

TOURISM in TURKEY

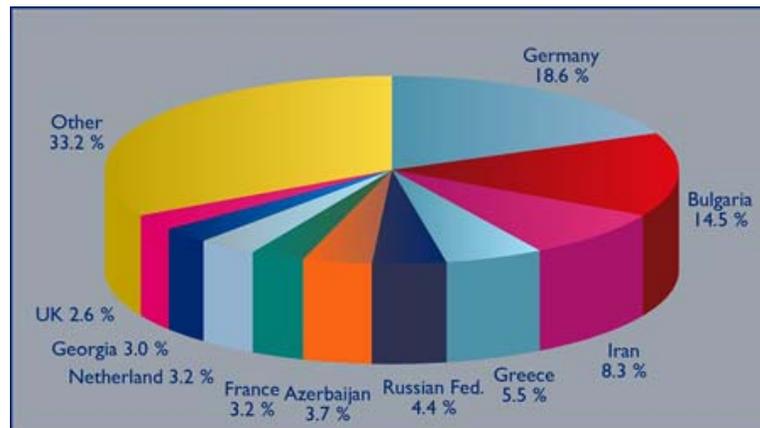
In the last 20 years between 1985-2004, annual average growth rate in the Turkish tourism sector has been 12% in terms of tourist arrivals and 15% in terms of tourism revenues.

	Tourist Arrivals ('000 people)	Tourism Receipts (Million USD)
1980	1,288	326
1985	2,614	1,482
1990	5,389	2,705
1995	7,726	4,957
2000	10,412	7,636
2001	11,569	8,090
2002	13,247	8,481
2003	14,030	9,767
2004	17,517	12,125

Source: Ministry of Tourism

In 2004, the number of tourists visiting Turkey has increased 25% compared to the previous year and reached 17.5 million. Tourism revenues from foreign tourists amounted to 12.1 billion USD increasing 12% compared to the previous year. In 2004, among the tourists visiting Turkey, 61.2% were from OECD countries and 27.6% were from Eastern European countries. The trend reflects an increase of incoming tourists especially from the neighboring and near countries including Russia, Greece, Iran.

Distribution of Tourists by Country of Origin (2004)



Investments in the Sector

The total investment stock in Turkish tourism is 35 billion USD, ¾ of which was realized by the private sector. Following the Tourism Incentive Law in 1982, tourism was listed among "sector of special importance for development". Some monetary incentives such as cash grants and long term-low interest rate credits were introduced following the examples of countries still implementing similar incentive measures. As a result, annual tourism investments rose from 140 million USD in 1985 to 1 billion USD in 1990. Turkish investors built 200,000 new beds in 8 years between 1985-92, that is, 25,000 thousand new beds on average every year. 90,000 beds (20% of the present bed capacity) have been built on public lands leased to investors.

The total foreign investment portfolio in Turkish tourism is around 3 billion USD which constitutes 10% of the tourism investment stock. Foreign firms operate 65,000 thousand beds (around 15% of total beds) in Turkey.

Basic Facts

- As of end of 2003, the total accommodation capacity at international standards is 450,000 beds. The total bed capacity is estimated to be 1 million including the family outlets and investments that are expected to be finished.
- Total investment stock in Turkish tourism sector is 35 billion USD.
- More than 4,000 tourism agencies operate in Turkey.
- Turkey's share in European tourism market is 3%.
- It is planned that the ports for yacht tourism will have a total capacity of 7,980 yachts including 4,550 yachts and facilities in tendering procedure.