completing the tourism and hotel training courses organized in Ankara, Istanbul and Izmir by the Ministry and Tourism and Information. In addition to existing academic centers for the teaching of and research into tourism, new facilities for hotel and tourism studies were opened in the Faculty of Economics and Commerce at the University of Izmir.

The Ministry of Tourism and Information increased its publicity in 1971 using the following methods: newspapers and magazine advertising, publicizing those newspapers and magazine containing articles on Turkey, posters, part-financing literature prepared by travel agencies for travel to Turkey, advertising in brochures distributed by the larger travel

agencies. Parallel to increasing publicity and public relations the Ministry was encouraged the private sector to expand its marketing activities especially in those regions to be given priority for tourism development schemes.

1972

As far as technical assistance in the field of tourism had been concerned OECD works through its Technical Cooperation Committee (TECO) and its Development Center. TECO's projects for Turkey was 1972 mainly concerned the establishment of a practical training program on tourism marketing within the Ministry of Tourism and training in techniques to evaluate tourism investments.

Priority had been given to a revision of the legislation concerning ancient monuments, the protection of nature, national parks and the coastal areas.

The Ministry of Tourism and Information's work programs for the regional development of tourism in 1972 comprised physical and development planning for the region of Side, tourism and infra-structural planning in the Nevsehir region (Cappadocia) and tourism planning in the south-west region of Anatolia. In addition, the state planning organization had chosen Anatolia as the most important region for tourism development over the next twenty years with a target of 170,000

new beds and is currently carried out sub-regional planning work within the framework of this overall target. Several other important regional tourism development projects were being implemented by the Ministry of Reconstruction and Housing and the Ministry of Forests.

Following on the increase priority accorded to tourism by the Third Plan the Ministry of Tourism and Information had had its control of overall tourism development increased. The Ministry's new powers include, amongst other, the responsibility for drawing up physical plans for tourism development as well as their initiation and implementation and the surveillance of ecological protection in tourism regions. In addition the Ministry had been made responsible for official loan policy concerning the tourism sector with an increased power of direct intervention in the implementation of credit policy. The Tourism Ministry had also been charged with initiating cooperation with other government agencies with a view to improving tourist services.

The Ministry of Tourism and Information was cooperating with the Ministry of Housing and Reconstruction for the preparation and implementation of land-use plans.

Governmental credit policy was oriented more toward inducing the private sector to meet plan targets and to channel new investments into the tourism priority areas. Most of the loan finance for investments in

accommodation and other tourist facilities was to come from the Tourism Bank.

Emphasis was to be placed on training of a practical rather than of an academic nature as a result of the provisions for the tourist industry stipulated by the Third Plan. This orientation was reflected in the tourism education programs of the Ministry of Tourism and Education. These programs were implemented by the Ministry of Tourism's hotel and management centers in Ankara, Istanbul and Izmir which provide 10 months courses and by the Ministry of Education's hotel and management schools in Ankara and Istanbul which provided three year courses. About 1100 students had graduated from these establishments since they were created ten years ago.

Concentration of the country's marketing activities on the promotion of mass tourism was stipulated by the Third Plan. In order to tap the mass tourism market the Ministry of Tourism, whose budget has been increased, was to undertake more market studies as well as reorganizing and extending its own marketing operations. Parallel to this an increasing use was being made of the main media with a view to promoting domestic tourism.

1973

To stagger domestic holidays throughout the year, government-owned tourist facilities usually reserved for the employees of public enterprises. Government-owned tourist facilities were also to be made available to foreign tourist at certain times of the year so as to enable low-price holidays to be offered to them.

In 1973, measures were taken to increase the rate and volume of tourist investment at all possible speed. These measures related to the increase in the capital of the "Tourism Bank", so that it can grant new low-interest loans. The Bank had given priority to pilot schemes which were run jointly by the private and public sectors and also to cooperatives and to other enterprises financed by capital from Turks working abroad. The Tourism Bank had been also act as the promoter for the building of large tourist complexes which will include all forms of accommodation. The Bank also proposed to open duty-free shops and be responsible for their management.

State aid to local authorities for work on the infrastructure and superstructures of their tourist sites was continued and increased to 18 million Turkish Lira in 1973. Loans were granted to tourist establishments and businesses which satisfy the appropriate conditions, e.g. health resort establishments, tourist establishments included in the projects for tourist complexes developed by the Tourism Bank, and

Turkish and foreign producers of films to promote tourism in Turkey. A 50% tax reduction has been granted on profits from investments in development regions and a 30% reduction for investment in other areas. Tourist establishments were exempt from real estate tax for the first 5 years and also from building tax. In certain circumstances they may also be exempt from customs duty. Furthermore, the payment of duty on imported equipment for these establishments may be staggered over a four-year period. The State guarantees loans granted for tourist investment by the Tourism Bank, the Provincial Bank and the Public Foundations Bank. Public loans may be obtained to finance investment up to 60% of the total amount for priority areas and 40% in other areas.

The results of vocational training in 1973 were as follows: the five tourism and hotel training centers (OTEM) (two in Ankara, one in Istanbul, Izmir and Cesme) produced 344 graduates. After completing one year of study students were sent for a practical training period abroad. In-service vocational training courses in Ankara and Istanbul trained 154 people in the restaurant, cooking, room service and reception branches. Mobile training courses organized in 33 centers trained 931 people. 148 students were enrolled on training courses for interpreters-guides.

The public authorities had been trying to coordinate the vocational tourist and hotel training activities of the Ministry of National Education and the Ministry of Tourism and Information.

1974

In order to reduce the cost and enhance the efficiency of tourist and other information services the General Directorate for the Press and Publications, which was formerly under the jurisdiction the Prime Minister, had been re-attached to the Ministry of Tourism and Information since the formation of the new government at the end of January 1974. A committee had been set up to prepare project for reorganizing the Ministry of Tourism and Information in order to enable the latter to adapt more effectively to new developments in domestic and international tourism.

In regions or localities which had development plans, surveys were carried out and completed on geomorphologic, topographical, climatic and demographic conditions, archeological assets, natural resources and economic structures. Surveys on manpower demand in the tourist industry were developed during 1974.

In 1974 new legislation would come into force to project coastal areas, beaches and beauty spots by compulsory purchase in the public interest. Priority had been given to establishment designed to encourage

social tourism. A closer collaboration and more efficient coordination had been achieved between the various official bodies concerned, with a view to making urgent infrastructure investments on the best possible terms in regions or centers where tourist development had been given priority.

Land-use projects for tourism purposes were concentrated in the Side area, the coastal area of the Mugla region and the Antalya and Cappadocia areas. They were designed to localize and concentrated tourism investment in priority regions and the centers bring infrastructure projects into line with existing and proposed facilities, protect the environment and ensure an optimum return on investments.

The Ministry of Forests continued its development work in the national parks in collaboration with the Ministry of Tourism and Information and the Ministry of Housing and Reconstruction. The work on parks in the planned areas, e.g. Mugla, Antalya and Goreme (Cappadocia), had been completed. Proposed legislation national parks were being prepared.

In the Third Development Plan measures were proposed for the protection of the natural and historical environment of shoreline areas and priority tourist areas. This fundamental principle had been taken into account in the development of national parks and land-use planning. In addition, the Ministry of Forests, the Ministry of Building and Housing

and the Ministry of Tourism and Information have worked out a joint program for the protection of natural, historical and archeological sites in tourist zones.

Surveys include a study of existing tourist establishments and the type of establishment to be developed, and a study of the trends and characteristics the clientele now and in the future. These surveys were carried out with the help of travel agencies and tour operators. The preliminary work had been completed and questionnaires, which were to be distributed to 2500 tour operators in Spring 1974.

Government measures concerning tourist protection were mainly comprised in the regulations for officially recognized accommodation, which enable the Ministry of Tourism to control the quality of the services provided. The appropriate local authorities also exercised control over all accommodation. In addition to new Act on travel agencies (No.1618 of 1972) specifies in detail the activities of these firms as well as the forms of control exercised by the Ministry of Tourism at their creation and in the course of their operations.

In 1974 the General Directorate for Tourism in the Ministry of Tourism and Information was reorganized and an Inter-ministerial Coordinating Committee for Environmental Problems set up by Decree of 16 November 1974. A secretariat, a technical committee and a group of consultants are attached to this Committee.

The six centers providing training for careers in tourism and the hotel trade (OTEM) trained 432 students in 1974. After completing one year of study some of the students were sent for a practical training period abroad. In-service vocational training courses trained 121 people in the cooking, restaurant, reception and room service branches. 706 people benefited from the mobile training courses organized 24 centers. Training courses for interpreter-guides were followed by 116 students.

Government action to protect the tourist as a consumer was in 1974, notably in the application of legislation concerning travel agencies and the regulations concerning prices and quality of the different tourist services.

1975

Research on the development of tourist supply concentrated on the socioeconomic aspects and on the conservation and development of natural resources and tourist sites.

The preparation of long term studies covering the socioeconomic and territorial aspects of tourism development in Turkey began early in 1975.

Research on tourism demand is undertaken with a view to revising promotional measures in light of changes in the tourist-generating markets.

The representatives abroad of the Ministry of Tourism and

Information made continuing studies of the markets of the countries in which they were posted and supply the Ministry with regular reports. In addition a long-term market research project had been prepared.

Special emphasis was given to investment in the field of accommodation facilities, and this investment policy was supported by the loans granted by the Tourism Bank whose capital was raised from 600 million to 750 million Turkish lira.

During 1975, as a result of the reorganization studies carried out by the Ministry of Tourism and Information, the departments of the Ministry were restructured to include a Research and Evaluation Department, a Documentation and Information Center, an Advisory Department Press and Information, a Vocational Training Department and an International Relations Department.

In 1975, research mainly comprised an inventory of all existing accommodation facilities, a survey of the use of licensed accommodation by foreign tourists and a survey accommodation facilities and employment in tourism sector in Istanbul.

In 1975, several studies on physical planning of tourism covering coastal areas as well as on thermal and winter sports resorts and recreational zones were completed.

In 1975, investments for tourist infrastructure amounted to 24.3 million Turkish lira and for the tourist accommodation sector to 74.9

million Turkish lira. The Bank of Tourism provided 120.8 million Turkish lira of credit for the construction, furnishing and management of accommodation facilities.

The Ministry of Tourism and Information provided training facilities in tourism training centers located in Ankara, Istanbul, Izmir and Antalya. These centers provided training opportunities during a period of eight months for personnel destined to work in accommodation facilities 465 people were trained in 1975. 485 people have been trained on the job in special reception, serving floor services and catering courses conducted 13 different places. 211 candidates have been trained in Istanbul, Izmir and Ankara as tour-guides.

A survey of foreign tour operators was completed.

In 1975, the Government's tourism publicity budget amounted to 1 million dollars and promotional measures covered several foreign markets.

Licensed accommodation establishments were controlled by the Ministry of Tourism. The license is revoked in the case of non-conformity with established standards.

1976

In Turkey, the Ministry of Tourism and Information had set up for new directorates for planning, research and evaluation, international

relations and education in this field, and the Ministry itself had been reorganized for the purpose of expanding its promotional activities.

Surveys were carried out by the Government's Statistical Institute to determine the occupation, sex, age group, travel purpose and means of transport of tourists. In order to learn more about the wants of tourists and so determine the basis for supply planning and information policy, the Ministry of Tourism and Information organized its own surveys. The major foreign international travel operators had been questioned, and questionnaires had been sent to travel offices in Turkey and to all hotels and lodgings in Istanbul. Surveys were conducted among national tourists and foreign excursionists and tourists from October to December 1976 in order to establish the trends in their demand, particular attention being paid to tourists from the United States in a survey conducted at Istanbul as a stop-over of round-the-world trips.

In 1976, the Ministry of Tourism and Information gave priority to the expansion of accommodation facilities and improvement of the services provided.

The terms of loans made to private investors by the Tourism Bank were improved as a result of the Bank's extending the repayment period (between 15 to 20 years), lengthening the grace period from two to three years and increasing the ratio of the loan to the total investment from 40 to 60% minimum and from 60 to 80% maximum according to the case.

Investment in priority regions by corporations with shares freely bought and sold on the open market had the benefit of loans at a yearly interest rate of approximately 4%. Credit to accommodation establishments amounted to 295.9 million Turkish liras in 1976 while credit for boarding houses totaled 6.1 million liras, representing increases of 147% and 554% respectively on 1975.

In order to prevent coastal areas from being used for purposes inconsistent with the aim of expanding tourism, plans for improving these areas had been activated, together with projects for devoting tourism in them. On matters relating to environmental protection, the Ministry of Tourism and Information actively associated with the Coordinating Commission on Environmental Questions (whose work was coordinated by the Ministry of Construction), with the General Directorate for Waterways and with the Special Commission on Maritime Questions (work coordinated by the Office of the Under-Secretary of State for Economic Planning). It also participated in the work being done on safeguarding the Mediterranean from pollution (coordinated by the Ministry of Foreign Affairs).

In planning the balanced development of tourism in the regions, the Ministry of Tourism and Information placed particular emphasis on infrastructure investment in the underdeveloped areas, with extension of hotel chains to those areas, and proposed to give financial support to

local and municipal departments which were primarily tourism-oriented. Interest on loans to underdeveloped areas with tourism potential was set at 4% per annum.

With a view to assessing the competitiveness of its tourism services for marketing purposes, Turkey had undertaken research on such projects as the prices in the various Mediterranean countries, the characteristics of popular tourism operation of travel agencies and tourism market data. In addition, in order to identify the factors affecting demand more clearly and to use information systems and marketing methods in Turkey which have been successful in other countries, publications on market research abroad had been translated into Turkish and distributed to all the tourism enterprises concerned.

In 1976, the Ministry of Tourism and Information spent 5.4 million Turkish liras to invite to Turkey 156 journalist and writers on tourism-oriented subjects, 338 travel agency representatives, 66 film teams, 42 tourist establishment representatives and 615 people of various professions who were helping to promote tourism in Turkey. Further expenditure included 13.4 million liras for advertising, 7.2 million liras for publications and almost 2 million liras for photos and films. The highlights of 1976 were the first international film and music festivals at Istanbul and the opening of new national tourist offices in the United States, Europe and Near East.

1977

In 1977, the assistance of Turkish airlines was being sought to strengthen the publicity campaign. Representatives of French travel agencies were invited to visit Turkey to see whether the accommodation on the Mediterranean and Aegean coasts would suit elderly tourists.

The regulations governing the eligibility of tourist accommodation for licensing by the Ministry of Tourism and Information imposed building and quality standards covering items such as cleanliness, hygiene, heating, electricity, prices, wages, parking facilities. The establishments were permanently monitored by the Ministry and those found not to conform to the prescribed requirements have their withdrawn.

Exchanges of technical information had taken place under agreements with certain Balkan and Middle Eastern countries; experts from Pakistan, Iraq and Romania were invited to Turkey to study planning methods.

In the 1976/1977 school year, the Tourism and Hotel Centers trained 253 people in reception work, waiter service, room service and cooking. One-month in-service occupational training courses had been organized in six towns and sub-prefectures to improve personnel standards in hotel and catering establishments. Three courses were organized in Ankara, Istanbul and Izmir for the training of guide and were attended by 260 people. Regional courses for guides continued at

Diyarbakir, and another began at Edirne in February 1977. Two seminars were attended by embassy attaches and officials preparing to work abroad in Ministry of Tourism and Information offices; another seminar was arranged for guides to give them further training in receiving the foreign guests of the Government and of the Ministry of Tourism and Information.

Turkish nationals traveling abroad to work and their families were eligible for reduced rates of travel on the Turkish T.H.Y. Airline in order to visit their country in 1977.

The Directorate for Tourist Investments was set up under the Ministry of Tourism and Information to reinforce the Government's role in this sector.

In 1977, the Master Plan for Regional Tourism and Recreation was extended to the central and eastern regions of the Black Sea, the region of the Sea of Marmara and the cities of Van and Bolu.

The total amount of loans allocated in 1977 by the Tourism Bank of Turkey was 604 million Turkish liras.

Terms of Loans Granted in 1977 by the Tourism Bank of Turkey

	Loan Period	Interest Rate	Grace Period
Construction	20 years	8%	5 years
Equipment	10 years	8%	2 years
Operation	3 years	11.5%	1 year

Long term loans at low rates of interest had been granted for the regional investment programs. The aim had been to achieve a balance between the regions as regards investment in accommodation. Stress was laid on improvements to the transport system.

As in the past, teachers and students have had the benefit of cheaper train fares. Primary school pupils with the best marks had spent free holidays in public establishments. Civil servants had been eligible for holiday credits for the low-cost facilities arranged by their departments.

Technical assistance had been provided by the United Nations Development Program for the tourism project in Koycegiz and Seferihisar Dilek.

Since September 10, 1977, Turkish nationals have the right to make only one journey abroad per year and their expenditure abroad may not exceed the equivalent of US\$600. The passport was used for control purposes and contains the exit visa stamp and an entry stating the amount and date of purchase of the foreign currency. The representatives of public and private enterprise who travel abroad on business likely to earn foreign currency and expand Turkish exports were granted higher foreign currency allowances. Since October 15, 1977, people going on tours organized by a category A travel agency may take foreign currency equivalent to not more than US\$200.

1978

Work continued on the construction of winter-sports centers at Erciyes and Palandoken to the east of Anatolia and Ankara-Elmadag and Bolu.

The Ministry of Tourism and Information sponsored 35 conferences.

The year 1978 was devoted to re-organized the administrative departments responsible for tourism with an eye to improved performance. A Policy Planning Unit was established in the Ministry of Tourism and Information to formulate alternative policies, evaluate them and monitor their implementation. Following an Interministerial Co-ordination Meeting in November 1978, a package of measures affecting tourism was adopted, dealing in particular with planning, transport, infrastructure, construction, taxation, culture, education and customs formalities for the tourist.

The Government had adopted action programs with the following aims in view: to strengthen the tourism role of the public sector; simplify the legal formalities for foreign investors; provide a legal basis for tourism-related investment by small savers through cooperatives; increase the funds available to the Tourism Bank for direct investment and loans; reduce international-tourism expenditure; speed up the procedure promoting the use of State owned land for tourism purpose; provide the Ministry of Tourism and Information with a contingency fund; consolidate

the hotel classification criteria; clarify the legal framework applying to areas where tourism is to be developed; exercise more effective traffic control on roads heavily traveled by tourists; simplify customs formalities; coordinate shore and forest conservation and the restoration of historical sites; give tourist areas higher priority for infrastructure investment; speed up the building of airports and marinas; increase the seat capacity of the Turkish Airlines carrier fleet; encourage charter flights; centralize the administration of airports and other points of entry; introduce courses on tourism in secondary schools and emphasize relevant formal and informal instruction elsewhere in the education system.

A system aimed at forecasting tourism demand was developed. A survey to determine the socioeconomic characteristic and requirements of the domestic tourist market was planned, which is to be conducted in twelve Turkish communities.

1979

The building of service stations on the main roads began in 1979.

The protocol had been signed between the Ministry of Tourism and Information and the Ministry of Education in connection with the decision to revise the arrangements for providing education and vocational training in the field of tourism.

Aliens were not allowed to own secondary residences in Turkey and the renting of such accommodation was little practiced.

The prices of tourist accommodation and facilities were subject to prior approval by the Ministry of Tourism and Information.

In Turkey the general situation had led the government to intensify its research program with a view to revising national tourist policy in relation to the serious economic problems which had arisen.

The problems relating to the balance of payments were decisive in 1979 in government policy decisions relating to international tourism.

In 1979, government action in relation to tourism was concentrated particularly on festivals, exhibitions and international congress, marinas, historic sites and monuments, spas and recreational facilities.

The interest rate for hotel loans increased from 11.5% to 15% per annum for operating expenses and from 8% to 12% for construction, equipment and furnishing. In 1979 the Turkish Tourist Bank received a budget of 400 million Turkish Liras to finance its loans. At the end of the year loans already granted totaled 57% of that sum.

A Bill was being prepared to regulate land-use on the coast and in tourist areas and maintain ecological equilibrium.

In order to facilitate motor travel throughout the country motor fuel coupons were sold to foreign visitors on their arrival. These coupons are

honored by a network of service stations being established on government initiative with the cooperation of the Turkish Petroleum Office.

Courses in tourism have been included in the programs of secondary education. A seminar on education in relation to tourism brought together 118 professor and school administrators, and four tourism teaching books were published. A program titled Mission for Tourism was launched to familiarize the public with tourism. Some 240 students obtained certificates from hotel management centers. Course certificates were granted to 60 people. 27 people operating guests houses took courses in guest-house management. The training program for touring guides was attended by 95 and later 120 people.

Emphasis was placed on inexpensive tourist travel and stays. One example was the use of school dormitories during school holidays to promote holidays for youth. In addition, the use of the charter flights was encouraged to render the cost of travel to Turkey more competitive. Support was given to the main tour organizers abroad proposing package tours in Turkey.

Frequent inspections had taken place of all accommodation facilities ensure that the regulations of the Ministry of Tourism and Information were respected.

On the basis of an agreement signed on May 10, 1979, Italy offered six scholarships to Turkish students to acquire knowledge of tourism and

hotel management in Italy. Technical cooperation was began with Algeria in relation to spas.

Since the agreement signed on July 11, 1979 by Turkey and Bulgaria, citizens of the two countries no longer have to apply for a visa for a short stay.

The Ministry of Tourism and Information had discussions with the Ministry of Customs and the Interior to obtain simplified customs formalities for tourists at frontiers.

1980

A survey was carried out among Turkish families in an attempt to determine what they did with their holidays, how much they spent and what they would like to do. A new questionnaire for a survey among foreign visitors was tested out.

A model prepared by the World Bank for the purpose of financial analysis had been adopted to suit the hotel sector in Turkey and was being used and its effectiveness tested.

Major reforms had been undertaken in the organization of the Ministry of Tourism and Information. The Act on incentives to the tourist industry and the Act on travel agencies were re-examined.

Surveys were conducted for domestic travel agencies with the twofold aim of determining and classifying existing tourist facilities on

major routes, and of ascertaining tourist preferences and expenditure. An inquiry covering a number of establishments providing accommodation shed light on their operational and marketing problems, their relations with travel agents and their promotional activity abroad.

In 1980, the Turkish Tourist Bank provided construction and equipment loans at 12% and 15% per annum and loans for operating expenses at 15% and 16% per annum of a total amount of 991 million Turkish Liras for the creation of new accommodation, and 44 million T.L for extensions. Loans for construction, equipment and operating expenses at roughly similar rates were also made available to maritime transport firms (T.L 8.9 million), travel agencies (T.L 2 million), trades and crafts (T.L 1.8 million), and boarding houses (T.L 44.5 million at 10%). Interest free holiday loans to an amount of T.L 12.6 million were granted to 1,817 people. The government also released public land for building purposes, gave tax exemptions on building and furnishing, and accorded grants for investment and exemptions or facilities for payment of customs duties.

Priority was given to the building of minor roads affording access to tourist sites away from major roads. Grants were made to local authorities earmarked for safeguarding areas of natural and cultural values, electrification, drainage, drinking water supply, construction,

sanitation facilities and various infrastructures necessary for the development tourism.

Basic training courses for people employed in the accommodation and catering industries were held at Ankara, Antalya, Izmir and Istanbul, and were attended by 309 trainees. Training sessions for regional guides held at Antalya, Diyarbakir and Konya were attended by 135 trainees. Training courses for national tourist guides were held at Izmir and Istanbul, with the attendance of 125 people.

The Ministry of Tourism was represented at 17 Tourism Fairs abroad in 1980 and ran numerous folk events. The Ministry welcomed to Turkey 112 travel agency representatives, 50 press and 32 television representatives, 27 investors, and 82 individuals from various other sectors. It lent support to 34 international congresses and 40 national and international festivals, as well as organizing 10 craft exhibitions and 27 folklore events for tourist groups. Permanent contacts are maintained with 186 travel operators abroad.

A special agreement was signed with Germany, aimed at stepping up technical cooperation in the tourism field.

The Government abolished the entry visa requirements for nationals of Saudi Arabia, Kuwait, the United Arab Emirates, Bahrain, Qatar and Oman for tourist stays a maximum duration of three months.

1981

Different Ministries, including the Ministry of Culture and Tourism, had been involved in preparing ten physical planning studies among which the most important ones for tourism were: the tourism project for Pamukkale; environmental landscaping plans for Uludag and the coastal region of Fethiye; and an architectural project for the Eccabat visitor and administration center within the Master Plan of the National Park in Canakkale-Islibolu.

Studies were undertaken to identify priorities in the establishment of tourism centers and rest areas along the main roads.

A new consolidated organization, based on the Tourism Bank, had been given the responsibility for developing the tourist accommodation sector. Two Tourism and Information Bureau were opened in Kas and Silvan.

In 1981, the Tourism Bank granted loans totaling T.L 2.3 billion to the tourist industry. They covered up to 60 % of the total investment costs for construction, equipment, furniture and operation at 15% interest for periods of 6 to 20 years. For income tax purposes, 40 per cent of the investment and building costs, and the construction taxes are deductible. The Tourism Bank granted credits to help owners of accommodation to complete work under construction, to increase

capacity or to improve the situation of an establishment which was not yet licensed.

Mugla Province had been chosen as a priority region and investments have been increased to enhance tourism. Different projects had helped to decentralize tourism activities including new hotel in Van. The Urfa hotel opened by the Tourism Bank in Urfa Province proved a success and the road connection between Adiyaman and Mount Nemrut was completed.

280 students were enrolled in 1981 for vocational training and on-the-job training programs have been organized for 243 students covering room and waiter services and cooking. Regional professionals tourist guide courses in Antalya, Konya and Diyarbakir provinces were attended by 48 students. 69 students have been enrolled for national tourist guide courses in Ankara. Regional tourism seminars were organized on behalf of local administrators in Cappadocia and Mersin.

The Ministry of Culture and Tourism organized familiarization tours in Turkey for 541 travel agents, press representatives and potential tourism investors. Priority was given to well-developed regions with the best transportation and accommodation facilities and quality of services. Turkey was represented at 28 international fairs and folklore dancing groups performed in Hong Kong, France, Mexico, the United States and

Germany. Sales guides were published in Germany, England, the United States and Japan.

Bilateral agreements based on reciprocity in the field of tourism have been concluded in 1981 with Czechoslovakia, Pakistan, Tunisia, while previous protocols were extended with Algeria, Jordan, Romania and Yugoslavia. A protocol concerning vocational tourism training was mutually signed with Italy on November 19, 1981.

1982

Up to 1982, tourism was the responsibility of the Ministry of Information and Tourism. This was amalgamated in February 1982 with the Ministry of Culture to become the Ministry of Culture and Tourism. The General Publicity Directorate is now the General Publicity and Marketing Directory.

The Tourism Promotion Law is ratified in March 1982. Under the terms of the new law a fund has been established for touristic investments and for promotion. Qualified foreign personnel may be employed by tourist installations provided that their number does not exceed 10 per cent of total staff. The Ministry of Tourism may increase this ratio to 20 per cent in exceptional circumstances.

The Tourism Encouragement Law No:2634 which aims at concerning and speeding up investments in superstructure had enlarged

the means of available and given more authority to the Ministry. This law expected to facilitate the problems related to necessary formalities and should attract foreign capital investments and encourage yachting and tourism.

With the development of superstructural investments by the private sector and foreign capital, the Ministry of Culture and Tourism had established “model” accommodation facilities through the Tourism Bank including the following projects: Antalya Hotel, Iztuzu Hotel and Bungalows, enlargement of Akcay Holiday Village, Antalya-Falez Hotel and Camyuva Hotel. These investments represent nearly 3,000 new bed capacities.

On the main tourism routes of Turkey, twelve points were chosen for the construction of refreshment centers: Efes, Truva, Bergama, Pamukkale, Gokova (Special Projects), Egridir, Gelibolu, Bursa, Tuzgolu, Sungurlu, Bogazkoy, Konya-Sultan hani Bafa Lake (proto-type project application)..

In accordance with an agreement between the Turkish Government and United Nation Development Plan and with the contribution of UNESCO/ICCROM, Structural Conservation studies for the site of Goreme and rehabilitation and safeguarding of historic quarters and monuments of Istanbul had been started.

Through its Tourism and Information offices abroad, Turkey participated in twenty-seven different international tourism fairs and organized several tours of National Groups of Folk Dancers, in different countries of Europe, Middle-East and Far-East. Representatives of the travel trade, tour operators, journalists, film and TV teams were invited to Turkey to familiarize themselves with the tourist attractions of the country. The number of foreign tour operators organizing tours to Turkey increased by 80% in 1982, compared to the previous year.

The Interministerial Committee of Tourism Affairs recommended to the different provinces assistance to tourists in various areas, including matters dealing with prices, environment, and sanitary conditions.

In order to expand the offer and the tourist season, accommodation establishments were encouraged to construct central heating systems.

Bilateral agreements based on reciprocity between the countries in the field of tourism, especially in promotional activities, were realized with Syria, Hungary and Romania. The XVth Conference of the Touristic Organizations of the Balkan Countries was held in Athens.

Funds amounting to \$175,000 were provided by UNDP in material aid and technical assistance for the Goreme Conservation Project.

1983

A campaign, which was started in 1982, to encourage Turkish workers abroad to spend their holidays in Turkey is now in full operation and in 1983, three Turkish newspapers published abroad included advertising supplements to this effect.

Programs are being developed to improve infrastructure and to start pilot projects to lengthen the season and promote tourism for the elderly. Great efforts are being made to encourage and support students and young people to visit Turkey as being a major way to increase mutual understanding, international amity, and peaceful exchange of culture experiences.

On the decision of the Ministry of Culture and Tourism, overall development plans have been drawn up at various scales: sub-regional tourist development plans, master plans and implementation plans. Drawing upon these, support has been given to investment in regions, areas and tourist centers. Investment in infrastructure and pilot superstructure projects are being financed by the public sector, with the remainder of the superstructure being provided by private sources, with government credit assistance. The implementation of the overall plans for infrastructure and pilot complexes is supervised by the Ministry and the remainder is controlled by the various levels of local administration.

Under the 1983 Investment program study, projects were initiated on the improvement of the E5 Highway to dual carriage-way/motor-way standard and the construction of the Second Bosphorus Bridge with its supporting access road system. The Trans-European Motorway which is 9,600 kilometers long involving ten European countries is also under study; 3,607 kilometers of this will be in Turkish territory.

The new International airport at Istanbul-Yesilkoy was opened on October 7, 1983. The airport is designed to accommodate large tourist throughputs and the International Terminal Building incorporates the latest technology and ground handling equipment.

Extensive support was being given to the development of domestic festivals of culture and folklore.

To encourage local and foreign investors, public lands were being offered for leasing at low rents for long duration. During 1983, preliminary approval was granted to 36 projects which included 14,235 beds, 728 capsites and 23 restored historic houses. Final approval was given to projects including 2,899 beds. As for part of Law 2634, the government is providing facilities for both foreign and local investors who wish to put resources into marine and yacht harbors. In general, support for foreign investment in tourism is growing and the economics of a number of projects were being evaluated.

The Ministry Culture and Tourism was giving high priority to the protection of the environment and of cultural heritage, providing cash grants, technical assistance and credit facilities. A special fund had been set up for preserving the cultural heritage. The General Directorate of works (Vakıflar Genel Mudurluğu) was particularly concerned with the restoration of historic buildings, with the aim of making them available for tourist purposes. Very great importance was attached to environment protection, with special emphasis on avoiding marine pollution and the preservation of coastal sites.

The importance of bringing Turkish facilities up to international standards has been recognized and the “star” system for grading hotels and tourist complexes has been introduced.

In 1983, 116 complexes received investment permits from Ministry, which are planned to add 14,814 beds to the present capacity. In 1983, management permits were granted to 52 tourist complexes, containing 4,445 beds, as being up to standard.

Turkish tourism was included on the London “Prestel”, the Paris “SVP” and the Amsterdam “Viditel” systems and during 1983 the first computers were installed in Turkish Travel Bureaux abroad. The distribution of brochures was increased and 9,450,000 copies were distributed in 1983, highlighting congress tourism, gastronomy, yacht

cruising and national festivals. Seven new publicity films were produced in 1983 to extend the knowledge of Turkey abroad.

To assist visitors, attempts were being made to increase the availability of automatic telephones and telexes in the main tourist areas. The new "Digital Multiplex" system had been introduced in Turkey.

Turkey participated in a "Tourism Supermart" in the United States and Canada. This Supermart, sponsored by the European Travel Commission, visited 13 North American cities. In addition Turkey attended 27 international tourism fairs, and several commercial exhibitions to publicize and market Turkey as a holiday destination.

There had been wide contact with tour Organizers, operators and travel agents abroad, usually via the Turkish Travel Bureaus, to encourage more tours to include Turkish destinations, and to increase the time they spend in Turkey. The Travel Bureaus were also trying to influence the program planning of organizers and operators which do not yet include Turkey in their schedules. Particular efforts had been made in the Far East and Gulf countries. The success of these efforts was reflected in a substantial increase in the number of foreign tourists in 1983, particularly from Japan, Malaysia, Jordan and Egypt.

In preparation for the 1984 season, a workshop was organized in Turkey for 45 representatives of Travel agencies and Operators. The Bulgarian State Travel Agency participated. There were also visits by the

foreign press and broadcasters, as well as agents and organizers, which were 81 per cent up on 1982, with a total of 898 people being the guests of Turkish Travel authorities.

The Turkish Government adopted a decision which came into force on January,1 1984 that the port dues for cruise ships would be reduced by 30 per cent and that the inward tax upon visitors from cruise ships would be set at \$7 per person, which would be levied only once if the ship made a series of calls at a number of Turkish ports.

1985

Due to some shortcomings in the Tourism Incentive Law's implementation, the statute on the Allocation of Public Property for Tourism Investments was redrafted and put into effect in 1985. Public property was allocated for tourism investment according to certain criteria. As a result of these legal arrangements for tourism, investments and bed capacity in that sector had increased substantially.

Tourism vocational training at university level is the responsibility of the Council of Higher Education. Tourism and hotel management colleges, linked to four universities' Schools of Economy and Management, offer a four-year program leading to a bachelor's degree. Nine other universities have Tourism Professional Schools, offering a two-year course. At the high school level and under the Ministry of Education, eleven Hotel Management

and Tourism High Schools offer a three year program. The Ministry of Culture and Tourism is, on the other hand, responsible for training on-the-job with the following:

An 8 months course at Tourism Educational Center (TUREM);

A 24-day course in hotels, restaurants, and at entertainment places

A 9-month course for professional tourist guides.

In 1985, 194 people graduated from TUREM course and 84 from the professional tourist guide course.

Development of tourism awareness in the country was done during the Tourism Week in cooperation with the schools. Within the framework of the Tourism Encouragement Law 2634, the hiring of 475 foreign personnel and artists in 19 licensed establishments was made possible. Within the framework of cultural agreements, 18 staff members received scholarships or were given the opportunity to be trained in foreign countries.

In 1985, an inexpensive self-service tourism complex was established on the southern coast of Turkey for the benefit of nationals.

Loans for tourism investments were given by the Tourism Bank to tourism projects with Tourist Investment Certificates issued by the Ministry of Culture and Tourism, and Encouragement Certificates issued by the State Planning Organization. These facilities were offered to the following types of projects: accommodation facilities, adjoining facilities,

facilities for health tourism, traditional public architecture models to be used for tourism purposes, house-pensions, travel agencies, yachts harbors and landing facilities for yachts, and yachts for touristic purposes.

A maximum of TL 5 billion in loans is granted to tourism projects in priority areas. The different types of loans are granted to cover construction and initial investment, decoration and equipment, and operations. These loans are granted to cover 60 per cent of the costs, and a three to fifteen year repayment period, at interest rates ranging from 15 to 30 per cent.

In order to develop tourism in priority areas and concentrate on limited resources in the main touristic areas, 45 high priority centers, areas and regions had been selected. They are located within boundaries of nine main touristic provinces. The physical plans of these sites had been completed. In those areas, investors were encouraged and additional incentives were provided through land allocation, infrastructure provision, tax deduction and customs relief.

Brochures were published in twelve foreign languages and 1506 people were invited to visit Turkey to gain knowledge of its tourism supply. Turkey participated in 34 fairs organized in important centers and cities of the world, in promotional exhibitions in 25 centers of the United States, and contributed to 28 National Festivals. In the framework of the

traditional Turkish culture and arts, 17 performances were given by the State Folklore Group in Germany, Cyprus, and the USSR, and two television films were made during the 30 performances of its tour in Turkey. The Ministry also published 10.8 million promotional brochures and pamphlets of 38 different kinds and produced four films.

Tourism agreements exist between Turkey and Iraq, Egypt, Germany, Bulgaria, Tunisia, Syria, Pakistan, Jordan, Czechoslovakia, Yugoslavia, Greece, Hungary, Algeria, Romania and Lebanon. In accordance with the provision of the above-mentioned agreements, Joint commission meetings are held on a regular basis and protocols are signed at the end of these meetings. Tourism relations with Iran, Iraq, Tunisia, Jordan, Algeria, Italy, the Netherlands, Finland and Morocco are also being discussed in the framework of the Commercial Agreements with those countries during the meetings of the Joint Economic Commissions.

1986

In Turkey, comprehensive plans to maintain the balance between resource utilization and preservation had led to an extensive program of archaeological and cultural improvement, including the restoration and adoption of historic buildings to serve as a tourist centers. The Mediterranean was particularly vulnerable to the pollution resulting from tourist activities and during 1986, Turkey introduced new measures to

combat water pollution and improve the standards of health protection in coastal resorts, beaches and marinas.

The principal body responsible for tourism is the Ministry of Culture and Tourism, which carries out the general measures taken by the State Planning Organization (DPT). There were also some other institutions that take part in tourism promotion, training and the provision of credit and loans to investors during the initial investment and operational stages. These are: the Promotion Foundation of Turkey (TUTAV), the Tourism Development and Training Foundation (TUGEV), and the Tourism Bank (Turizm Bankasi). However, in order to maintain cultural and historical national assets which can also have tourism functions (like accommodation facilities, restaurants, cafes, etc.), the restoration of historic buildings will continue to be carried out by the appropriate institutions.

Infrastructural investments for tourism development were provided by the government in planning areas; investments in actual facilities were left to the private sector. Tourism investments were realized in accordance with the physical planning prepared by the government and incentives were given for priority areas.

On the other hand, in order to increase accommodation capacity in the country, public lands were rented to private investors for fairly long periods, with additional incentives to attract experienced foreign

investors. Credits were given to investors during the initial investment and operational stages. The existing laws, legislation and enactment's contain provisions to correct the short comings of certain investment activities.

Emphasis had been given to foreign language education and the training of experienced employees to overcome the shortcomings in the sector.

New priorities which had been added to the existing objectives were the development better international transportation facilities in Antalya and Izmir airports and the provision of the necessary support arrangements for expanding cruise tourism and yacht facilities.

To implement the policy of increasing contribution of the tourism sector to the national economy, an overall evaluation of tourism potential had been undertaken by drawing up comprehensive plans that maintain "the balance between resource preservation and utilization". Within this overall framework, 18 separate tourism master plans, 17 of which were coastal areas authorized as tourism investments priority regions, had been prepared and approved during the years since the early 1970s. These plans envisaged a total tourist bed capacity of 615,908 including 79,328 camping spaces. The number of establishments which had been issued with tourism investments in operation, as at the end of 1986, was as follows:

Establishments issued investment certificates:

Up to 1986: 629 (99,534 beds) ; During 1986:261 (39,997 beds)

Establishments issued operation certificates:

Up to 1986: 731 (92,129 beds); During 1986: 97 (9,764 beds)

The establishment with operation certificates include hotels, motels, holiday villages, pension, inns and camp sites.

Excavations in 67 archaeological sites and ground research in 37 regions were carried out. The restoration of touristic and cultural heritage from past civilizations was continued. This included the restoration and landscaping of the surrounding areas of five ruins, twelve castle ramparts and twenty other monuments, the restoration of the fifteen buildings of civil architecture suitable for exhibition, the preparation of eight monuments and museums as exhibition sites, the maintenance and restoration of nine museums, the equipping of one museum against fire and theft and reinforcing the construction of two other museums.

Research had been done on a total of 133 areas sites (67 in 1984, 48 in 1985 and 18 in 1986) and of these, the result of the work on 93 sites was evaluated and decisions taken by the Higher Council of Immovable Cultural and Natural Assets.

Special projects included the Goreme site, the Topkapi and Yildiz Palaces in Istanbul (in cooperation with UNESCO), the ancient city of

Stratonikeia, the protection and development of Ankara Castle, and the restoration and landscaping of the area around Mt. Nemrut.

Some of the Hotel and Tourism Vocational High Schools connected with the Ministry of National Education, Youth and Sports were reorganized from the aspects of curriculum and planning practical work, with the title of “Anadolu Hotel Management Vocational High Schools”. For specific training in the tourism service sector, the Ministry of Culture and Tourism had planned to increase the number of Tourism Educational Centers from three to six during 1987. The Ministry is responsible for on-the-job training, by organizing: a month-long course at the Tourism Educational Centers (TUREM); a 24-day course in hotels, restaurants and entertainment sites (an on-the-job training course); and a nine-month course for the professional tourist guides. In 1986, 744 people graduated from on-the-job training courses and the Turem courses were still continuing.

Investment for tourism in the scheduled areas was supported by the state in various ways, by supporting infrastructure, providing investment credits up to 75 per cent, renting land, giving tax exemptions, and customs releases. Specific infrastructure projects had included the following:

The infrastructure works for Titreyengol-Acisu-Sorgun Kilca were carried out;

South Antalya (Kemer-Kiziltepe): Electricity, water supply, canalization and communication works were completed;

Koycegiz-Iztuzu: The highway is completed and the construction of drinking-water installations had been commenced;

The establishment and feasibility studies of infrastructure needed for tourism and urban development of the Mugla coastal area were completed;

The studies and research for drinking-water supplies in Sarigelme were finished and the work on the highway project had also been finished; the construction of canalization of Alanya-Marmaris was being continued;

Work concerning the storage of the coal of Zonguldak had been started; and

The construction of Bodrum and Antalya marinas was in progress.

In the field of social tourism projects, in the Belek-Antalya, 250 four-bend tents were added to the existing 500 three-bed tents together with all the necessary infrastructure and auxiliary units. To cover the financial cost of this project for the year 1986, T.L 1 billion had been provided from the Social Housing Project Fund and T.L 50 million from the 1986 budget.

A new Social Tourism Center was being planned on a site of 300,000 square meters, allocated to the Ministry in Izmir-Seferihisar. The work had already begun in 1986.

The Ministry of Culture and Tourism was responsible for promoting tourism activities by a variety of means, including national and

international exhibitions, travel fairs, workshops and cultural festivals, film presentations and audio-visual shows. It also produced and distributed promotional literature in several languages in addition to inviting members of the foreign press, radio and television and representatives of travel agencies or tour operators to see what Turkey has to offer. The socio-economic structure, preferences and habits of potential tourists in the countries marketed were taken into consideration, through Turkey's 17 foreign offices of tourism.

The Ministry, whose main target was to increase the foreign exchange receipts from tourism, undertook advertising activities mainly in international markets rather than national market. To achieve this goal, the Ministry had used poster campaigns and advertising in newspapers, magazines and travel trade magazines. This emphasizes the country's unique combination of historical and natural beauty, its cultural heritage with the archeological ruins of ancient cities, its unpolluted seas and nature, its colorful folklore and traditional hospitality, its inexpensive and good quality shopping facilities and its delicious and varied cuisine. while advertising activities were carried out in most international markets, priority had been given to Central European and Middle East Islamic countries.

At home, promotional and advertising efforts were concentrated on the areas which had been designated Tourism Development Regions, including the coastal areas stretching from Canakkale province on the Aegean to Mersin province on the Mediterranean, the Cappadocia region in Middle Anatolia and several major cities including Istanbul, Izmir, Antalya and Ankara.

In February 1986, the Hotel and Managers' Association, in cooperation with the Ministry, arranged a Food Fair to introduce Turkish cuisine and during 1986, the Ministry arranged an International Symposium in Istanbul and Konya for the purpose of making Turkish food and drink better known. In these symposiums, extensive information about Turkey was given to a considerable number of foreign experts and foreign press representatives.

Market controls had been much more effective in the last few years, for the benefit of the consumer. The problems of the sale of defective and owner-priced souvenirs and other artifacts to tourists and the late or non-delivery of articles ordered, was being taken up as a priority matter by local administrations.

New cultural Exchange Programs were signed in 1986 between Turkey and the Federal Republic of Germany, France, Spain, Korea and Morocco covering the years 1986-1988 and a Cultural Exchange Program

was signed in the same year between Turkey and Jordan covering the years 1987-1989.

In addition to the tourism agreements mentioned in the previous year, agreements exist with Italy and the USSR. To implement these agreements, Joint Commission meetings were held periodically and protocols were signed at the end of the meetings. Tourism relations with Iran, Tunisia, Jordan, Algeria, Syria, Bulgaria, Romania, the Federal Republic of Germany and Pakistan were also discussed within the framework of Turkey's Trade Agreements with these countries, during the meeting of the Joint Economic Commissions.

1987

Most education facilities were under the responsibility of the State. The national educational system provides three different level of tourism training.

Hotel administration and hotel management courses were available in 21 schools, of which 14 offer a two-year program and 7 a four-year program.

Vocational training at high school level (for assistant cooks, waiters, receptionists and room-maids) was provided through a three-year program in 11 State schools tuition free. Two private schools offer similar

training in Istanbul. The government was planning to set up 11 more high schools providing vocational training in tourism in the near future.

Seven-month courses were conducted by the Ministry of Culture and Tourism Training Centers (TUREMs) and the Tourism Development and Education Foundation (TUGEV) provided vocational training for 6 months in the Hotel Training Center (OTEM) which comprised a four-star hotel.

Taking into account the bed capacity under construction (63,000 beds) and the bed capacity planned by the end of 1990 (85,000 beds), the total capacity of licensed accommodation was expected to rise to 238,000 beds by then. These extra 148,000 beds would provide a minimum of 74,000 extra jobs and the government would be able to supply approximatively 5,000 additional skilled workers per year. To meet this objective certain incentives were given to private enterprises creating vocational training establishments. These incentives are:

- * The Loan Agreement between IBRD and the Turkish government. A \$5.8 million loan was given by the World Bank to improve TUREMs training facilities and to open five more such establishments;

- * The "Training the Trainers" project now under discussion between the UNDP and the Turkish government (in which ILO will be executing agency). This will take place in TUGEV's Training Center (OTEM) in

Kemer for 160 trainers or instructors (46 months) and 240 trainees (44 months);

* The “Vocational training project for tourism supported by advanced technology”, a self-teaching method which will increase the learning capacity of the employees of tourist accommodation will be trained during the low season using video systems, laser disks and computers.

1988

The Ministry of Culture and Tourism reviewed Turkey’s General Tourism and Marketing Policies during 1988 with the aim of bringing them progressively into effect from 1989. The basic policy ensure that tourism was a profitable sector in the national economy. To do this, there must be full appraisal, development and marketing of all the possibilities in the field of tourism. The three main policy objectives were:

- To develop a highly competitive and efficient tourism economy;

- To create the best social atmosphere possible for both tourist and the local inhabitants; and

- To ensure the continuing viability of natural and cultural values.

At the beginning of November 1988, there were 1,190 establishments with investment certificates with a total of 203,577 beds. In addition 928 establishments had operating licences with a further 119,025 beds. Encouragement was being given to foreign entrepreneurs

to invest in accommodation in Turkey by incentive measures and increased facilities.

The Ministry of Culture and Tourism controls the development of tourism from the viewpoint of land usage in the country. To this end, tourism zones, centers, areas and priorities are defined in compability with the development plans and programs, and in accordance with Law 2634 which regulates the encouragement of tourism in Turkey, and studies, survey-maps and construction plans are prepared to evaluate these areas. The Ministry also gives guidance to those companies and individuals who wish to invest in tourism, concerning the best use of the designated areas and the arrangement of the settlement plans.

During 1988, reviews of earlier studies had been undertaken concerning the overall plans for Lake Elazig-Hazar and of the Environment plans, covering the western Black-Sea area, Mugla in the south-western region of Turkey and Antalya. Studies had also been carried out on zoning and construction plans for a number of other tourist locations.

Tourism vocational training was handled by the Ministry of Culture and Tourism, the Ministry for National Education, Youth and Sports and the Higher Educational Council. Between them, these bodies offer short-term vocational craftmanship courses, as well as three and four year training courses at vocational, tourism and hotel management high

schools. At the higher level 21 higher educational schools were in operation, seven offering for-year courses and 14 offering two-year courses. In total this was producing 5,000 to 6,000 trained people in the tourism and hotel management sector.

The training of new employees and the improvement of the standards of the existing work force was under detailed study for both short- and long-term training schemes. One new approach was the adoption of the new method of Interactive Video Discs (IVD) to close the gap for trained manpower in the tourism sector as well as to increase the employee training system to a desirable level. Within the framework of the Tourism Training Program studies underway to introduce IVD into the system during the year 1989. New ways to standardize the quality of the personnel in the tourism sector were also under study.

Under a specific Tourism Training Project, which comes within the World Tourism Training Project of the World Bank, the IBRD had allocated loans to the Ministry of Culture and Tourism for the purpose of closing the gap in trained personnel in the tourism sector. The Ministry had also received loans from UNDP for training instructors, which was an important element in the Hotel Management Sector. This project would be put into force with the collaboration of ILO and its implement is estimated to take some 22 months.

The Tourism Bank provided credit facilities and loans for the development of accommodation, speciality restaurants, spas, centers for local handicrafts directed towards tourists, marinas, yacht harbors and facilities, and travel agencies. Because of the rapid progress of the tourism sector, three other sectors were added during 1988, to be eligible for loans from the Bank; these were, amusement and shopping areas, tourism vocational training centers and internal feeder-service airlines. During 1988, the Tourism Bank allocated TL 582.6 billion distributed among 341 projects for private investments in the tourism sector, which included an extra capacity, state owned lands are being leased to private entrepreneurs for 49-year periods. However, for environmental reasons investment certificates were not being provided to establishments of 100 beds or more which do not have associated projects for sewage and waste water purification.

In support of private investment, there were also extensive public sector investments in infrastructure covering such areas as highways, water, electricity, sewerage systems, purification plants, postal services, telegrams, telephones, sea and airport facilities etc. with the aim of encouraging the development of the tourism sector. In 1987 and 1988, a considerable number of coastal sewerage systems and purification plants, fresh water systems and waste water purification plants as well as

research work for extending the availability of fresh water had been completed, nearly all involving the Mediterranean and Aegean coastlines..

International marketing development during 1987 and 1988 was particularly directed to the traditional tourist generating regions in middle and southern Europe, the Scandinavian countries, the United States and the Middle Eastern Islamic countries. As in previous years, an overall plan for marketing Turkey was drawn up in 1987 and 1988, with targets, strategies and activities for each specific country. In 1988, particular emphasis was placed on Turkey as an all-year round holiday destination. Because of budget limitations, an increasing number of joint advertising campaigns and promotional activities were carried out in cooperation with the travel industry including tour operators, travel agencies, hotels and other relevant organizations. These campaigns stressed the country's image as a tourist destination, its touring potential, its unpolluted countryside and seas, its cultural heritage and diversity, and its delicious and varied cuisine.

Turkey's tourist offices abroad continued their efforts to increase the number of tour operators' programs and to encourage the business traveler's market as well as the realization of international conferences, seminars, workshops, fairs and meetings in Turkey, particularly in the cities of Istanbul, Ankara, Izmir and Antalya. This promotion was successful and a considerable number of major events took place during

1987 and 1988, including the 92nd Congress of the International Olympic Games Committee, the 21st World Congress of the International Road Union, the 3rd International Congress on Information Technology, the 2nd International Biennial of Asian-European Art, the 4th International Dentistry Congress, the 5th and 6th International Symposia on St. Nicholas and the Congress of Moslem Librarians and Information Scientists.

General marketing activities were supplemented by general and specialized tourist promotional literature publications in various languages and over the two years nearly 10 million copies of such printed material were published and distributed. As part of the encouragement of publicity for Turkey in the media members of the foreign press, radio and television, and representatives of travel agencies and tour operators were invited to visit Turkey. There were 2,145 such visitors in 1987 and 2,283 in 1988.

At home, efforts were concentrated on improving public awareness of the contribution of tourism to the Turkish economy and the importance of maintaining traditional Turkish hospitality in making the tourists feel welcome. Efforts were also made to develop new markets for national tourists in areas of Turkey designated as having tourism potential, such as the Black Sea coastal area. The Ministry provided a general information service through tourism volunteers in the tourism season and

a free "dial-a-number" for tourist information in Istanbul, Ankara and Antalya.

In pursuit of the elaboration of the new "Tourism Policy and Marketing Policy" the Ministry of Culture and Tourism expanded its research efforts and activities in mid-1988. The scope of the existing questionnaire for departing foreign visitors which was to determine the salient features of tourism in the country and to ascertain the amounts spent on tourism, had been broadened with the purpose of bringing out more clearly the characteristics of the market covering the year 1988. This survey was undertaken for a total period of 45 days, broken into three periods of two weeks each year at 12 border exit points. These questionnaires were estimated to cover 0.7-0.8 per cent of all departing foreign visitors during the year.

Under Law B3-2634, protection was provided to tourists who have suffered losses in touristic establishments, if these are licensed by the Ministry of Culture and Tourism. If deemed necessary, the establishments are fined and, in some cases, the tourist is compensated for any losses he may have suffered.

Turkey has now bilateral Tourism Agreements with 18 countries: Albania, the Federal Republic of Germany, Bulgaria, Algeria, Czechoslovakia, Iraq, Italy, Lebanon, Hungary, Egypt, Pakistan, Romania, USSR, Syria, Tunisia, Jordan, Yugoslavia, Greece.

To implement these agreements, joint commission meetings are held periodically and Protocols for tourism development are signed at the end of each meeting. In 1987, protocols were signed with Italy and Egypt, and in 1988 with Syria, Tunisia and Jordan. Joint Protocols of the Official Tourism Organizations of Balkan countries are also established other year.

1989-1990

As a result of the incentives provided for local and foreign entrepreneurs, at the end of 1990, the number of beds in establishments which have operating licenses given by the Ministry, reached 173,227, and the number of beds in establishments with investment licenses, reached 325,515. This implies a 41.6 per cent increase in the number of beds with operating licenses, compared to the end of 1988.

According to the results of a study, there was already a capacity of 102,400 second homes in Turkey potentially available. Now it seems necessary that a field survey will have to be made to see how many owners are eager to open their homes for public use and what kind of management model would be beneficial.

The activities of the Ministry for the protection of the environment gain more importance for the elimination of the deficiency and inadequacy of infrastructure which is the cause of the pollution.

In this direction, drinking water supply, sewerage and waste water treatment plants, sea fall discharge, electrification and telecommunication investments were completed in the tourism areas and centers on the Aegean and Mediterranean coastlines which were planned and opened to investments. These investments were financed by the Ministry of Tourism and Prime Ministry Mass Housing Fund.

While infrastructure investments of tourism development projects with 10,000 beds, had started on the Aegean coast, “Master Plans” were being prepared to control over-construction on the Aegean and Mediterranean coastlines. In addition, in order to obtain a license from the Ministry, it was mandatory for establishments to have waste water treatment plants.

Twelve areas of ecological importance which are sensitive to environmental pollution had been declared “Special Protection Zones”, and the Ministry Counselor is a member of the “Special Environment Protection Committee”. In addition, work was under way on the protection of sea turtles and Mediterranean seals, in coordination with the WWF and the Environment Counselor.

In order to prevent environmental pollution, particularly coastal water pollution and to find solutions to the existing problems, the Ministry had started to carry out the “South and West Anatolia Environmental-Tourism Infrastructure Project”.

This project was carried out by the Ministry with contributions from the World Bank and the Japanese government. The objectives of the project cover a wide range of subjects such as planning, designing and construction of water supply and sewage systems, treatment and disposal facilities, solid waste collection and disposal systems, pollution control studies, financial and institutional framework studies, etc.

The main purpose of the project was to eliminate current waste-water disposal deficiencies and to prevent future ones which cause pollution and health hazards that threaten local populations and the tourist industry.

For this project 58 municipalities were selected along approximately 2,000 km of the Mediterranean and Aegean coast from the town of Garipasa in the east to the north western town of Altinoluk.

Assessment of the present and future infrastructural need of selected municipalities would be completed during second half of 1991. These high priority locations would be selected and the designs for implementation of urgent infrastructure facilities for these locations would be financed from local sources and foreign credits.

In addition, starting from 1992, it was planned to carry out “Blue Flag” implementation along Turkey’s coastline.

For the construction of highways in accordance with the yearly investment programs, coordination with the relative governmental institutions were being established.

In order to overcome the problems encountered in the field of air transportation, close coordination was provided with the related institutions. Studies to increase the capacity of Ataturk airport had started and the construction of a convential airport in Mugla-Milas was included in the investment program. Additionally, in order to provide air transport to all provinces, attempts to improve or establish small airports and to open military airports to civilian transport had been carried out.

In order to prevent concentration on the coast, plans were being made to provide tourism in mountain, health, highland and hunting activities. In this respect, studies were carried out to select areas suitable for highland, tracking, mountain, winter and hunting tourism in the East Black Sea region; infrastructure investments were carried out related to “Nigde-Nevsehir-Kayseri (Cappadocia) Development Project”, “Erciyes- Mountain Tourism Development Project”, “Terme-Karakurt Thermal Project”.

Work was also being carried out to develop camping and caravan tourism and to establish Leisure Centers (13 centers in Antalya were planned) golf links (ten in Antalya, one in Izmir) and land had been

allocated for Health Centers with tourism in mind (two health centers in Antalya were planned).

Additionally, in order to establish the priorities on a provincial basis, Provincial Tourism Master Plans were being prepared.

Market research had been planned, first of all in Germany, to obtain information on the travel habits of a sample of people.

In 1989, a study was conducted by the Ministry of Tourism in cooperation with ILO expert as technical advisor, with financial support from UNDP, to investigate the number and qualifications of the employees employed in hotels, restaurants and travel agencies registered by the Ministry.

As a result of this survey, it was understood that the number of employed persons in registered hotels is 36,427, in 3,687 restaurants and in travel agencies 9,910; in total 50,024.

In 1989, according to the Ministry of Labor's figures, 134,034 people were employed in hotels, restaurants and entertainment places.

1993-1994

Since 1993, periods of crises stemming from terrorist acts have reflected the need for closer industry-Ministry relations and have brought together representatives from both sides, though not regularly.

With the aim of promoting environment consciousness and encouraging sensitivity towards the environment, the Ministry launched an “Environment Awareness in Tourism Campaign” in 1993. As part of this campaign, establishments receive awards in various categories in proportion to their degree of compliance with the campaign criteria.

The accommodation capacity of facilities with operating licenses issued by the Ministry reached 265,136 in 1994. Establishments with investment licences had 240,932 beds in 1994. During the same period, the lodging capacity of the yachting establishments was 4,971 in 1992, 5,034 in 1993, and 5,401 in 1994.

Measures are being taken for the development of air transportation, due to its importance in the tourism sector as well as to catch up with the rapid increase in lodging capacity. Compared to 1994, the passenger-per-kilometer rate of the Turkish Airlines is expected to increase by 26.2% on domestic flights and 8.4% on international flights.

The Survey on Manpower in Tourism Sector, first conducted in 1989, was repeated in 1993 and according to the results of this study, the number of personnel employed in facilities licensed by our Ministry is as follows:

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Accommodation facilities	86,720
Restaurants	8,060
Travel Agencies	20,160
Yachting	1,465
Thermal facilities	183
Animation services	462
Total	117,050

The surveys conducted between 1992 and 1994 concern Domestic Tourism Demand Profile Survey, Foreign Visitors, Social Tourism Survey, Value Added in tourism and Multiplying Effects, health Tourism and Tourism Health, Tourism for Seniors and Caves.

In 1995 a survey entitled “The Effects of Tourism on Social Environment” was started.

The number of tourism agreements signed with other countries at governments level has increased and effective application of such agreements has been accelerated.

The Ministry has assigned considerable importance to the joint World Bank/ILO “Educating the Educators” program which includes also work to determine professional standards. A preliminary agreement between Turkey and the EU envisages training personnel at the supervisor level to function as educators to the sector.