

The New Iraq

2012 Discovering Business



Destination Iraq

Optimism, potential and hope. The optimism of Iraqis, the potential opportunity of tourism and the hope is that it is indeed God's will... Insha'Allah.

The optimism of Iraqi delegates was overwhelming when attending their first London World Travel Market in 2009. Facilitated by Dunira Strategy, the Tourism Board of Iraq (TBI) gained global media coverage. Dunira's Managing Director, Benjamin Carey, recalls that the delegation on its first ever visit to an international tourism fair "was hugely ambitious and immediately recognised that their country's 10,000 years of history could easily compete with every other destination in the world. They were determined that their beautiful country would once again become a premier tourism destination, to be celebrated by high rewards for investors and visitors". An urgently needed national tourism plan, commissioned by UNESCO, is targeting the development of cultural sites as one approach to tourism promotion.

Kurdistan is the region currently leading the way in growing its visitor economy. The semi-autonomous region, often referred to as 'The Other Iraq' or 'Gateway to Iraq', is the beacon for Iraqi tourism. Demonstrating the region's potential, 2010 saw Kurdistan host more than one million tourists. 2011 is expected to achieve two million with a target of five million by 2015. Although there is still a dearth of reliable and credible data to ensure improved planning and development, there is no questioning the successes and improvements made in areas, such as security, improved and increased educational facilities and ease of travel. All of these factors are imperative to successful tourism.

Tourism profits are subsequently reinvested towards maintaining and developing the region. For example, US\$100 million has been pledged by the Kurdistan Regional Government to support Kurdish and other Iraqi PhD students studying at UK universities, such as the

University of Nottingham. Conservation of heritage sites in post-conflict areas, cultural diversity and social conflicts in contemporary cities, tourism management and policy strategies in post-conflict countries are just examples of the tourism related studies on offer.

As a culturally colourful mosaic of a region, Kurdistan attracts many religious tourists visiting Islamic, Christian, Yazidi and Kakayee sites. Visitors come from near and far: other Iraqi provinces, as well as Europe (especially the UK, Germany and Netherlands), the Middle East and Asia and some from North America. The 350 hotels, 112 motels and 41 resort villages are often unable to deal with the influx of tourists on religious occasions such as Eid. There is much delight surrounding the number of leading hotels investing to ensure the expanding tourist numbers can be hosted and make provision for those affiliated with the vision of the sustainable development of all sectors.

The KRG Ministry of Tourism and Municipalities stated that "while the number of tourists to most Middle Eastern countries is dropping because of the security and political situations, in the Kurdistan Region they have been increasing beyond imagination". Stability is ensuring that they impress a steady flow of visitors who enjoy the magnificent region, sharing its rich culture and traditions with them.

Other regions of Iraq perhaps offer even greater potential and in many cases are more impressive than in Kurdistan. Besides the adventurous visitor community however, few individuals feel secure enough to explore these uncharted territories. Iraq is healing from the wounds of the after effects of war which were exacerbated by 13 years of economic sanctions. Investment in travel and tourism is helping to rebuild this great and diverse nation and rewards are high for adventurous visitors and investors who are ready to explore this captivating land. The close proximity of major gas and oilfields to world heritage sites presents many opportunities for IOCs to become



involved in the visitor economy through Corporate Social Responsibility (CSR) activities. Tourism is not only about hotels.

Many commentators insist that the departure of US combat troops will open the gateway to the cradle of civilisation. Numerous tour operators and international hotel groups have already committed to their optimistic belief: Iraq is soon to prosper greatly.

Taking the lead and ensuring that travel is no longer an obstacle, airline operators have gradually expanded their route networks over the past year. Now visitors can fly into six international airports - Basrah, Baghdad, Erbil and Sulaymaniyah, Mosul and Najaf on more than 30 airlines, including Air Berlin, Austrian Airlines, Emirates, Etihad Airways, Middle East Airlines, Royal Jordanian and Turkish Airlines.

Emerging through the tight security, visitors are exposed to a land of niche tourism sectors that have emerged from the post-conflict rubble. From adventurous biking to trekking through heritage sites that have been almost unseen by outsiders for a generation, there is opportunity to embrace the 'cradle of civilisation'.

Steve Askin is a British army soldier; captivated by Iraq, he now offers a thrilling and special tourist voyage. He founded dirt bike

riding company, Trail Riding UK (TRUK), which guides tourists on a unique ride across Iraq's impressive terrain. Inspirational Steve stated that "The fighting is finished. The troops have gone. Now is the time for the Iraqi people to show us their beautiful country. TRUK is forging the way ahead with an exciting dirt bike ride starting in the north and finishing in Basrah. Our inaugural ride next June will show that Iraq is no longer a no go area and open to the rest of the world".

The key, adds Steve, is to work with local partners and to encourage entrepreneurs. Local populations need training and guidance on the potential of their country, whose destiny will soon be entirely in their hands. And as Dunira knows from its work elsewhere, this is essential for establishing a visitor economy in a destination emerging from conflict.

Slightly less daunting, includes visiting the remains of ancient Babylon, current day Al Hillah in Babil province, Saddam's Palaces and shrine cities such as Karbala, Najaf and Kufa, as offered by Hinterland Travel for daring culture vultures. Over the past few years, the vast majority (93%) of Iraq's visitors have come from Iran, predominantly religious tourists visiting Shia shrines. This trend however is changing with the success of international tour

operators, such as UK based Hinterland Travel. They guide international visitors to the breathtaking wonders, covering both modern and ancient historical sites across Mesopotamia. Booming business has forced them to increase the number of tours offered in 2011/2012. The mood of European operators is upbeat, especially with the security situation constantly improving.

The beauty of the sector is that, unlike many of the surrounding countries, Iraq is yet to be overwhelmed with package tours and the direction of the development of tourism is open to expand in any imaginative fashion. Considering that the TBI has focused on the development of sustainable tourism options such as nature reserves, ecological and archaeological sites, tourist centres and restoration of the Southern Marshlands, travel operators are presented with opportunities to diversify the dominance of religious tourism.

Iraq is also gearing up for more and more investors. With a mere 813 hotels nationwide and only a handful in Baghdad in the five star category, there are obvious gaps in the sector. Leading the way is Millennium & Copthorne Hotels and Resorts, through the combination of new and refurbished hotels opening in the coming two years. Destinations include Baghdad, Basrah, Dohuk, Mosul and

Sulaymaniyah, where Iraq's tallest building is in the final stages of becoming a Millennium & Copthorne hotel and expected to open in the second half of 2012.

Manfred Simons, Vice President of Development Middle East and North Africa said that "Iraq represents a great opportunity for Millennium & Copthorne. The country is rich in culture, history and natural resources, with so much untapped potential as a destination for business and tourism. We have very high expectations and we are confident that our range of brands which offer consistent international quality standards, will flourish in the Iraq market. We have more hotels in the pipeline in Iraq than any other hotel group and we look forward to our first grand opening in the near future."

Additionally, Marriott Hotels is constructing two luxury hotels and Range Hospitality in conjunction with Shaza Hotels is developing the first five star hotel in Karbala. In the Kurdistan Region, the newest addition to their luxury hotel market is the Park Hotel, which joins the likes of the Erbil Rotana and the Erbil International Hotel.

Combining all the promising direction in which tourism can be steered, the TBI has reported major advances in the size of Iraq's



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visitor economy, achieving triple digit growth in each of the past three years. However, in addition to all the new international hotels and other major investments, there is a need for assistance with hospitality training and other technical assistance and it is continuing to work with its British friends and other experts. It is looking forward to the future with confidence.

Security risks do remain a concern, although they are sometimes overstated. There are many Western business people very happily operating in Iraq, who simply do not recognise the travel advisories regularly issued by their governments. Caution is always needed when working or travelling in a new country. The adventurous and thrill seeker tourists will not be deterred and will always travel to the best destination in the world but common sense and personal responsibility are essential.

The great optimism of all those that stand to benefit from the budding travel and tourism sector is contagious but a large effort is required to successfully alter the popular perceptions of Iraq. For many, the thought of travelling to a previously war torn region is

daunting and security remains an obviously justified consideration. As UKTI Director Robin Ord Smith rightfully asserts, only once the stability of the nation is found will it really flourish: "Iraq has outstanding potential as a heritage destination, that it will be able to fulfil as the security situation improves and travel around the country becomes feasible. The challenge is to help build capability now, both in terms of tourism infrastructure and local government capacity, to ensure that the country's visitor economy can efficiently monetise its very rich heritage".

British-Iraqi relations can benefit substantially through cultural exchange and tourism. Tourism is not merely the development of hotels and museums but the construction of trust and partnerships. As 2012 dawns, so does a new day for Iraq's travel and tourism industry. The sun is shining on this great destination once again.

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