

The New Iraq

2011 Discovering Business



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**TRADE &
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Building recovery on 10,000 years of history

Whilst global tourism contracted by 4.6% in 2009, Iraq's visitor economy grew by 31%. Every month between the middle of 2009 upto the summer of 2010, another airline announced additional capacity or another route into Iraq; British Airways is expected to return in 2011. In November 2010, the Tourism Board of Iraq will for the first time ever exhibit at World Travel Market (WTM) in London. Across the country new hotels are being built, ancient monuments are being restored and entrepreneurs are recognising the opportunity offered by tourism.

When Hammurabi adopted Babylon as the capital of his empire in 1782 BCE, this was just another chapter in the history of a settlement that had been established at least five millennia earlier. The proud and hospitable people of Mesopotamia have been building and rebuilding their magnificent cities since before Stonehenge and Skara Brae appeared. The last few decades have been but a blink in the story of a land that is rightly known as the 'Cradle of Civilisation'; its 10,000 years of history is the History of the World.

Although some of the airport security measures remain laborious, there is no shortage of airlines to get you to Iraq. There is a growing number of international flights to Mosul and Najaf but the four main gateways remain Baghdad, Basrah, Erbil and Sulaymaniyah. Airlines already offering connecting flights between the UK and Iraq include: Air Berlin, Austrian Airlines, Etihad, Gulf Air, Lufthansa, Middle East Airlines, Royal Jordanian and Turkish Airlines. With the demise of

Iraqi Airways and the imminent entry of leading European airlines, tour operators and independent travellers will find fares becoming more competitive, especially with the new Global Distribution System being established for Iraq by Sabre Travel Network in partnership with Kanoo Travel.

In 2009, Iraq received 1.3 million visitors. This figure excludes military and diplomatic personnel, civilian support staff and official trade delegates. The vast majority (92%) were pilgrims from Iran, eager to reach the Shia shrines to which access was denied throughout years of war; the numerous sites include those in Najaf, Karbala, Kufa, Samarra and in and around Baghdad, all of which are also extraordinary destinations and deserve to be on every tourist's radar.

Even though the number of Western visitors remains only a small proportion, this volume of business has produced some very experienced and capable local tour operators. These operators have the capability to become destination management companies and key partners for groundbreaking operators from Europe and North America. Iraq's Rafidain Travel & Tourism is heading up Iraq's private sector delegation to WTM 2010, which will also comprise leading hotels and some of the 494 tourism companies operating in Baghdad, Najaf and Karbala.

Several operators in the UK and across Europe are exploring opportunities and some are already taking groups to the Kurdistan



Tigris River in Baghdad © Dumira 2010

Region of Iraq, which promotes itself as 'The Other Iraq' but Yorkshire based Hinterland Travel is the only European tour operator with a full Iraq programme. A leading authority on Iraq, Hinterland's Geoff Hann has pioneered the return of tourism and in 2008 co-authored Bradt's Iraq Then and Now: A Guide to the Country and its People, which remains the only current guide to Iraq, remarking, "tourism is in its infancy after the problems of recent years but the sites are worth seeing and this really is where civilisation began". Following his most recent tour, he commented, "the mood in Iraq was upbeat, vibrant and improving daily. The security situation ensured that we could see almost all of the important sites but for the foreseeable future all visitors should pack some patience and flexibility!"

Apart from pilgrims and the vast Iraqi diaspora, Iraq's immediate target markets are 'Young Adventurers' and 'Culture Vultures'. An important future market will be veterans and their families, whilst the ethically complex phenomenon of 'Dark Tourism' attractions is already apparent, perhaps best exemplified by two sites associated with Saddam Hussein: the town of Halabja and his grave in Al-Awja. With more than 3,000 historic sites in the Kurdistan Region alone, visitors are spoilt for choice. United Nations Educational, Scientific & Cultural Organisation (UNESCO) has so far only inscribed three World Heritage Sites: Ashur, Hatra and Samarra (although two of these are on the World Heritage in Danger list) but at least nine more candidates have been identified – an overwhelming list that

includes Babylon, Erbil, Nimrud, Ninevah, Ur and the Mesopotamian Marshes. Iraq's Minister of Culture observes that, "All Iraqis have pride in our shared heritage" confirming that it has a role in reconciliation. It should be remembered that UNESCO is not primarily a heritage organisation but exists to promote peace; its Constitution drafted in 1945 declared "That since wars begin in the minds of men, it is in the minds of men that the defences of peace must be constructed". Cultural heritage, science and education are tools to support this vision, much like post-conflict tourism.

All tourism development is about communication, embracing national identity and celebrating heritage; in a post-conflict situation, it is also about helping to establish a common understanding and supporting sustainable livelihoods.

Both the Tourism Board of Iraq and National Investment Commission are focused on the sustainable development of tourism. Airport projects have been a first priority to facilitate access. Renovating some of the 794 hotels and interpreting the thousands of cultural and natural heritage sites will ensure tangible tourism product that can be marketed.

Cruise operators are devising plans to return to Basrah, the city from which the legendary Sinbad set sail in The Thousand and One Nights and which has temporarily lost its moniker 'Venice of the East'. Security companies are considering options for transforming their

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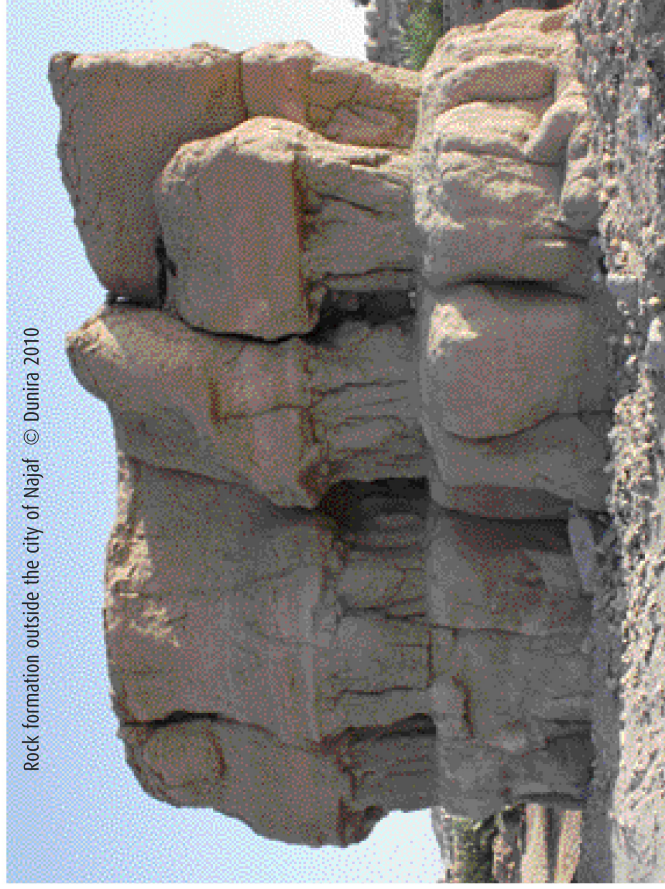
Roof of the 'Tomb of Ezekiel' at El-Khifal. © Dunira 2010

networks of secure villas into comfortable guesthouses. Oil & gas companies are exploring how supporting community based tourism can contribute to their corporate social responsibility plans. The Tourism Board is keen to speak to investors who share its vision and ambition and is also seeking assistance with hospitality and other training.

Tourism is a very open industry and Iraq wants its fair share of the 220 million jobs supported internationally by the US\$9 trillion of global annual travel and tourism activity.

British expertise in the field is well recognised. The British Museum has for some time been leading the way in supporting the research and interpretation of Iraq's cultural heritage, which is such a key part of the country's emerging tourism product. Dunira Strategy was commissioned to arrange the Tourism Board's fact finding mission to WTM in 2009, which achieved global network coverage and led to Iraq's decision to exhibit in 2010. Board Chairman Hmud al-Yakobi commented, "we decided to come to London because we recognise that WTM is the world's premier travel fair and we already know how much expertise there is in the UK", adding "we look forward to sharing our hospitality with visitors from Europe and working with British tour operators and experts to help realise Iraq's tourism potential".

Rock formation outside the city of Najaf © Dunia 2010



Many potential visitors are concerned by the UK Government's Travel Advice, which (with the exception of the Kurdistan Region, which is considered safe and received 60,000 visitors in 2009) is almost invariably "against all but essential travel" and assume that it is not possible to get insurance. In fact, fully comprehensive insurance (including war and terrorism cover) can be arranged for a modest premium for travellers that choose to travel responsibly against official advice. The insurance market is even becoming more competitive and user friendly. Emerging markets specialist AAB Insurance Brokers has launched the first online travel insurance service for professionals and individuals travelling to Iraq and needing instant and reliable cover. William Wakeham, CEO of AAB said, "There has been a marked increase in incoming business traffic but we must not forget leisure travel, religious tourism and VFR ('Visiting Friends & Relatives') are growing segments. Whilst we don't expect to see huge numbers of

holidaymakers flocking to Iraq for some time to come, more adventurous travellers will not be able to resist the opportunity to visit". With sensible planning, all of Iraq's most important sites are accessible.

Recalling his most recent visit to Baghdad, Benjamin Carey of Dunia Strategy commented, "Security remains the greatest challenge but tourism in Iraq has the potential to be transformational, contributing to national identity, helping to rebuild confidence, tackle some of the sectarian scars and creating enduring social and economic opportunities, especially for young Iraqis. Although Iraq will for some time be for specialists and intrepid travellers, it is a destination waiting to be discovered by tour operators and individual tourists."

Tourism in Iraq represents an outstanding opportunity for investment and development.