



**Standing Committee
for Economic and Commercial Cooperation
of the Organization of Islamic Cooperation (COMCEC)**

Proceedings of the 8th Meeting of the COMCEC Tourism Working Group

“Muslim Friendly Tourism: Developing and Marketing MFT Products and Services in the OIC Member Countries”



**COMCEC COORDINATION OFFICE
October 2016**



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**PROCEEDINGS OF THE 8TH MEETING OF THE
COMCEC TOURISM WORKING GROUP
ON**

**“MUSLIM FRIENDLY TOURISM:
Developing and Marketing MFT Products and Services in the OIC
Member Countries”**

(September 1st, 2016, Ankara, Turkey)

**COMCEC COORDINATION OFFICE
October 2016**

For further information please contact:

Mr. Gökten DAMAR
Expert

Mr. Fazıl ALATA
Expert

COMCEC Coordination Office
Necatibey Caddesi No: 110/A
06100 Yücetepe
Ankara/TURKEY
Phone : 90 312 294 57 10
Fax : 90 312 294 57 77
Web : www.comcec.org
e-mail : comcec@comcec.org
tourism@comcec.org
gdamar@comcec.org
falata@comcec.org

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Introduction

The 8th Meeting of the COMCEC Tourism Working Group was held on September 1st, 2016 in Ankara, Turkey with the theme of "Muslim Friendly Tourism: Developing and Marketing MFT Products and Services in the OIC Member Countries." The Meeting was attended by the representatives of 13 Member States, which have notified their focal points for the Tourism Working Group namely, Azerbaijan, Brunei Darussalam, Burkina Faso, Egypt, Indonesia, Iran, Palestine, Qatar, Saudi Arabia, Sudan, Tunisia, Turkey and Uganda. Representatives of COMCEC Coordination Office, SESRIC, SMIIC, Crescentrating, Sofyan Hotels and Halalinn have also attended the Meeting.¹

At the outset, the representative of the COMCEC Coordination Office informed the participants about the tourism outlook of the Member Countries. The participants also considered MFT Products and Services through focusing on the Analytical Study titled "Muslim Friendly Tourism(MFT): Developing and Marketing MFT Products and Services in the OIC Member Countries" commissioned by the COMCEC Coordination Office specifically for the Meeting with a view to enriching the discussions.

The Representatives of the Member States have shared their experiences, achievements and challenges regarding Muslim-friendly tourism in their respective countries. The private sector efforts in MFT were also reflected to the discussions. The participants had the chance to discuss the policy options for enhancing the cooperation in this important field. The Room Document based on the findings of the Analytical Study submitted to the Tourism Working Group Meeting and the answers of the Member Countries to the policy questions sent to the Member States by the COMCEC Coordination Office were the main inputs for the discussions during moderation session.

Lastly, the COMCEC Coordination Office presented the COMCEC Project Funding Mechanism, introduced by the COMCEC Strategy, and informed the participants of its details.

¹ The list of participants is attached as Annex 4.



1. Opening Session

In line with the tradition of the Organization of the Islamic Cooperation (OIC), the Meeting started with the recitation from the Holy Quran. At the outset, Mr. M. Metin EKER, Director General of the COMCEC Coordination Office introduced the COMCEC and its activities briefly.

Dr. Girham Abdelgadir HASSAN, Undersecretary of Ministry of Tourism (Secretary General) from the Ministry of Tourism of Republic of SUDAN was elected as the Chairman of the Meeting. Mr. HASSAN introduced himself and thanked all the participants for electing him as the Chairman of the Meeting.

2. The COMCEC Tourism Outlook

Ms. Aslı TAŞMAZ DADAKOĞLU, Expert from the COMCEC Coordination Office, has presented some of the key developments of tourism sector in the world and in the OIC Member Countries. In her presentation, Ms. DADAKOĞLU provided an overview of tourism sector in the world and in the Member Countries.

She stated that tourism has experienced continued growth and become one of the most rapidly developing industries in the world. She shared some figures with a view to demonstrating that a strong tourism sector could contribute in many ways to development and the economy. She reminded that tourism can be a part of the solution to foster socio-economic development and job creation for OIC Member Countries.

She also talked about some key tourism trends from demand and supply sides which shape the future of tourism. She stressed the role of population over the age of 60 (silver hair tourists), generation Y (millennials) and generation Z (iGen) on tourism demand. She focused on characteristics of these groups which will affect the tourism sector. She added that growing middle class and emerging destinations will also contribute to reshape the tourism sector. She made a mention of supply side tourism trends like usage of internet in tourism, sharing economy and sustainability. She stressed that sharing economy will change traditional tourism market in near future. She also mentioned about crises like diseases, environmental disasters and political issues that affect the tourism sector. She gave some data about the time to return to previous levels for tourism sector after these crises. She reminded that COMCEC Tourism Working Group will discuss this issue in the coming meetings.

Ms. DADAKOĞLU continued her presentation by sharing some figures regarding tourist arrivals and tourism receipts in the world. She stated that international tourist arrivals increased from 678 to 1.186 million in the period of 2000-2015. She expressed that tourism was affected from strong exchange rate fluctuations, the drop in oil prices (which increased disposable income in importing countries but weakened demand in exporters), as well as increased safety and security concerns in 2015. She shared the expectations of the tourism growth for 2016, and she added that the growth will be at a level slightly of 3.5% and 4.5%.

She expressed that international tourism receipts reached to USD 1.260 billion in 2015 with the annual growth rate of 4.4% and showed positive growth rates for the last five years. In this respect, international tourism receipts have decreased by USD 49 billion. However, in real terms when local currencies at constant prices are used, it can be seen that international tourism receipts grew by 4.4%. As the US dollar appreciated against other currencies in 2015, earnings in local currencies converted to US\$ were lower than in 2014 for many countries.

Furthermore, Ms. DADAKOĞLU elaborated on the tourism sector in the Member States. She mentioned about a report which is prepared by WTTC for OIC Member States. According to this report, in 2015, direct contribution of travel and tourism to GDP was 3.4 % with 213 billion US \$ in OIC Member States. She stressed that direct contribution of travel and tourism to GDP in OIC Member States will reach to 352 billion US \$ in 2026.

It was highlighted that there was a slight decrease in the share of Member Countries in both tourist arrivals and tourism receipts. She mentioned that tourist arrivals reached to 173

million and tourism receipts have been recorded as 131 billion US \$ for Member States in 2015. It was also stated in terms of tourist arrivals, Top-10 OIC Member States hosted 138 million international tourists in 2015. Regarding the tourism receipts, she underlined that Top-10 Member States earned 109 billion US \$ in 2015.

Ms. DADAKOĞLU also provided a brief account of the recent developments in the Member Countries. She stated that despite some positive developments in the OIC Member Countries, some other major destinations faced declines in 2015. In her presentation, it is seen that Turkey, Egypt and Tunisia have realized sharp decreases in tourist arrivals and tourism receipts. After realizing decreases in 2015, Malaysia reported slight increases (+3%) in tourist arrivals. It was reported that Lebanon (10%), Oman (10%) and Saudi Arabia (7%) recorded significant growths.

Underlining the great potential in tourism sector among the Member States, Ms. DADAKOĞLU mentioned the following challenges affecting tourism performance in the OIC Member Countries:

- Insufficient Tourism Investments and Infrastructures
- Poor Tourism Planning & Product Development
- Travel Facilitation Problems
- Safety and Security Related Problems
- Low Tourism Service Quality
- Insufficient Marketing and Promotion
- Insufficient Image Building and Branding
- Lack of Tourism Diversification

She concluded her presentation by informing the next Tourism Working Group Meetings will also be related to Muslim Friendly Tourism with the theme of “Regulations for Accommodation Establishments in the OIC Member Countries”.

Questions and Comments:

Question: Which incentives can be offered to small and medium size enterprises in tourism sector to improve their performance?

Answer: There are many incentives programs for SMEs to improve their performance. One of the main programs is lowering interest rates of loans for SMEs'. Lower interest rates will decrease cost of borrowing for SMEs. So they will pay less for loans in terms of interest. Also SMEs will be able to borrow more and have more financial power to invest to increase their operation's efficiency and improve their performance. Secondly decreasing tax rate for SMEs in tourism sector is also very important. Because tax reduction will provide more funds for SMEs to invest in the tourism sector.

3. Global Trends in Muslim Friendly Tourism: Global Muslim Traveler Index 2016

Mr. Fazal BAHARDEEN, CEO of CrescentRating delivered a presentation on the Mastercard-CrescentRating Global Muslim Travel Index (GMTI) 2016. Collaboration between MasterCard and CrescentRating, the GMTI provides every stakeholder in the travel and hospitality sector, including travelers, tourism boards, economists, travel services providers, stakeholders, investors and industry specialists with comprehensive benchmarks across a number of important criteria to track the health and the growth of this travel segment.

Mr. BAHARDEEN mentioned that the first edition of the MasterCard-CrescentRating Global Muslim Travel Index (GMTI) was released in March 2015 and covered 100 destinations. This year the GMTI 2016 looked at in-depth data covering 130 destinations. It is the most comprehensive research done on the Halal/Muslim travel, tourism and hospitality market.

Mr. BAHARDEEN started with the Muslim Visitor arrivals in 2015, which was estimated at 117 million. This is forecasted to grow to 168 million by 2020 as per GMTI 2016 report. It is estimated that travel expenditure by Muslim travelers will exceed USD 220 billion by 2020. Asia accounted for the most number of Muslim visitors at 56.6% followed by Europe at 29.7%.

Mr. BAHARDEEN then presented the criteria that GMTI uses to rank destinations. In 2015 GMTI used 9 criteria which was then expanded to 11 criteria in 2016 by adding “Air Connectivity” and “Visa Requirements”.

The criteria used in GMTI 2016 centers around the following three themes:

- Family-friendly holiday and safe travel destination
- Muslim-friendly services and facilities at the destination
- Halal awareness and destination marketing

Each of these themes are looked at from a set of eleven main criteria. Each of the criteria is weighted averages of more than 25 sub-criteria.

Mr. BAHARDEEN continued to highlight that against the backdrop of additional criteria, Malaysia continued to top the GMTI this year. Malaysia has consistently been able to maintain its standing amongst the main three themes of (1) Family-friendly holiday and safe travel destination (2) Muslim-friendly services and facilities at the destination, and (3) Halal awareness and destination marketing.

United Arab Emirates overtook Turkey to take the second spot, while Indonesia has improved its ranking to move to 4th place. Among the non-OIC countries, Singapore retained its top position while Taiwan and Japan have continued to improve their overall ranking.

Mr. BAHARDEEN mentioned although OIC destinations have a distinct advantage due to having Muslim-friendly facilities and services, some non-OIC destinations are specifically targeting the “Muslim Holiday” market and adapting their services to attract them. GMTI 2016 shows that many non-OIC destinations are moving up the ranking at a faster pace.

From a regional analysis, GMTI shows Asia is the leading region, with Europe also seeing an improvement in scores.

He said that OIC countries are still lagging behind in terms of reaching out to the Muslim travel market.

Figure 1 – GMTI Table of INDONESIA

Top 20 OIC	2016 Score	2015 Score
Top 20 OIC Average GMTI	66.6	65.8
Family-friendly Destination	45.2	45.7
Muslim Traveler and General Safety	84.4	89.9
Muslim Visitor Arrivals	38.9	29.8
Dining Options & Halal Assurance	82.0	81.8
Access to Prayer Spaces	99.0	99.0
Airport Facilities	77.9	76.9
Accommodation Options	45.3	46.2
Ease of Communication	59.6	58.7
Muslim Travel Needs Awareness and Outreach	33.1	49.2
Air Connectivity	57.4	-
Visa Free Travel	69.5	-

Mr. BAHARDEEN went on to mention that Indonesia has been educating the travel stakeholders in the country and also reaching out to the Muslim travel market during the last 12 months. But overall there has been a lack of initiatives by OIC member states to specifically identify the Muslim travel market as a strategic market and develop strategies to target this segment.

Question and Answers

Question: In order to improve the Muslim traveler market, is it important to set a standard?

Answer: Setting and improving standards is important. But the more important thing is increasing awareness among stakeholders, educating staff, and offering incentives to organizations and increasing investments in Muslim traveler market. Since, it has a great potential, Muslim traveler market needs to be better understood.

Comment: Within this framework, Turkish Standard Institution recently applied a hospitality standard. Also SMIIC is working with its technical committee to issue a standard about Muslim tourism for OIC Countries.

4. MFT Products/Services and Marketing Strategies in the OIC Member Countries: Current Situation, Main Challenges, Recommendations and Prospects

Ms. Reem EL SHAFABI, Senior Associate at DinarStandard, delivered a presentation on the analytical study titled “Muslim Friendly Tourism: Developing and Marketing MFT Products and Services in the OIC Member Countries”. The presentation covered the research methodology, global tourism frameworks, the results of the consumer survey that was conducted for the analytical study, country case studies, MFT industry challenges and success factors as well as policy recommendations.

Ms. EL SHAFABI started her presentation by reviewing the study methodology. Both primary and secondary market research was conducted to collect information for the study. The secondary research utilized market studies, government data, academic articles and research papers, press publications and other secondary sources. The primary research consisted of a consumer survey, consisting of 1120 responses; twenty-five in-depth interviews and eight country case studies, three of which were field research and five were desk research.

Next Ms. EL SHAFABI shared frameworks that illustrated the global tourism value chain, in terms of customer segments, marketing mix, and product and service sectors, as well as industry support services.

Ms. EL SHAFABI then shared the results of the consumer survey which consisted of 1120 respondents. 44% of the respondents were male and 56% were female. In terms of regions, 36% were from the GCC, 29% from Europe and North America, 18% from Asia, 15% from Africa, and 3% were from MENA (other than GCC). The majority of the respondents (43%) were between the ages of 25 and 35. In terms of marital status, 50% of respondents were married with children, 28% were single, and 14% were married without children.

In terms of Muslim traveler preferences, Ms. EL SHAFABI explained that 62% of respondents traveled for leisure, 54% to visit family and friends, 32% for religious purposes, 21% on business, 16% for education, and 5% for medical purposes. In terms of the influence on their choice of destination, 67% said they were influenced by friends and family. 84% of those surveyed research whether the destination will fulfil their religious needs. For leisure travel 86% went sight-seeing, 71% went shopping, 48% enjoyed beach and water activities, 47% visited museums and 40% went to theme parks. In terms of accommodation, 30% stayed with family and friends, 23% stayed at 4-star hotels, 17% stayed at hotels that were less than 4 stars, and 13% stayed at 5-star hotels, while 12% rented a house. 55% booked their accommodation on travel websites, 23% through travel agencies, and 15% directly through the hotel. Post trip, 95% said they would recommend their last travel destination to friends and family. With respect to the destination venues’ accommodation of their religious needs, 80% were satisfied with food service outlets, 76% were satisfied with shopping venues, 78% were satisfied with cultural venues, 76% were satisfied with airports and hotels, and 72% were satisfied with entertainment venues. At the same time, 39% of respondents said that religious needs were being “totally neglected by tourism products and services providers”.

Ms. EL SHAFABI then went on to summarize the findings of the case studies. Malaysia had 4.9 million arrivals in 2015, and is forecasted to have 6.1 million arrivals in 2020. In terms of MFT products and services, Malaysia has many dry hotels whose kitchens are Halal certified by JAKIM; there are travel agencies that offer MFT travel packages; and Halal food and prayer spaces are available at attractions. In terms of marketing, social media, mobile apps, company websites, and print publications are some of the promotion methods used by travel businesses; distribution is mainly online and pricing is the same as that of conventional products. The main government bodies responsible for MFT are Tourism Malaysia, which promotes Malaysia as a tourism destination, and of which MFT promotion is part of its overall effort; Islamic Tourism Center (ITC), which is an agency under the Ministry of Tourism focused on MFT research and training; the Ministry of Tourism and Culture; and Standards Malaysia, which issued a Muslim-Friendly Hospitality Services Standard.

Next, Ms. EL SHAFABI summarized the Turkish case study. Turkey had 4.1 million arrivals in 2015, and is forecasted to have 5.4 million arrivals in 2020. In terms of MFT products and services, Turkey is well known for its Muslim-focused beach resorts that have women only pools and beaches, Halal certified kitchens and family friendly entertainment. There are several travel agencies in Turkey, such as Tura Tourism, that provide MFT services. Prayer and ablution facilities are available at airports and attractions. In terms of marketing, social media, email marketing and tele-marketing are some of the promotion methods used by tourism businesses; distribution is mainly online, with 70% of sales being online; and the pricing of MFT services tend to be higher, especially in the case of Muslim-focused beach resorts, which charge about 30% more. In terms of government bodies responsible for MFT, the Culture and Tourism Ministry is the top regulator of MFT; TÜRSAB (the Association of Turkish Travel Agencies) operates as a semi-government organization and advocates for tourism policy; TÜROB (Hotel Association of Turkey) collaborates with the government on legislation; TÜROFED (Turkish Hoteliers Federation) is an umbrella organization for 9 different tourism associations and is one of the biggest pressure groups on behalf of the sector.

Ms. EL SHAFABI then went on to summarize the findings of the case study on Spain. Spain had 1.52 million arrivals in 2015, and is forecasted to have 1.66 million arrivals in 2020. In terms of MFT products and services, Spain has a few hotels that are Halal certified, it has travel agencies that focus on MFT packages, and there are prayer spaces at major airports. In terms of marketing, social media, Halal fairs, direct mail, and sales visits are some of the promotion methods used by tourism businesses; distribution is through direct booking; and Halal services are slightly more expensive than regular services. In terms of government bodies responsible for MFT, Tourespaña is responsible for tourism promotion and promotes Spain in Muslim markets such as Malaysia, Indonesia and Singapore. Instituto Halal is a Halal certification body that is developing a Halal cluster in Cordoba as well as certifying restaurants and hotels.

Ms. EL SHAFABI then summarized the findings of five desk research case studies. Indonesia has many restaurants that are Halal certified by MUI, and has prayer rooms at shopping malls, theme parks and airports. In terms of MFT promotion, Indonesia produced a Muslim visitor guide and conducts familiarization trips, sales missions and travel shows. In terms of government policies supporting MFT, it has a special committee appointed to promote MFT, 10% of the Ministry's promotional budget goes towards MFT, and it collaborates with Malaysia to offer combined packages. Thailand offers Halal food options, prayer rooms and Qibla direction are available at some hotels, and Halal food and prayer rooms are available at some

airports. In terms of promotion, Thailand launched a Muslim-Friendly Tourism App and offers Muslim visitor guides. In terms of government bodies responsible for MFT, the Tourism Authority of Thailand (TAT) is the main government body that promotes Thailand as an MFT destination. Tourism Council of Thailand is private and serves as the link between tourism businesses and the Ministry. Japan offers Halal food and prayer spaces at airports, and Halal food options and removal of alcohol at some hotels. It also offers a Muslim visitor guide. In terms of government policies, the government provides subsidies for businesses to obtain halal certification. Egypt has many Halal international fast food brands, and some hotels offer separate pools and spas for women. In terms of marketing, the focus is primarily on family-friendly positioning. Bosnia has Muslim-focused travel agencies, Halal certified hotels and prayer rooms at the airport. In terms of promotion, it focuses on social media and tourism fairs. In terms of the government, it facilitates real estate tourism investment from GCC countries.

Next Ms. EL SHAFABI discussed challenges facing the MFT industry. At the top of which is the absence of universal MFT standards. Other challenges include the lack of well-developed MFT products in some OIC countries, the challenges in catering to Muslims and non-Muslims and difficulty in obtaining financing.

The final section of Ms. EL SHAFABI's presentation discussed policy recommendations. Ms. EL SHAFABI presented a 5-step policy recommendations framework that included the following steps: (1) Develop a government-led MFT strategy, (2) Develop government-led MFT policies, (3) Prioritize MFT products and services, (4) Prioritize MFT marketing, and (5) Engage the MFT private sector.

In terms of Step 1: Developing a government-led MFT strategy, Ms. EL SHAFABI explained that this should consist of building stakeholder awareness, establishing a dedicated MFT committee that reports to the ministry of tourism, and developing a national MFT products/services and marketing strategy. Step 2: Developing government-led MFT policies covers setting government policies around Halal compliance, destination marketing, bilateral cooperation, global cooperation and SME support. Step 3: Prioritize MFT products and services, covers both basic and advanced sector priorities for the accommodation, food and beverage, travel services, activities and transportation sectors. Step 4: Prioritizing MFT marketing, covers basic and advanced activities within promotion, distribution and pricing. Step 5: Engaging the MFT private sector involves coordinating with national MFT initiatives and includes specific recommendations for each of the sectors. The accommodation sector is advised to define target customer segments and positioning, and should address prioritized MFT accommodation services. The food and beverages sector should prioritize and highlight Halal food credentials. Travel agencies should offer MFT themed travel packages. Destination Marketing Organizations should facilitate for venues to address MFT needs and should enhance the preservation and management of Muslim cultural heritage sites. The transportation sector should offer Halal food, prayer facilities, and bidet sprayer in bathrooms.

For all sectors, digital promotion, friends and family referral promotions, online reviews, as well as cross promotions with other Halal lifestyle sectors, should be considered as part of the promotion mix. In terms of distribution, businesses are advised to be listed on mainstream as well as MFT websites as well as identify top travel agencies to work with. In terms of pricing,

implementing a competitive pricing strategy is advised. Premium Muslim traveler segments are also an opportunity.

Questions & Remarks

Question: It is said in the presentation that there are some differences in understanding halal tourism between Egypt and some other countries. Can you provide more information about that situation?

Answer: While making interviews in Egypt, about halal tourism, it is stated that in Muslim country, there is no special need for improving halal tourism since most of the population is Muslim. We think that there is an information gap about being a Muslim country and promoting halal tourism. Egypt can be promoted as halal tourism destination with marketing campaigns and side activities in order to improve the halal tourism market in Egypt.

Question: How can we promote Muslim friendly tourism in a non-Islamic country?

Answer: Focusing on what already available is the first thing that can be done. The strategy for promoting MFT should be built upon these. In order to realize the strategy halal food and proper facilities, which are already on hand, can be used as a first step. Then the goal and the next steps should be decided according to the overall strategy.

Question: What is the difference between traditional marketing and Muslim friendly marketing?

Answer: Actually there is no significant difference between them. Tools used in both marketing types are same. But messaging is different. Messaging needs to be tailored according to the MFT promotion campaign.

5. Success Stories of the Member States

5.1. Indonesia

Mr Jubilar PASKORO from Ministry of Tourism of Indonesia made a presentation on tourism industry in Indonesia.

At the beginning of his presentation he gave brief information about Indonesia. It is the largest archipelago and has more than 17.000 islands. Since 746 languages & dialects used in Indonesia, it has mega biodiversity.

Also he stated that the number of Muslim visitor arrivals in 2014 was 116 million and it is projected to increase to 180 million in 2020 which means 54% growth. Indonesia is the 16th largest economy in the world and it is expected to be 9th largest economy in 2030. Moreover, the proportion of the Muslim traveler market to the GDP was 10% in the 2015 and the goal is to reach 15% in 2019.

Mr. PASKORO also mentioned strategic initiatives taken in halal tourism market. Policy regulations are made in accordance with budget constraints to get the best results. Also in order to promote the MFT; branding, advertising and selling must be done in coordination. Certification is also essential part of the promotion. Since halal tourism requires certification, it is necessary to set the proper regulations to increase the number of certified products and services.

He continued his presentation with the introduction of the halal tourism concept in Indonesia in the beginning of the 2012. The introduction is followed by sharia economy building in 2012 and Join Seminar on Islamic Tourism in 2014 and lastly 8th Meeting of the COMCEC Tourism Working Group.

He concluded his presentation giving information about awards earned. Indonesia received the World Halal Tourism Awards in three separate areas such as best halal honeymoon destination, best halal tourism destination and having the best family friendly destination hotel in the world. Also Indonesia became the 2nd best Ramadhan Destination in 2016 according to Ramadan Travel Report prepared by Mastercard and Crescent Rating.

5.2. Turkey

Mrs. Gülara Alkaçır, from Directorate General of Promotion, Ministry of Culture and Tourism made a presentation and shared information about Muslim Friendly Tourism marketing in Turkey.

In her presentation she expressed that Turkey's goals in tourism industry are 50 million tourist arrivals, 50 billion dollar revenue, and becoming 5th in the top destination ranking in 2023. During the recent years, tourist arrivals and tourism receipts are increased dramatically

and reached to 36.2 million people and 31.4 billion dollars in 2015. Moreover, Turkey became the 6th most visited country in the world according to UNWTO statistics. Because Turkey have 13 different civilizations, 171 archeological excavations, 79 antique cities, more than 300 historical sites, 349 environmental friendly (Green star) accommodation facilities.

She concluded her presentation by emphasizing that Turkey has 44 Culture and Information Offices in 39 countries, Athens, St. Petersburg, Sao Paulo, Tunis, Sydney, Shanghai and Toronto being last offices. The new promotion strategy is developing and growing Turkey with a respected worldwide brand. Strategic partnerships with the world's most powerful digital and social platforms are made to provide sustainable development of the tourism market in Turkey and effective promotion on global scale by focusing on Turkey's cultural values and tourism products and services.

6. Policy Options for Developing Muslim Friendly Tourism in the Member Countries

The session was moderated by Mr. Riyanto SOFYAN, Chairman of the Sofyan Hotels. At the outset, Mr. SOFYAN stated that “the Room Document for the Moderation Session of the 8th Meeting of the Tourism Working Group”, prepared by the COMCEC Coordination Office in light of the findings of the analytical study prepared specifically for the Meeting and the answers of the Member Countries to the policy questions which have already been sent by the CCO.

At the beginning of the session, Mr. Mustafa Adil SAYAR, Expert from the COMCEC Coordination Office, made a brief presentation on the responses of the Member Countries to the policy questions on developing and marketing MFT products and services sent to the Tourism Working Group focal points by the CCO. In his presentation, Mr. SAYAR gave a brief information on policy questions. He stated that the purpose behind these policy questions was to strengthen policy dimension in the discussions of the Tourism Working Group. After presenting the questions and responses of the Member Countries, he introduced the draft policy advices included in the Room Document.

After the presentation, Mr. SOFYAN gave the floor to all delegations asking their opinions and comments for each policy advices as well as the experience of their respective countries in this regard. Based on intensive deliberations, the participants agreed on the policy advices given in the attached room document to be submitted to the 32st Session of the COMCEC as an outcome of the 8th Meeting of the Tourism Working Group.

The policy recommendations highlighted by the participants are as follows:

- Developing a national Muslim Friendly Tourism strategy, establishing a dedicated MFT body/committee and developing a national MFT products/services and marketing development strategy
- Conducting government-led MFT-focused destination marketing and measuring the potential of a destination for MFT
- Supporting SMEs through developing training and mentorship programs
- Developing bilateral tourism cooperation within the OIC through technical knowledge exchange and joint promotion efforts for MFT destinations

7. Private Sector Efforts in Muslim Friendly Tourism

7.1. Sofyan Hotels

“The Experience of Sofyan Hotels on MFT”

Mr. Riyanto SOFYAN made a presentation on the experiences of Sofyan Hotels on MFT and present their perspective on the MFT.

He started his presentation by providing brief information about Sofyan Hotels which are established in the early 70s. In April 26th 1989 the Sofyan Hotels went public with taking great attention from investors. In 1992, Sofyan Hotels adopted Halal concept into its all operational lines. The vision was enriching Hospitality Industry with widely transmitting the attractiveness of Halal Concept while maintaining inclusivity which represents new outlook on life and society, so that it can be accepted by all.

After the adoption of the halal concept, Sofyan Hotels offered substitutes for alcoholic drinks such as herbal mock-tail drinks, Ginger Freeze as substitute for Margarita, Lemongrass as substitute for Gin Tonic. In order to fully adopt the halal concept, some parts of the hotels closed which are not compatible with halal tourism. After closing those parts, sales increased dramatically. So adopting halal concept was very fruitful.

In his presentation Mr. Sofyan gave information about portfolio of the Sofyan Hotels. There are 20 hotels with 1,871 rooms in its portfolios, 9 hotels in operations under Sofyan’s Brands, 5 hotels in operations under franchising schemes and others, 6 hotels under development stages.

Mr. Sofyan concluded his presentation by stating that the Sofyan Hotels are awarded as “The World’s Best Family Friendly Hotel” by World Halal Travel Award and earned Certificate of Excellence from Minister of Tourism, Republic of Indonesia in 2015.

7.2. Halalinn

“Efforts of Muslim Friendly Booking Websites: The Case of halalinn.com”

Özlem ÖZİNCE, Contract Manager from Halalinn.com, made a presentation and shared Halalinn’s experiences, achievements and challenges faced regarding Muslim-friendly tourism.

At the beginning of her presentation she provided information about Halalinn’s aim in MFT. She stated that Halalinn focuses on MFT, creates vacation awareness according to Islamic sensibility for accommodation facilities.

She stated that halal tourism sector shows great improvements in recent years. In this respect, requirement for proper facility for Muslims is increasing gradually and online reservation rate increased by 40%.

Every year the population of Islamic countries and their economic power is growing. The increase of economic freedom change holiday habits and preferences in different directions. Within this framework, Halalinn.com receives positive feedbacks from the Islamic countries

since Halalinn.com is the only international reservation website which serves with private Islamic filtering area for different people from wide range of countries.

She concluded her speech by stating that symposiums and panels should be arranged to improve Halal Tourism awareness. Halal Tourism strategies should be designed and employed for the tourism facilities.

8. Utilizing the COMCEC Project Funding

Mr. Hasan YENİGÜL, Expert at the COMCEC Coordination Office made a presentation on the COMCEC Project Funding introduced by the COMCEC Strategy. At the outset, Mr. YENİGÜL informed the participants about where the COMCEC Project Funding stands in the COMCEC Strategy. Mr. YENİGÜL underlined the basic qualifications of the COMCEC Project Funding as “simple and clearly defined procedures and financial framework”, and mentioned that CCO provided continuous support to the member countries during the all stages of the COMCEC Project Funding Mechanism. With respect to the financial framework, Mr. YENİGÜL emphasized that the funds are grant in nature and would be provided by the CCO.

After briefly explained the COMCEC Project Funding, Mr. YENİGÜL highlighted the potential project owners. It was emphasized that relevant ministries and other public institutions of the Member Countries and the OIC Institutions operating in the field of economic and commercial cooperation could submit projects. He also underlined that member countries have to be registered to respective working group in order to submit their project proposals.

During the presentation, three key actors and their responsibilities under the COMCEC Project Funding were identified; Project Owner (Project Submission and Implementation); the CCO (Program Management) and the Development Bank of Turkey (Project Monitoring and Financing). Moreover, steps and roles of these key actors throughout the project application process were defined.

He continued his presentation by explaining the “Project Selection Criteria” namely, compliance with Strategy’s Principles, and targeting strategic objectives of the Strategy, focusing on output areas and pursuing multilateral cooperation among the OIC Member Countries. Mr. YENİGÜL also emphasized that project proposals submitted by the member countries should be compliant with the sectoral themes for the fourth call stated in the Program Implementation Guidelines. Mr. YENİGÜL pointed out the importance of the multilateralism for project appraisal and stated that project proposals should focus on common problems of at least two member countries and also should offer joint solutions for these problems.

Mr. YENİGÜL also gave information on 2014 and 2015 Projects. He stated that member countries and OIC institutions had shown great interest and 209 project proposals were submitted by member countries and OIC institutions in three-year period (2013-2015). He also stated that totally three tourism projects were implemented under the COMCEC Project Funding in 2014 and 2015. They were titled “Improving Statistical Capacities of Tourism Sector in COMCEC Mediterranean and Gulf Region”, “Cities of Common Cultural Heritage” and “Strengthening Community Resilience through eco-tourism” proposed, respectively, by SESRIC, Azerbaijan and the Gambia.

Mr. YENİGÜL shared brief information with participants regarding online project submission system and stated that member countries could submit their project proposals easily by using this user-friendly system.

Lastly, Mr. YENİGÜL reminded participants that fourth call for project proposals would start as of September 1st, 2016 and project proposals would be submitted to the CCO until 31st

September, 2016. He also invited all esteemed countries and OIC institutions to submit their project proposals.

9. Closing Remarks

The Meeting ended with closing remarks of Dr. Girham Abdelgadir HASSAN, Undersecretary of Ministry of Tourism from the Republic of SUDAN and Chairperson of the Meeting and Mr. M. Metin EKER, Director General of the COMCEC Coordination Office.

In his remarks, Mr. HASSAN thanked all the Member Countries for giving her the opportunity to chair this session. He also thanked all the participants, presenters for their invaluable contributions, comments and ideas presented during the discussions.

Mr. Metin EKER also thanked all the participants for their invaluable contributions. He underlined that the observations, comments and critiques of the participants on the analytical study prepared specifically for the Tourism Working Group Meetings would be mostly welcomed in order to improve its quality. He also stated feedbacks about the main output of the meeting, the draft policy recommendations which will be presented to the 32st Session of the COMCEC, is very valuable. Mr. EKER also highlighted the importance of COMCEC Project Funding and invited the Member Countries as well as the relevant OIC Institutions to submit project proposals to benefit from this important asset.

Mr. EKER also informed the participants that the next (9th) Meeting of the Tourism Working Group will be held on February 16th, 2017 in Ankara with the theme of "Muslim Friendly Tourism (MFT): Regulations for Accommodation Facilities in the OIC Member Countries."

Before concluding, Mr. EKER thanked again all the participants and wished them a safe trip back home.

Annex 1: Agenda of the Meeting



8th MEETING OF THE COMCEC TOURISM WORKING GROUP

(September 1st, 2016, Ankara)

*“Muslim Friendly Tourism(MFT): Developing and Marketing MFT Products and Services in the
OIC Member Countries”*

AGENDA

Opening Remarks

1. The COMCEC Tourism Outlook 2016
2. Global Trends in Muslim Friendly Tourism: Global Muslim Traveler Index 2016
3. MFT Products/Services and Marketing Strategies in the OIC Member Countries: Current Situation, Main Challenges, Recommendations and Prospects
 - Analyzing 4Ps for the MFT Market: Product, Place, Price and Promotion
 - Selected Case Studies
 - Gap Analysis and Opportunity Insights
 - Policy Recommendations
4. Policy Options for Developing Products and Services and Marketing Strategies in the Member Countries
5. Utilizing the COMCEC Project Funding
6. Member State Presentations
7. Success Stories of the Private Sector

Closing Remarks

Annex 2: Program of the Meeting



8th MEETING OF THE COMCEC TOURISM WORKING GROUP

(September 1st, 2016, Crowne Plaza Hotel, Ankara)

*“Muslim Friendly Tourism(MFT): Developing and Marketing MFT Products and Services
in the OIC Member Countries”*

PROGRAMME

08.30-09.00 **Registration**

09.00-09.05 **Recitation from the Holy Quran**

09.05-09.15 **Opening Remarks**

The COMCEC Tourism Outlook

09.15-09.35 - *Presentation: Ms. Aslı TAŞMAZ DADAKOĞLU*
Expert
COMCEC Coordination Office (CCO)

09.35-09.45 - *Discussion*

Global Trends in Muslim Friendly Tourism: Global Muslim Traveler Index 2016

09.45-10.05 - *Presentation: Mr. Fazal BAHARDEEN*
CEO
CrescentRating

10.05-10.30 - *Discussion*

10.30-10.45 *Coffee Break*

MFT Products/Services and Marketing Strategies in the OIC Member Countries: Current Situation, Main Challenges, Recommendations and

10.45-11.30 - *Presentation: Ms. Reem El SHAFAKI*
Senior Associate
Dinar Standard

12.30-14.00 *Lunch*

There will be a moderation session under this agenda item. The participants are expected to deliberate on the policy options/advice for developing and marketing MFT products and services in the Member Countries. The Room Document has been prepared by the CCO, in light of the findings of the analytical study prepared specifically for the Meeting and the answers of the Member Countries to the policy questions which have already been sent by the CCO. This Document was shared with the Tourism Working Group focal points before the Meeting with a view to enriching the discussions during the Session and coming up with concrete policy advice for the policy approximation among the Member Countries in this important field. At the beginning of the session, CCO will make a short presentation introducing the responses of the Member Countries to the policy questions as well as the Room Document.

14.00-14.15	- Presentation: “Responses of the Member Countries to the Policy Questions on Developing and Marketing MFT Products and Services” <i>Mr. Mustafa Adil SAYAR</i> <i>Expert</i> <i>COMCEC Coordination Office</i>
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14.15-15.30 - Discussion

15.30-15.45 - *Presentation: Mr. Hasan YENİGÜL*
Expert
COMCEC Coordination Office (CCO)

15.45-16.00 - *Discussion*

16.00-16.15 *Coffee Break*

16.15-17.15 Success Stories of the Member States

- *Presentations*

- *Discussion*

Private Sector Experience

17.15-17.30

- *Presentation: “The Experience of Sofyan Hotels on MFT”*
Mr. Riyanto SOFYAN
Chairman
Sofyan Hotels

17.30-17.45
Case

- *Presentation: “Efforts of Muslim Friendly Booking Websites: The*
of Halalinn.com”
Ms. Özlem ÖZİNCE
Contract Manager
Halalinn.com

17.45-18.00

- *Discussion*

18.00-18.10

Closing Remarks

Annex 4: The Policy Recommendations

THE POLICY RECOMMENDATIONS HIGHLIGHTED BY THE 8TH MEETING OF THE TOURISM WORKING GROUP

The COMCEC Tourism Working Group (TWG) has successfully held its 8th Meeting on September 1st, 2016 in Ankara, Turkey with the theme of “*Muslim Friendly Tourism (MFT) Developing and Marketing MFT Products and Services in the OIC Member States.*” During the Meeting, Tourism Working Group, made deliberations for policy approximation among the Member Countries regarding developing and marketing MFT products and services. The Room Document, prepared in accordance with the main findings of the analytical study conducted specifically for the 8th Meeting of the COMCEC Tourism Working Group titled “*Muslim Friendly Tourism (MFT) Developing and Marketing MFT Products and Services in the OIC Member States*” and the answers of the Member Countries to the policy questions sent to the

COMCEC Tourism Working Group focal points by the COMCEC Coordination Office. During the Meeting, the participants agreed on the policy recommendations included in the Room Document. The existing document includes these policy recommendations highlighted during the Meeting.

The Member States of the TWG are kindly invited to communicate their observations on this document, if there are any, to the COMCEC Coordination Office by September 20th, 2016. The comments received before September 20th, 2016 will be able to be incorporated into the

Document. After incorporating the Member States’ contributions, this document will be submitted to the 32nd Ministerial Meeting of the COMCEC to be held on 21-24 November 2016 in İstanbul, as an outcome of the 8th TWG Meeting.

Policy Advice 1. Developing a national Muslim Friendly Tourism strategy that links to the country’s overall tourism goals through focusing on building stakeholder awareness, establishing a dedicated MFT body/committee and developing a national MFT products/services and marketing development strategy

Rationale:

The role of government is very crucial for developing Muslim friendly tourism (MFT) sector. In the OIC Member Countries, the governments provide support and guidance to

the private sector in varying degrees. These efforts vary from raising awareness on MFT market potential and Muslim consumer needs among tourism product and service providers, to supporting providers in developing and certification of MFT products and services or engaging in destination marketing. However, for developing effective MFT products and services development and marketing policies, a national MFT strategy should be developed as part of the country's overall tourism goals and strategy. In this regard, the Analytical Study proposes the following steps to successfully apply a sustained and high impact MFT products and marketing strategy:

- *Build internal stakeholder awareness within government tourism stakeholders*
- *Establish a dedicated MFT body or committee that reports to the Ministry of Tourism*
- *The dedicated body should develop and drive national MFT products/services and marketing development strategy and initiatives.*

Policy Advice 2. Conducting government-led MFT-focused destination marketing through developing an MFT branding and positioning for the benefit of local service providers and measuring the potential of a destination for MFT by funding/organizing short-term campaigns.

Rationale:

In tourism sector, cooperation and network among the different stakeholders is crucial for the destination marketing. Governments play a key role in destination marketing as an aggregator as well as a platform provider for communication for the various stakeholders. In MFT sector, one of the most rapidly growing sub-sector in tourism area, the *Analytical Study* identified government-led destination marketing policies as a key area of public policy gaps and opportunity areas. Accordingly, national MFT destination marketing efforts bear particular importance kick-start and build momentum for successful MFT product/service development and marketing.

For an effective destination marketing, common branding led by governments enables tourism industry to improve their marketing positioning and create joint marketing and promotional initiatives. In this respect, the national tourism bodies in the member countries should develop a MFT branding and positioning for the local service providers and suppliers. Moreover, in order to promote a destination of an MFT brand, there is a need to test its MFT potential. In this respect, launching/ organizing government-led short-term campaigns can facilitate testing that potential.

Policy Advice 3. Supporting SMEs through developing training and mentorship programs

Rationale:

Governments provide a wide range of support for tourism SMEs in mainstream tourism sector. However, in MFT sector, as a relatively new area in the tourism field, there is still need for providing support to SMEs particularly through developing training and mentorship programs. Training programs help enhance the human capacity of the MFT industry on tailoring their products and services to the MFT market as well as on effectively marketing their products and services. Furthermore, mentorship programs is an important instrument for developing the skill and expertise of the tourism industry by pairing each SME with a mentor.

Policy Advice 4. Developing bilateral tourism cooperation within the OIC through technical knowledge exchange and joint promotion efforts for MFT destinations

Rationale:

According to the analytical study, some OIC countries have well-developed halal ecosystems and adequate awareness. Nonetheless, while many member countries have low awareness level despite having halal ecosystem (such as halal food, Islamic heritage), others do not have well-developed MFT ecosystem and have low awareness about MFT. In this regard, the *Analytical Study* has identified bilateral cooperation as a crucial mechanism for technical knowledge exchange in the area of MFT. Technical knowledge transfer among the well-developed and other OIC Member countries would increase the MFT awareness and capacity for catering to the MFT market.

Instruments to Realize the Policy Advices:

- ***COMCEC Tourism Working Group:*** In its subsequent two meetings, the COMCEC Working Group will elaborate on the above mentioned policy issues in a more detailed manner. The 9th Meeting of the Tourism Working Group will be held with the theme of “*Muslim Friendly Tourism (MFT): Regulations for Accommodation Establishments in the OIC Member Countries.*”
- ***COMCEC Project Funding:*** Under the COMCEC Project Funding, the COMCEC Coordination Office calls for project proposals each year. With the COMCEC Project Funding, the Member Countries participating in the Working Groups can submit multilateral cooperation projects to be financed through grants by the COMCEC Coordination Office. For the above mentioned policy areas and their sub-areas, the Member Countries can utilize the COMCEC Project Funding and the COMCEC Coordination Office may finance the successful projects. The projects may include seminars, training programs, study visits, exchange of experts, workshops and preparing analytical studies, needs assessments and training materials/documents, etc.

- ***OIC/COMCEC Private Sector Tourism Forum:*** In its meetings, the OIC/COMCEC Private Sector Tourism Forum may elaborate on the above mentioned policy areas and the sub-areas from the private sector perspective.

Annex 4: List of Participants

DRAFT LIST OF PARTICIPANTS 8th MEETING OF THE TOURISM WORKING GROUP (1 SEPTEMBER 2016, ANKARA)

A. INVITED STATES

REPUBLIC OF AZERBAIJAN

- Mr. JAVID ABDULLAYEV
Senior Adviser, Ministry of Culture and Tourism

BRUNEI DARUSSALAM

- Ms. OSFINITA TAHIR
Embassy of Brunei Darussalam in Ankara

BURKINA FASO

- Mr. BOUKARI TAO
Director, Ministry of Culture and Tourism
- Ms. LAMOUSSA ROSALIE BALIMA
Technical Counsellor, Ministry of Culture and Tourism

ARAB REPUBLIC OF EGYPT

- Mr. EMAD FATHY ABDALLA
Director, Ministry of Tourism

REPUBLIC OF INDONESIA

- Mr. JUBILAR PASKORO
Staff, Ministry of Tourism

ISLAMIC REPUBLIC OF IRAN

- Mr. MAHMOUD VAFAEE
Manager, Cultural Heritage Handicrafts and Tourism of Kerman Province
- Mr. MOEIN AFZALI
Advertisement Manager, Cultural Heritage Handicrafts and Tourism of Kerman Province

THE STATE OF PALESTINE

- Mr. AZMI ABU GHAZALEH
Counsellor, Embassy of Palestine in Ankara

STATE OF QATAR

- Mr. HAMAD AL ABDAN
Manager of International Cooperation Unit, Qatar Tourism Authority
- Mr. AHMAD AL JUNAIDI
International Cooperation Unit, Qatar Tourism Authority

KINGDOM OF SAUDI ARABIA

- Mr. FAISAL M. AL SHAREEF
General Manager, Saudi Commission for Tourism and National Heritage

REPUBLIC OF SUDAN

- Dr. GIRHAM ABDELGADIR HASSAN
Undersecretary of Ministry of Tourism (Secretary General), Ministry of Tourism, Antiquities and Wildlife
- Mr. BADRELDIN ABBAS ELBASHIR ELAMAS
Director, Ministry of Tourism, Antiquities and Wildlife
- Mr. TARIG SALIH
Embassy of Sudan in Ankara

REPUBLIC OF TUNISIA

- Ms. OLFA CHENGUEL
Inspector, Tunisian National Tourism Office

REPUBLIC OF TURKEY

- Ms. ÖZLEM AKKOYUNLU
Expert, Ministry of Culture and Tourism
- Ms. GÜLARA ALKAÇIR
Expert, Ministry of Culture and Tourism
- Mr. MERT KABASAKAL
Assistant Expert, Ministry of Culture and Tourism
- Mr. MEHMET SERİN
Ministry of Culture and Tourism
- Ms. DENİZ ÖZTÜRKMEN
Ministry of Culture and Tourism

REPUBLIC OF UGANDA

- Ms. ROSEMARY KOBUTAGI TWINOMUGISHA
Assistant, Commissioner, Ministry of Tourism
- Mr. BRAIN MWESIGWA
Foreign Service Officer, Ministry of Foreign Affairs

B. INVITED INSTITUTIONS

CRESCENT RATING

- Mr. FAZAL BAHADEEN
CEO, Crescent Rating

DINAR STANDARD

- Mr. REEM EL SHAFAKI

Senior Associate

HALALINN

- Ms. ZERRİN AYDIN PEKACAR
Director of Contract
- Ms. ÖZLEM ÖZİNCE
Director of Foreign Contract

**STATICAL, ECONOMIC, SOCIAL RESEARCH AND TRAINING CENTER FOR
ISLAMIC COUNTRIES (SESRIC)**

- Mr. CEM TİNTİN Researcher

STANDARDS AND METROLOGY INSTITUTE FOR ISLAMIC COUNTRIES (SMIIC)

- Mr. İHSAN ÖVÜT
Secretary General
- Mr. YASİN ZÜLFİKAROĞLU
Expert

SOFYAN HOTELS

- Mr. RIYANTO SOFYAN
Team Leader for Accelerated Development of Halal Tourism, Ministry of Tourism

B. COMCEC COORDINATION OFFICE

- Mr. M. METİN EKER
Director General, Head of COMCEC Coordination Office
- Mr. SELÇUK KOÇ
Head of Department
- Mr. MUSTAFA TEKİN
Head of Department
- Mr. GÖKTEN DAMAR
Expert
- Ms. ASLI TAŞMAZ DADAKOĞLU
Expert
- Mr. MUSTAFA ADİL SAYAR
Expert
- Mr. FAZİL ALATA
Expert