TOURISM IN EAST JERUSALEM:

Indicators and Implications for Spatial Planning

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FRIEDRICH EBERT STIFTUNG

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This report has been produced in partnership with The FRIEDRICH EBERT STIFTUNG (FES) in East Jerusalem. The International Peace and Cooperation Center (IPCC) gratefully acknowledges the long standing support FES has provided to IPCC and to the valuable social, economic and political programs to support Palestine and future peace in our region.

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CONTENTS

PREFACE

East Jerusalem lacks a comprehensive spatial vision and plan to attract Palestinian and international investors to develop tourism; even basic data and trends are missing. The East Jerusalem tourism sector faces high competition with West Jerusalem and Bethlehem and has been shrinking with less accommodation facilities being available today compared to 1967.

In partnership with Friedrich Ebert Stiftung (FES), the International Peace and Cooperation Centre's (IPCC) interest in exploring the spatial development of the Palestinian tourism sector in East Jerusalem goes back to 2017 when tourism was considered a priority sector which required an in-depth study to identify the current tourism trends in the city and in Palestine and Israel in general as well as to analyse the spatial aspects of the tourism sector and options of potential development. More recently, IPCC has made special efforts to evaluate the tourism potential of East Jerusalem to contribute to the revitalization of the city's economy and to alleviate the dire economic and social condition of Palestinian Jerusalemites as the tourism sector greatly impacts East Jerusalem's economy and Palestinian Jerusalemites' living standards in general, and the Old city and East Jerusalem Centre in particular.

This report analyses different tourism indicators, such as tourist characteristics and the countries with highest tourist numbers, to identify relevant trends from 2005 until end of 2019. Tourism in East Jerusalem is the focus of this report, which presents data on guests and overnight stays, the nationality of tourists, the most visited sites in East Jerusalem and revenues. Apart from an analysis of all these indicators, this section contains a comparison with West Jerusalem in terms of accomodation facilities, their level and information on their guests, where they come from and how long they stay on average. East Jerusalem is also compared to other Palestinian cities, especially Bethlehem, Ramallah and Jericho. The last decade came with an increase in the number of Muslim tourists, including tourists from countries with no diplomatic relationship with Israel, which is the ultimate authority to issue entry visa even to Palestinian territories. This report also analysed Muslim tourism trends in terms of most visited cities, sites and expenditures.

This report provides an overall review of the Israeli planning system and relevant plans affecting the spatial development in East Jerusalem, including the 2020 Master plan which was not officially authorized and is used selectively by the municipality. It also covers the most recent plan on East Jerusalem's Center deposited by Israeli planning authorities in January 2020.

This report suggests a new special development for East Jerusalem covering mainly the Center of East Jerusalem and inner neighbourhoods surrounding the old city. A Special Tourism Zone planning program was developed by IPCC team worked on spacial planning of site north west of the Old City.

Quantitative and qualitative data was gathered from different sources, the Israeli Central Bureau of Statistics, the Palestinian Central Bureau of Statistics, the Israeli and Palestinian Ministries of tourism, the Arab Hotels Association. Moreover, data was collected working with focus group meetings with experts and representatives of the tourism sector with the aim of exploring their views and perceptions on the future of this important sector to the city image and social economic development.

TOURISM INDICATORS

1.1 ARRIVED TOURISTS

The number of tourists who visited the Holy Land has increased within the last three years. In 2019, the total number of tourists reached 4.90 million, an increase of half a million tourists compared to 2018 (total of 4.39 million) and 1.04 million more than in 2017 (total 3.86 million).

Table 1 shows the tourists arrivals from 2005 to 2019, including day tourists who did not stay overnight. In 2010, the number of tourists (not including day tourists) grew by 47.3% in comparison to the year 2005. Between 2010 – 2016, the number of tourists only grew slightly. However, this stabilization was followed by a period of rapid growth within the last three years: In 2017, the number of tourists rose by 24.6% in 2017, in 2018 it grew by 14% and by 10.4% in 2019, always compared to the preceding year. Looking farther back, it shows that the number of tourists arriving in the Holy Land rose by 239 % compare to 2005 and 162% compare to 2010.

From Table 1 we can indicate that in the last few years, the share of day tourists decreased from 640 thousand in 2010 to 309 thousand in 2015, to 353 in 2019 due to instability in the region and the inability to combine regional trips.

TABLE 1 | **Tourist Arrivals (Tourists and Day Tourists) 2005-2019** **(in thousands)**

	Total	Tourists	Day Tourists
2005	1,916.0	1,902.7	13.3
2006	1,833.9	1,825.2	8.7
2007	2,295.6	2,063.1	232.5
2008	3,028.0	2,559.6	468.4
2009	2,738.3	2,321.4	417.0
2010	3,444.0	2,803.2	640.8
2011	3,362.0	2,820.2	541.8
2012	3,520.4	2,885.9	634.5
2013	3,539.7	2,961.7	578.0
2014	3,251.1	2,926.5	324.5
2015	3,108.6	2,799.4	309.2
2016	3,069.8	2,900.0	169.8
2017	3,863.4	3,613.2	250.2
2018	4,389.4	4,120.9	268.7
2019	4,904.6	4,551.6	353.0 *

* Day Tourists including cruise tourists.

SOURCE: Data processed from the Israeli Central Bureau of Statistics, April 2020.

TABLE 2 | **Tourists Arrivals by Mode of Travel 2005-2019** **(in thousands)**

Year	By Land						By Air			Grand Total*
	Jordan				Egypt	Total			Total	
	Arava	Allenby	Jordan River	Total	Elat		Elat	Ben Gurion		
2005	37.5	68.6	27.8	133.9	109.9	243.8	59.0	1,594.0	1,653.0	1,902.7
2006	36.1	64.7	30.5	131.3	123.5	254.8	50.4	1,517.6	1,568.0	1,825.2
2007	58.9	95.9	32.0	186.8	295.7	482.5	35.7	1,751.6	1,787.3	2,269.8
2008	108.3	146.3	54.0	307.7	493.5	801.2	49.0	2,130.7	2,179.8	2,981.8
2009	99.9	122.1	43.8	265.8	357.2	623.0	49.9	1,999.0	2,048.9	2,671.4
2010	133.0	168.7	68.6	370.2	520.7	890.9	60.7	2,324.1	2,384.8	3,275.7
2011	99.5	147.6	60.8	307.8	311.7	619.6	79.4	2,426.0	2,505.4	3,124.9
2012	104.3	166.2	64.4	334.9	362.6	697.5	63.2	2,508.7	2,571.9	3,269.3
2013	91.9	164.3	59.4	315.6	261.2	576.7	58.7	2,645.1	2,706.2	3,282.9
2014	87.9	158.6	51.9	298.4	238.5	536.8	42.3	2,582.4	2,625.8	3,163.4
2015	58.9	127.4	51.9	238.1	178.4	415.6	28.7	2,567.6	2.596.5	3,013.1
2016	50.6	140.5	53.6	244.7	74.1	318.8	56.2	2,619.2	2,676.5	2,995.3
2017	84.5	200.5	65.9	351.0	138.8	489.8	91.7	3,225.4	3,320.3	3,809.5
2018	117.1	238.0	76.3	431.3	157.5	588.8	130.1	3,620.7	3,753.9	4,343.4
2019	146	299.5	76.3	521.8	202.1	723.9	139.9	3,944.2	4,086.8	4,810.8

* Excluding cruise tourists.

SOURCE: Data processed from the Israeli Central Bureau of Statistics.

TABLE 3 | **Visitor Arrivals (Tourists and Day Tourists) 2019** **(in thousands)**

Month	Total	Tourists	Day Tourists
January	320.3	284.8	35.4
February	361.0	342.1	18.9
March	456.4	425.8	30.6
April	428.1	404.9	23.2
May	465.7	439.9	25.8
June	384.0	365.1	18.9
July	345.6	322.8	22.7
August	324.2	304.6	19.6
September	436.5	405.0	31.5
October	485.0	447.1	37.9
November	502.9	451.2	51.7
December	395.0	358.3	36.7
Total	4,904.6	4,551.6	353.0

SOURCE: Israeli Central Bureau of Statistics, April 2020.

Table 2 shows mode of travel from 2005 to 2019. In 2019, 84.9% of tourists arrived by air via Tel Aviv Airport (Ben Gurion), 10.84% arrived from Jordan (521.8 thousand, thereof 299.5 thousand (57.4%) crossing the King Hussein bridge (Allenby) i.e. 6.2% of total arrived tourists). This number rose by 436% compared to 2005. The King Hussein Bridge is the only crossing between the West Bank and Jordan, and the main gateway for Palestinians and tourists especially those from countries which have no diplomatic relationship with Israel.

Table 2 further reveals that the number of tourists traveling via Tel Aviv airport increased by 53.6% in 2019 compared to 2015. In January 2019, the new airport of Elat was opened, being the second largest in Israel. As the number of flights and passengers increased, it replaced the old airport.

According to the Israeli Ministry of Tourism 24.3% of the tourists arriving by air in 2018 (3.7 million) flew with low cost airlines (one third of them with Easy Jet, 17% Transavia and 13.3% Wizz Air, 9.8% Ryanair, 7.3 % Up (El-Al)).

Table 3 displays the number of tourists by month for the year 2019, with their mode of travel being indicated in Table 4. The number of tourists was the lowest in January and August and the highest in spring and autumn. Table 2 and 4 show an increase in tourist crossings from Egypt: In 2019, the number was roughly double that of 2005. Despite the security unrest in Sinai in these years, 40 % of the tourists arrived from Egypt in 2010.

Similar to the traveling trends at Tel Aviv airport, the lowest crossing from King Hussein (Allenby) in 2019 was in January and the highest in November. The lowest crossing by land from Egypt was in July.

TABLE 4 | **Tourist Arrivals by Model of Travel 2019 by Month** **(in thousands)**

Month	By Land						By Air			Grand Total*
	Jordan				Egypt	Total			Total	
	Arava	Allenby	Jordan River	Total	Elat		Elat	Ben Gurion		
January	11.0	17.8	2.9	31.7	23.6	55.3	26.0	235.9	262.1	317.5
February	10.6	23.6	5.5	39.7	16.3	55.9	23.4	281.7	304.7	360.7
March	16.0	30.5	6.2	52.7	19.6	72.2	25.5	349.0	374.8	447.0
April	14.2	27.5	6.4	48.1	15.0	63.2	4.3	351.6	356.1	419.3
May	12.7	26.3	11.3	50.4	16.1	66.5	1.2	392.1	393.6	460.1
June	9.9	21.7	4.2	35.9	10.1	45.9	0.1	337.8	338.1	384.0
July	7.4	20.2	4.3	31.9	9.5	41.4	-	302.2	302.4	343.8
August	9.0	17.5	3.7	30.1	10.9	41.0	-	383.0	383.2	324.2
September	12.0	25.8	5.5	43.3	14.1	57.3	0.6	370.2	371.1	428.4
October	13.9	29.8	11.5	55.3	20.0	75.2	10.4	385.0	395.7	470.9
November	17.2	34.9	10.2	62.2	28.9	91.1	26.0	359.4	385.7	476.7
December	12.2	23.7	4.7	40.7	18.1	58.8	22.3	296.9	319.3	378.2
Total	146	299.5	76.3	521.8	202.1	723.9	139.9	3,944.2	4,086.8	4,810.8

* Excluding cruise tourists.

SOURCE: Data processed from the Israeli Central Bureau of Statistics.

1.2 Tourists characteristic

According to the Israeli Ministry of Tourism survey, 1.2 million of the tourists who arrived in 2018 were traveling with organized group tours, which amounts to 30.2% compared to 32% in 2016 and 24% in 2017. Free Independent Travelers (FIT) made up 64.8% of tourists in 2018, as compared to 66% in 2017 and 58% in 2016. In 2018, 54.9% of tourists were Christians (73.7% visited for the first time), thereof 22.2% Catholic, 12.4 % Orthodox, Protestant- Evangelical 12.6% (2.6% other Protestants). 27.5% of tourists in 2018 were Jewish (91% return visitors), while only 2.4% were Muslims (71% visited for the first time).

According to the 2018 tourism survey one million tourists arrived for religious tours and pilgrimage (24% of total tourists). 30% arrived to visit relatives or friends, and 21.3% arrived for touring and sightseeing.

98.1% of organized group tours stayed in hotels, compared to only 34.5% of the FIT tourists. In 2018, 55.9% of total tourists stayed in hotels, 28.4 % stayed with relatives and friends (1.7 million), 8.7% in apartments (645 thousand), 4.2% hostels and 0.7 % in Christian guesthouses.

The average stay for all tourists in 2018 was 10 nights and 8.2 nights for those who stayed up to 30 days, which is very similar to 2017 and slightly higher than in 2016.

Regarding age groups, the 2018 survey sample of the Israeli Ministry of Tourism shows that the largest share of tourists (19.4%) is aged between 45-54 years, followed by the age group 35-44 with 18.5%, 17.3% for 25-34, 13.6% for 55-64, 11.7% for 0-14, 10.5% for 65+ and 9% for 15-24.

The average expenditure of tourists in 2018 was 1,421 USD, being higher for the organized groups (1,749 USD) and lower for FIT (1,238 USD). A breakdown of expenditures shows that accommodation makes up 46.8% of the total expenditure, 16.3% is paid for tours and transport, food and beverage account for 14.7%, 11.1% for shopping and 10.5% for other expenditures.

1.3 Countries with highest tourist number

The USA consistently had the highest number of tourists (excluding day tourists and cruises). While American tourists made up 21% (778.6 thousand) of total tourists in 2017, this share increased to 21.5% (897.1 thousand) in 2018 and to 21.3% (969.4 thousand) in 2019. France accounted for the second largest share in 2018 and 2019 with 344.0 thousand and 376.5 thousand respectively. In 2017, the Russian Federation was second with 8.9% (330.5 thousand), but the share of Russian tourists decreased to 7.6% in 2018(316.1 thousand) and 7% (318.1 thousand) in 2019. Germany ranked fourth in the last 3 years with 289 thousand tourists in 2019 (6.4%). See Table 5.

TABLE 5 | **Tourist Arrivals by Nationality 2017-2019** **(in thousands)**

		2017		2018		2019	
	Country	**Total No. of Tourists**	**Percent.**	**Total No. of Tourists**	**Percent.**	**Total No. of Tourists**	**Percent.**
1	USA	778.6	21.0%	897.1	21.5%	969.4	21.3%
2	France	308.7	8.3%	346.0	8.3%	367.5	8.1%
3	Russian Federation	330.5	8.9%	316.1	7.6%	318.1	7.0%
4	Germany	218.2	5.9%	262.5	6.3%	289.0	6.4%
5	United Kingdom	198.5	5.4%	217.9	5.2%	235.4	5.2%
6	Italy	107.7	2.9%	150.6	3.6%	190.7	4.2%
7	Poland	97.4	2.6%	151.9	3.6%	156.9	3.5%
8	China	113.6	3.1%	104.9	2.5%	156.1	3.4%
9	Ukraine	146.8	4.0%	137.8	3.3%	135.4	3.0%
10	Romania	78.9	2.1%	106.9	2.6%	121.1	2.7%
11	Spain	62.4	1.7%	77.7	1.9%	104.7	2.3%
12	Canada	80.6	2.2%	92.0	2.2%	95.8	2.1%

* Excluding cruise tourists & day tourists.

SOURCE: Data processed from the Israeli Central Bureau of Statistics.

FIGURE 1 | **Tourist Arrivals to Israel by Nationality 2019** **(in thousands)**

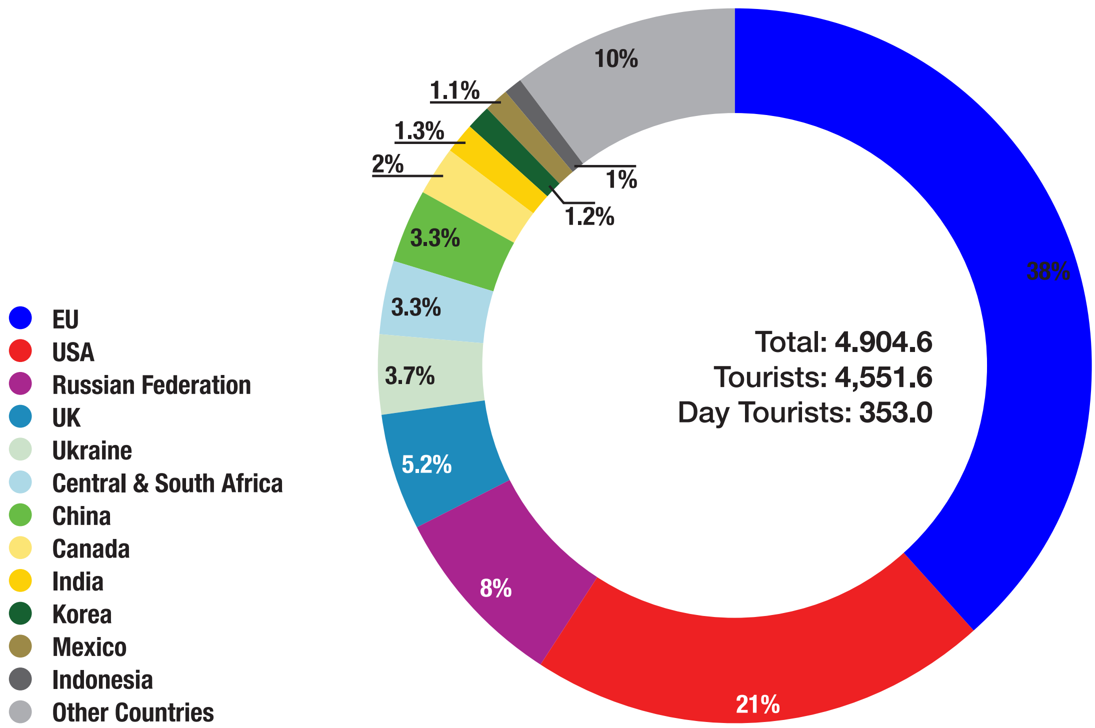


Figure 1 show the percentage of tourists by country of origin in 2019 (including day tourists). The EU countries had the highest percentage of tourists with 38% combined, compared to 21% of United State, followed by 8% from the Russian Federation, 5.2% from the United Kingdom, 3.3% from China, and 1% from Indonesia.

According to the Israeli Ministry of Tourism survey, a large majority of tourists visited Jerusalem: In 2018, 77.5% visited the city compared to 74% in 2017. In 2018, 47.3 % of tourists stayed in Jerusalem compared to 45.3% in 2017, with an average stay of 5.4 days in 2018 and 5.2 in 2017.

Table 6 shows that Tel Aviv is the second most visited city, with 67.4% of tourists in 2018 and 65.3 % in 2017, who stayed for 5.1 days on average in 2017 and 5.0 in 2018. In the same year, 30.9% of tourists visited Bethlehem, compared to 28.2% in 2017. The number of tourists who stayed in the city increased from 5.4% in 2017, to 7.8% in 2018 with an average of 3.5 nights which is almost similar to the average stay in 2017 (3.4 nights). The number of tourists visiting Jericho also increased from 16.9 % to 20.4%, but still only few stay in the city (0.7 % with on average 2.2 nights in 2017 and 0.9% with 1.8 nights in 2018).

TABLE 6 | **Tourists Visiting and Staying in Selected Cities 2016-2018**

City/Year	Visited (%)		Stayed (%)		Average Stay (days)	
	2017	2018	2017	2018	2017	2018
Jerusalem	74	77.5	45.3	47.3	5.2	5.4
Tel Aviv - Jaffa	65.3	67.4	41.5	43.9	5.1	5.0
Dead Sea	45.7	48.0	8.4	7.8	2.2	1.9
Tiberias	30.6	36.2	16.3	18.9	2.5	2.5
Bethlehem	28.2	30.9	5.4	7.8	3.4	3.5
Nazareth	25.2	29.3	4.9	6.1	2.7	2.5
Jericho	16.9	20.4	0.7	0.9	2.2	1.8
Red Sea - Eilat	17.3	15.5	14.9	1.1	4.8	3.2
Haifa	23.6	22.6	6.2	6.3	6.6	6.5

SOURCE: Israeli Ministry of Tourism, June 2019.

2

TOURISM IN EAST JERUSALEM

2.1 INTRODUCTION

Since late 1950s Tourism has developed as a major economic sector in East Jerusalem, as the significance of the city to the three monotheistic religions and its history turned it into the oldest branded city and attracted believers and tourists to visit a globally unique city.

The city witnessed a thriving construction of new hotels, most of them within walking distance from the Old City and concentrated mainly in the New Business center developed in the area north of Damascus Gate (Bab Al-Amud) and Herod's gate (Bab Az-Zahara) and few in Sheikh Jarrah neighborhoods. The inner neighborhoods of East Jerusalem have the advantage of being adjacent and even within walking distance from the walled Old City and its important religious and historical sites.

Most of the hotels in East Jerusalem were built by local families and few by investment groups. The number of tourists visiting Jordan (statistics available only for Jordan, West Bank not differentiated) increased from 84.9 thousand in 1955, to 131.7 thousand in 1960, 501.3 thousand in 1965 and 616.8 thousand in 1966, half of them being tourists from Arab countries. Most tourists stayed in East Jerusalem which offered more accommodation facilities than Amman and other West Bank Cities: According to Jordanian statistic's, in 1967 73 out of 87 hotels and accommodation facilities were located in the West Bank with Jerusalem as its main touristic destination.

At the beginning of the Israeli occupation of the city in 1967, 50 tour agencies operated in East Jerusalem and the total number of hotels was 41 with a total of 2200 hotel rooms compared to 1200 in West Jerusalem at that time. Palestinian owners of hotels and travel agencies refused to be associated with Israeli associations like the Israel Hotels association and the Israel Association of Travel Agencies and continued to be affiliated with the Palestinian associations established in the early 1960s.

2.2 Tourism in East Jerusalem: Main Indicators

36 Palestinian tour agencies operate from East Jerusalem (28 agencies exist before 1967), the largest ones have existed since before 1967 and specialized in organized religious and pilgrimaging tourism, especially from EU countries USA and Russia. 40% of the organized tourism is estimated to be organized by East Jerusalem tour agencies.

TABLE 7 | **Number of Hotels and Rooms in East Jerusalem 2020**

Item	Number	Rooms Number
Hotels	26	1,886
Guests House	12	527
Hostels	11	253
Total	49	2,666

SOURCE: IPCC survey, February 2020

The number of tourism transport companies in East Jerusalem amounts to 30 with a total of 400 buses. The number of restaurants and cafes is 43, mostly located in the Old City, CBD, and Sheikh Jarah and mainly used by locals, internationals working in Jerusalem and tourists. Quality and variety of cuisine in East Jerusalem is very limited compared to West Jerusalem and Ramallah.

TABLE 8 | **Tourist Hotels and Rooms by Level in East Jerusalem 2015-2019**

	2015	2016	2017	2018	2019	2015	2016	2017	2018	2019
	Hotels					Rooms				
East Jerusalem	30	31	31	31	31	1,961	2,052	2,052	2,052	2,052
Levels 1+2	7	7	7	7	7	767	767	767	767	767
Levels 3	13	14	14	14	14	834	925	925	925	925
Rest	10	10	10	10	10	360	360	360	360	360

SOURCE: Statistical Yearbook of Jerusalem, Jerusalem Institute for Policy Research, 2019. Data processed from the Israeli Central Bureau of Statistics.

According to the Palestinian Central Bureau of Statistics Economic Survey of 2017, the number of handicrafts and souvenirs businesses in East Jerusalem reached 357, mainly operating in the Old City, 7 manufacture of handcrafts enterprises, 2 arts businesses, 20 car rentals and 104 restaurants.

The number of hotels according to a survey conducted by IPCC in February 2020 is 26 hotels with 1886 rooms. The number of Guest Houses in East Jerusalem is 12 with 527 rooms, and the number of hostels is 11 with 253 rooms. The number of total rooms available in East Jerusalem is 2666 (see Table 7, for details see also Table A. 1 and Table A.2 in the Appendix). According to Israeli statistics the total number of hotels in East Jerusalem in 2019 is 31 hotels with 2052 hotel rooms, thereof 37% of level 1 or 2 and 45 % of level 3, according to the Israeli standards (see Table 8).

The total number of tourists staying in East Jerusalem hotels was the highest in 2019, amounting to 229.7 thousand tourists with 701.4 thousand overnight stays, which constitutes a slight increase compared to 2018 and an increase of 10% from 2017. Table 9 shows the number of tourists and the number of overnight stays as well as occupancy. The lowest number of tourists was registered in 2015 with 135.9 thousand (440.9 thousand overstay nights). The room occupancy increased from 53 % in 2010 to 73.9% in 2019 (see Table 9) .

Table 9 also indicates that the number of Israelis, mainly Palestinian citizens of Israel, who stayed in East Jerusalem decreased by 15.5% in 2019 compared to 2017.

TABLE 9 | **East Jerusalem Hotels' Guests, Overnight Stays and Occupancy 2010-2019 (in thousands)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Guests (thousands)										
Tourists	165.9	175.4	155.2	145.3	169.2	135.9	148.9	219.2	223.9	229.7
Israelis	16.4	19.5	16.0	15.4	14.5	14.1	12.1	18.0	19.1	35.8
Total	182.3	194.8	171.2	160.6	183.7	149.9	161.0	237.1	243.0	247.5
Overnight Stays (thousands)										
Tourists	488.4	477.3	448.2	443.3	510.0	440.9	481.1	629.1	668.6	701.4
Israelis	27.9	31.0	27.5	25.8	25.1	23.3	24.5	38.6	34.7	33.4
Total	516.3	508.4	475.7	469.1	535.0	464.2	505.6	667.7	703.3	734.8
Occupancy (percentage)										
Beds	43.9	44.5	44.1	42.9	44.1	40.1	41.9	52.0	55.7	55.3
Rooms	53.0	53.9	52.5	51.7	52.5	47.1	48.4	58.6	66.8	73.9

SOURCE: Statistical Yearbook of Jerusalem, Jerusalem Institute for Policy Research, 2019.
Data processed from the Israeli Central Bureau of Statistics.

2.3 Tourist Stayed in East Jerusalem

Figure 2 shows the number of tourists who stayed in East Jerusalem by country of origin. The number of tourists from the USA slightly increased to 33.5 thousand in 2019, compared to 31.7 thousand in 2018. The number of tourists coming from the Russian Federation decreased from 21.2 thousand in 2018 to 16.8 thousand in 2018. A similar development could be observed for French tourists in 2019. The number of Chinese tourists increased from 11.8 thousand in 2018 to 15.1 thousand in 2019 (28%), and so did the number of Italian tourists (12.2 thousand in 2019 compared to 9.3 thousand (31%) in 2018). Tourism from the UK increased by 18% from 8.5 thousand in 2018 to 10.1 thousand in 2019.

Table 10 is a comparison of tourists who stayed in East Jerusalem by selected countries which are considered as countries with high tourism potential by Israeli Ministry of Tourism. Consequently, the ministry invested in intensive marketing campaigns to promote tourism to Jerusalem in five targeted countries: Russia, Germany, France, United Kingdom and Italy. The highest percentage of tourist staying in East Jerusalem in 2019 were from the Russian Federation, with 33% staying in both East and West Jerusalem. Italy followed with 28.7%, the United Kingdom with 28.5%, Germany with 26.7% and France with 24%. Table 10 indicates that the largest share of overnight stays in 2019 was made up by Russian tourists (52.6 thousand), followed by France with 49.1 thousand and 48.1 thousand German tourists. The combined percentage of tourists from those countries staying in East Jerusalem was 30% of all tourists in 2019. Comparing 2014 with 2019, we can see that tourism overnight stays of French tourists decreased by 25%, German stays increased by 7%, UK and Italy remain almost at the same level.

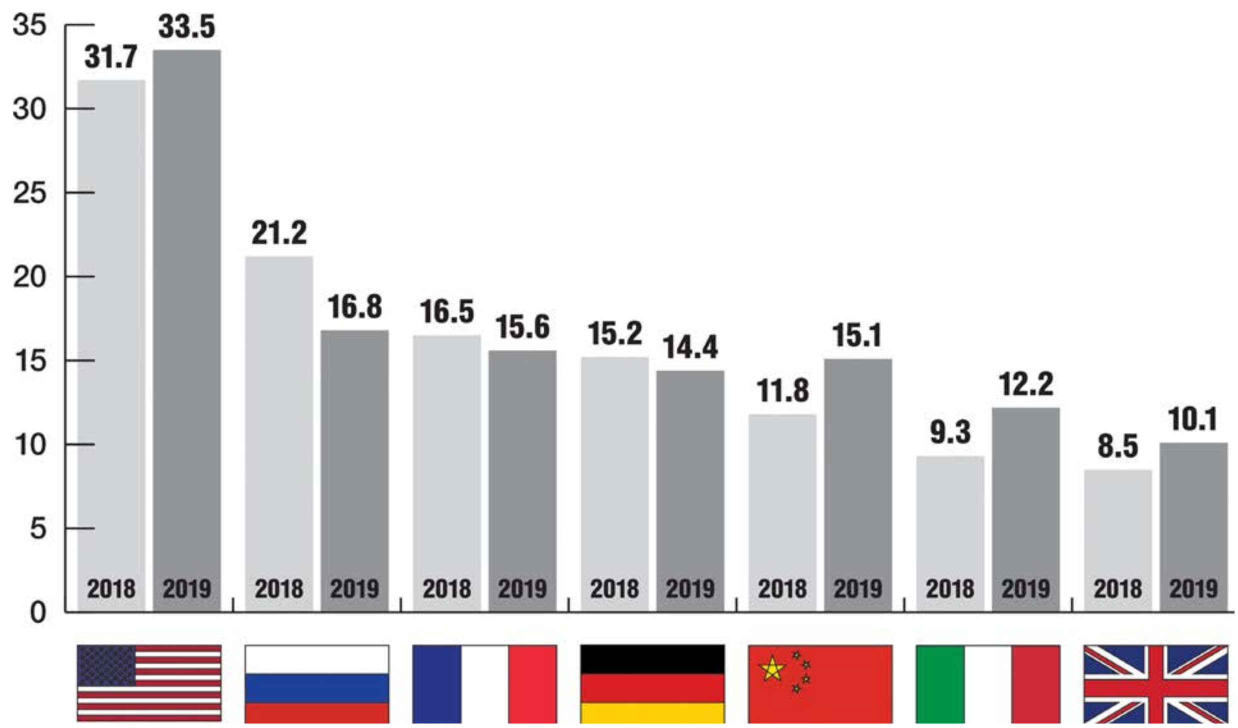


FIGURE 2 | **Number of Tourists Stayed in East Jerusalem 2018 & 2019** **(in thousands)**

TABLE 10 | **Tourist Stayed in East Jerusalem (Selected Countries) 2014-2019 (in thousands)**

Country	2014	2015	2016	2017	2018	2019
Russia						
Total Tourists in Jerusalem (East-West)	83.2	43.7	50.9	67.1	37.8	35.6
Stayed in East Jerusalem	29.5	12.1	19.1	28.1	15.0	12.0
Number of Overnight Stays	88.1	46.1	57.9	75.7	43.0	38.0
Germany						
Total Tourists in Jerusalem (East-West)	34.7	27.9	30.7	48.0	38.1	38.3
Stayed in East Jerusalem	10.4	7.1	8.7	13.9	10.7	10.1
Number of Overnight Stays	31.9	27.7	28.3	38.6	31.8	34.4
France						
Total Tourists in Jerusalem (East-West)	56.3	45.8	45.2	54.5	43.9	47.1
Stayed in East Jerusalem	15.6	10.0	11.9	14.3	11.6	11.8
Number of Overnight Stays	47.8	39.4	37.3	39.6	34.1	37.7
United Kingdom						
Total Tourists in Jerusalem (East-West)	25.1	20.7	23.2	29.3	23.3	26.5
Stayed in East Jerusalem	7.2	5.5	6.3	9.0	6.3	7.8
Number of Overnight Stays	22.3	18.6	22.0	27.1	18.4	26.7
Italy						
Total Tourists in Jerusalem (East-West)	30.4	12.8	12.2	18.5	19.6	31.3
Stayed in East Jerusalem	9.0	4.2	3.6	6.2	6.3	9.5
Number of Overnight Stays	25.8	12.1	11.7	18.0	17.9	28.5

SOURCE: Statistical Yearbook of Jerusalem, Jerusalem Institute for Policy Research, 2019. Data processed from the Israeli Central Bureau of Statistics.

2.4 Most visited sites in Jerusalem

Table 11 lists the most visited sites by tourists, revealing that more than 50% of tourists visited the Church of The Holy Sepulcher, 46% the Via Dolorosa and a similar percentage the Mount of Olives. In 2018, the Western Wall was visited by 71.6% of all tourists, whereas Al Aqsa Mosque was visited by only 4.7% in 2018, compared to 9% in 2016. The Israeli police prevents the Islamic Al Awqaf tourism office from managing tourist groups' entry (by erecting an obligation to pay entry fees as prior to the year 2000), and allows the extreme right wing Jewish temple groups to enter together with ordinary tourist by force and against the will of the Al Awqaf administration. The majority of those who visit Al Aqsa Mosque were Muslim tourists who are allowed to enter at any time.

2.5 East Jerusalem hotel revenues

The East Jerusalem hotel revenues increased from 165 million NIS (43 million USD) in 2010 to 273 million NIS (76 million USD) in 2019, an increase of 65.3%. Table 12 shows the total revenues of hotels in Jerusalem with disaggregated numbers for East and West Jerusalem. The percentage of East Jerusalem revenues in 2019 is 10.7 % of the total revenues of the entire city hotels compared to 10% in 2010.

TABLE 11 | **Main Sites Visited in Jerusalem 2016-2018**

Site /year	2016 (%)	2017 (%)	2018 (%)
Al-Aqsa Mosque	9	5.9	4.7
Church of the Holy Sepulchre	54	51.8	52.2
Via dolorasa	45	44.9	46.8
Western Wall	68	67.1	71.6
Jewish Quarter	63	54.8	30.9
Mount of Olives	46	39.7	47.4
David Tour (Museum-History of Jerusalem)	26	21	20.7
Garden Tomb	18	9	14.2

SOURCE: Israeli Ministry of Tourism, June 2019.

TABLE 12 | **Hotel's Revenues in East and West Jerusalem 2010-2019 (in thousands & NIS)**

	Jerusalem-Total	East Jerusalem	West Jerusalem
2010	1,584.8	165	1,419.7
2011	1,567.5	155.2	1,412.3
2012	1,715.9	164.2	1,551.7
2013	1,729.8	185.3	1,544.4
2014	1,739.9	198	1,541.9
2015	1,671.6	177.1	1,494.5
2016	1,696.9	173.5	1,523.4
2017	2,045.3	227.7	1,817.5
2018	2,400.7	252.5	2,147.1
2019	2,537.8	272.9	2,264.9

SOURCE: Statistical Yearbook of Jerusalem, Jerusalem Institute for Policy Research, 2019. Data processed from the Israeli Central Bureau of Statistics.

TABLE 13 | **Tourist Hotels and Rooms by Level in West Jerusalem 2015-2019**

	2015	2016	2017	2018	2019	2015	2016	2017	2018	2019
	Hotels					Rooms				
West Jerusalem	47	52	57	58	60	7,952	8,241	8,689	8,775	9,073
Levels 1	9	10	11	11	11	2,855	2,992	3,235	3,235	3,235
Level 2	9	10	12	13	15	2,356	2,485	2,560	2,634	2,932
Level 3	18	20	23	23	23	2,130	2,110	2,350	2,361	2,361
Rest	11	12	11	11	11	611	654	544	545	545

SOURCE: Statistical Yearbook of Jerusalem, Jerusalem Institute for Policy Research, 2019.
Data processed from the Israeli Central Bureau of Statistics.

2.6 Comparison with West Jerusalem

In West Jerusalem the number of hotels rose from 47 in 2015 to 60 hotels (from 7952 rooms to 9073 rooms) in 2019. 35 % of the hotels are level 1, 32% level 2 and 26% level 3 (see Table 13).

The total number of tourists staying in West Jerusalem hotels exceeded one million in 2019 with 3.6 million overnight stays, which implies an increase of 11.8% compared to 2018 and an increase of 26.1% compared to 2017. Table 14 shows the number of tourists and the number of overnight stays and occupancy. In 2015, the number of tourists reached a low point at 608.7 thousand (2.1 million overnight stays). Overall, the rooms occupancy increased from 68.1% in 2010 to 71.4% in 2019.

Table 14 also indicates that the number of Israelis, mainly Jewish, who stayed in West Jerusalem increased from 340.7 thousand in 2010 to 591.9 thousand in 2019.

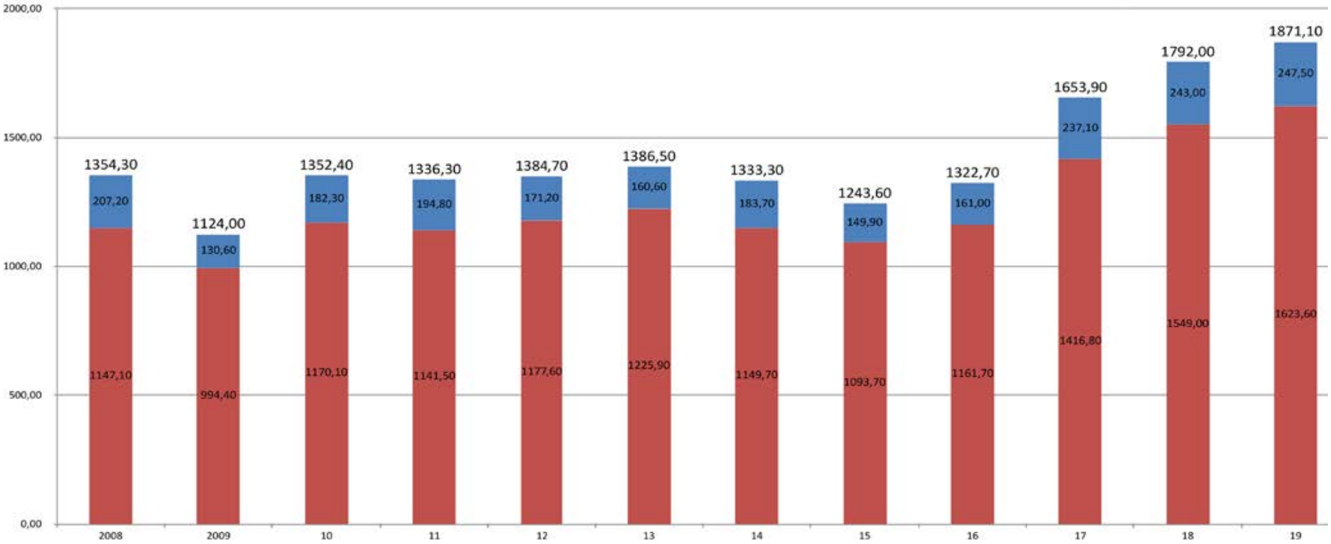
TABLE 14 | **West Jerusalem Hotels' Guests, Overnight Stays and Occupancy 2010-2019 (in thousands & NIS)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Guests (thousands)										
Tourists	829.4	772.6	762.1	753.0	709.3	608.7	641.7	852.9	956.9	1,031.7
Israelis	340.7	368.9	415.5	472.9	440.4	484.9	520.1	563.9	592.9	591.9
Total	1,170.1	1,141.5	1,177.6	1,225.9	1,149.7	1,093.7	1,161.7	1,416.8	1,549.9	1,623.6
Overnight Stays (thousands)										
Tourists	2,842.0	2,692.2	2,681.3	2,613.8	2,472.1	2,127.4	2,184.5	2,892.9	3,261.4	3,647.8
Israelis	626.0	653.9	735.0	810.4	790.2	882.5	855.8	943.8	972.8	977.4
Total	3,467.9	3,346.2	3,416.3	3,424.2	3,262.2	3,009.9	3,040.3	3,836.6	4,234.3	4,445.3
Occupancy (percentage)										
Beds	60.2	57.9	59.1	59.1	55.1	49.9	48.0	58.0	60.7	61.6
Rooms	68.1	65.5	66.1	66.4	61.7	55.5	53.9	65.8	69.5	71.4

SOURCE: Statistical Yearbook of Jerusalem, Jerusalem Institute for Policy Research, 2019.
Data processed from the Israeli Central Bureau of Statistics.

Figure 3 shows the number of hotel guests in East and West Jerusalem for both foreign tourists and Israelis, revealing a total increase from 1.2 million in 2015 and 1.8 million in 2019.

FIGURE 3 | **Guests in East & West Jerusalem Hotels (Tourists & Israeli's) 2008-2019 (in thousands)**



SOURCE: Statistical Yearbook of Jerusalem, Jerusalem Institute for Policy Research, 2019. Data processed from the Israeli Central Bureau of Statistics.

Table 15 shows the overnight stays of tourists in East and West Jerusalem from 1998 until 2019. The number of overnight stays in West Jerusalem plummeted form 2.3 million in 2000 to 548 thousand in 2002 and reached a peak of 2.9 million in 2008. The last three years witnessed a growth: In 2019, touristic overnight stays increased by 1.3 million compare to 2016 (see also Figure 4).

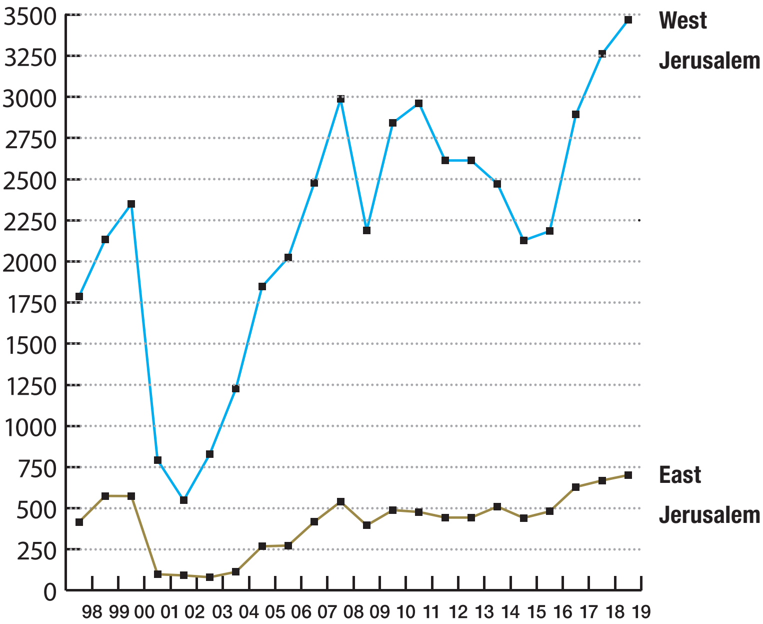
Similarly, East Jerusalem witnessed the highest number of touristic overnight stays in 2000, with 573.8 thousand stays. Yet, the outbreak of the second intifada affected tourism in East Jerusalem more than in West Jerusalem and entailed several years of recovery. Yet, from 2003 onwards, the number of overnight stays tripled to 100 thousand overnights in 2005/2006 and reached more than half a million in 2008. While the

TABLE 15 | **Overnight Stay in East & West Jerusalem 1998-2019 (in thousands)**

Year	Overnight Stays by tourists		Overnight stays by Israelis		Tourists and Israelis stays in East and West Jerusalem	
	East Jerusalem	West Jerusa-lem	East Jerusalem	West Jerusalem	Total of tourists and Israelis in East Jerusalem	Total of tourists and Israelis in West Jerusalem
1998	416.5	1,787.5	20.5	554.6	437	2,342.1
1999	574.6	2,133.1	21.3	552.2	595.9	2,685.3
2000	573.8	2,349.4	16.8	495.2	590.6	2,844.6
2001	98.5	792.7	5.9	564.6	104.4	1,357.3
2002	91.4	548.0	11.1	606.4	102.5	1,154.4
2003	80.6	828.8	20.6	664.9	101.2	1,493.7
2004	113.2	1,227.3	30.4	610.3	143.6	1,837.6
2005	268.2	1,847.2	42.0	772.7	310.2	2,619.9
2006	273.1	2023.5	39.6	797.4	312.7	2,820.9
2007	417.5	2,478.4	31.7	593.6	449.2	3,072.0
2008	539.5	2,987.6	28.4	476.1	567.9	3,463.7
2009	395.8	2,187.7	24.3	615.1	420.1	2,802.8
2010	488.4	2,842.0	27.9	626.0	516.3	3,468.0
2011	477.3	2,962.2	31.0	653.9	508.3	3,616.1
2012	443.3	2,613.8	27.5	735.0	470.8	3,348.8
2013	443.3	2,613.8	25.8	810.4	469.1	3,424.2
2014	510.0	2,472.1	25.1	790.2	535.1	3,262.3
2015	440.9	2,127.4	23.3	882.5	464.2	3,009.9
2016	481.1	2,184.5	24.5	855.8	505.6	3,040.3
2017	629.1	2,892.9	38.6	943.8	667.7	3,836.7
2018	668.6	3,261.4	34.7	972.8	703.3	4,234.2
2019	701.4	3,467.8	33.4	977.4	734.8	4,445.3

SOURCE: Statistical Yearbook of Jerusalem, Jerusalem Institute for Policy Research, 2019.
Data processed from the Israeli Central Bureau of Statistics.

FIGURE 4 | **Overnight Stay by Tourists, Jerusalem 1998-2019**



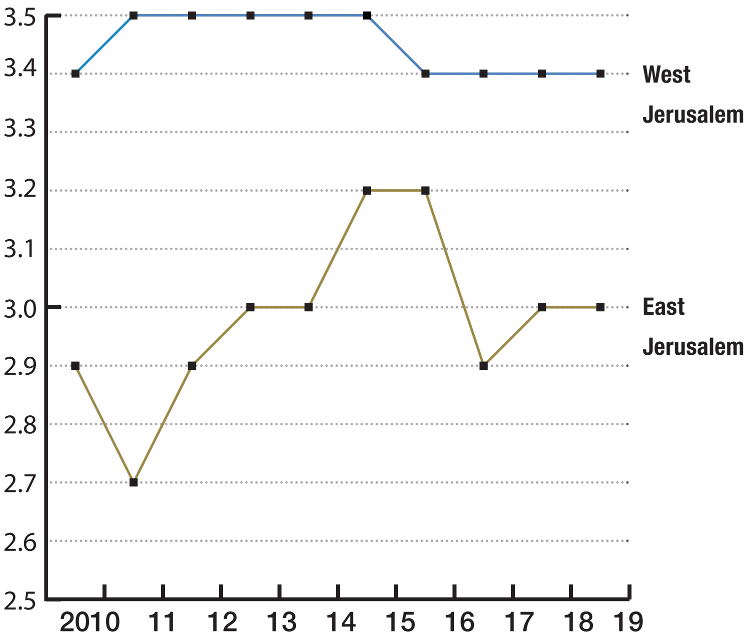
number stabilized from 2010 to 2016, 2019 came with another substantial increase (31.4% compared to 2016).

Figure 5 shows the average nights per tourist in East and West Jerusalem. The lowest average was 2.7 nights in 2011 and the maximum was 3.2 nights in the years 2015 and 2016. In West Jerusalem, the average was higher between 2011 and 2015 (3.5 nights), but slightly decreased to 3.4 in the years 2016 to 2019.

The West Jerusalem hotel revenues increased from 1.4 billion NIS (373.6 million USD) in 2010 to 2.3 billion NIS (635.4 million USD) in 2019, which is an increase of 59.5%. Table 16 shows the hotels' revenues in 2019 by month, revealing that the highest revenue was in October and November in West Jerusalem, and in May for East Jerusalem, as opposed to a low-revenue period in January for East and in February for West Jerusalem.

Apart from hotel rooms there are 3582 active rental properties in Jerusalem, 84% of them entire apartments according to AirDNA in May 2020. Almost all apartments are located in West Jerusalem and Israeli settlements in East Jerusalem, only 12 apartments are in the Palestinian neighborhoods and Old City.

FIGURE 5 | **Average Nights for Tourists in East & West Jerusalem 2010-2019**



2.7 East Jerusalem in comparison with other Palestinian cities

Based on data provided by the Palestinian central bureau of statistics, Table 17 shows the main hotel indicators in the West Bank (including East Jerusalem). It shows that the number of hotels increased from 113 in 2013 to 130 in 2018, and that the number of overnight stays increased from 1.46 million nights in 2013 to 1.83 million nights in 2018. Table 16 shows the hotels rooms and guests by governorate. The number of hotels in East Jerusalem is 21 with 1425 rooms (the statistics refer to governorate, but all operating hotels are in East Jerusalem - a hotel in Abu Dis was confiscated by Israeli military to construct the wall of separation in 2001, another hotel in Dayiet Al Barried was closed during this period). In the South West Bank (Bethlehem and Hebron) there exist 44 hotels with 3772 rooms and 38 hotels with 1677 rooms in the middle of the West Bank (Ramallah and Jericho). The south of West Bank hotels (mainly Bethlehem as Hebron only has 5 hotels with 330 rooms - according to the Arab Hotels Association) accounted for 65% of overnight stays, 19% for Jerusalem and 10% for Ramallah and Jericho.

TABLE 16 | **Hotel's Revenues in East and West Jerusalem 2019 by Month 2010-2019** (in thousands & NIS)

Month	Jerusa-lem-Total	West Jerusalem	East Jerusalem
January	158	140.8	17.3
February	149.5	130.9	18.6
March	216.6	190.5	26.2
April	233.3	205.7	27.5
May	226.3	198.1	28.2
June	232.9	209	23.8
July	192.8	172.4	20.5
August	190	168.7	21.4
September	199.1	174.2	24.9
October	280.4	256.8	23.6
November	247.8	225.1	22.7
December	211	192.9	18.2
Grand Total	2,537.7	2,264.9	272.9

SOURCE: Israeli Central Bureau of Statistics, April 2020.

TABLE 17 | **Main Indicators of the Hotel Activity in the West Bank 2013-2018**

Indicators	2013	2014	2015	2016	2017	2018
Number of operating hotels at end of year	113	109	112	125	130	130
Number of guests	600,362	610,347	484,394	448,247	545,814	653,744
Number of guest nights	1,467,79	1,537,311	1,42,264	1,310,824	1,579,143	1,833,687
Percentage occupancy of rooms	24.8	25.2	22.5	2.6	20.3	22.0

SOURCE: Palestinian Central Bureau of Statistics, July 2019

TABLE 18 | **Hotels, Rooms & Number of Guests in the West Bank 2018**

Name	Hotels	Rooms	Guests	Guests nights
Jerusalem Government	21	1,425	121,326	357,852
South of West Bank	44	3,772	411,772	1,192,363
Middle of West Bank	38	1,677	61,015	185,947
North of West Bank	27	529	59,631	97,525
Total	130	7,403	653,744	1,833,687

SOURCE: Palestinian Central Bureau of Statistics, July 2019

2.7.1 Bethlehem

According to the Arab Hotels Association in Palestine the number of hotels in Bethlehem is 78 (most of those hotels are owned by local families) offering 5210 rooms, which is double of the rooms available in East Jerusalem. 2019 data of the Palestinian Ministry of Tourism and antiquities indicate that the total overnight stays in Bethlehem hotels amounted to 1,197,669 nights. Polish tourists accounting for the highest number of nights with 223.4 thousand nights (18.5%), followed by Romanian tourist. Tourists from the Russian Federation accumulated 80.4 thousand overnight stays in Bethlehem compared to 52.6 thousand in East Jerusalem. German tourists follow with 52.7 thousand nights compared to 48.1 thousand in East Jerusalem in 2019. French tourists make up for 27.6 nights compared to 49.1 thousand in East Jerusalem followed by the United Kingdom (17.6 thousand compared to 34.2 in East Jerusalem), and Italy 101.1 thousand (8.4%) compared to 36.5 thousand in East Jerusalem. (See Table 19 and Table A. 3 in Apendix A).

In 2019, Tourists form the USA spent 78.1 thousand nights in Bethlehem (6.5%), tourists from India 75.3 thousand (6.3%), Greece 60.1 thousand (5%), Indonesia 47.1 thousand (3.9%). Table 19 shows the overnight stays by their nationality, revealing that 60.8% of tourist overnight stays are of tourists from EU Countries.

In 2019, only 2.4% of the overnight stays in Bethlehem were of Palestinians from Israel compared to 4.5% in East Jerusalem.

The occupancy rate in Bethlehem in 2019 was 66.1%. According to travel agents, the reasons for groups preferring to stay in Bethlehem is the price which is 60% lower than in Jerusalem with a better quality since many of the hotels are new, unlike East Jerusalem hotels.

TABLE 19 | **Overnight Stay in Bethlehem 2019 (in thousands)**

Poland	223.5
Romania	185.3
Italy	101.1
Russian Federation	80.5
United States of America	78.1
India	75.4
Greece	60.1
Germany	52.7
Indonesia	47.1
China	37.8
Philippines	36.9
France	27.6
Slovakia	27.2
Egypt	27.1
Ukraine	26.3
Republic of Korea (South Korea)	23.7
Spain	21.7
United Kingdom of Great Britain and Northern Ireland	17.6
Others	14.7
Palestinian's from Israel	28.4
Palestinian's from West Bank	4.9
Others	14.7
Total	1,197.7

SOURCE: Palestinian Ministry of Tourism and the Arab Hotels Association, April 2020.

2.7.2 Ramallah

According the Hotels Association, the number of hotels in Ramallah is 35, offering 1421 rooms. In 2019, the total overnight stays in Ramallah were 201.8 thousand, with 15% for guests from EU countries (see Table 20 for a list of overnight stays by country). The local Palestinian tourists from the West Bank oversight stays accounted for 42.5% and Palestinians from Israel made up 12%, meaning a total of 50% are Palestinians. The occupancy of hotels in Ramallah in 2019 was at 56.63% (see Table 20 and Table A.4).

TABLE 20 | **Overnight stays in Ramallah 2019 (in thousands)**

Romania	17.5
United States of America	13.3
India	11.4
United Kingdom of Great Britain and Northern Ireland	10
Russian Federation	5.3
Philippines	4.7
Ukraine	4.4
France	3.9
China	3.5
Germany	3.4
Republic of Korea (South Korea)	2.5
Italy	1.8
Poland	1.7
Spain	1.3
Greece	0.7
Egypt	0.5
Indonesia	0.3
Slovakia	0.07
Palestinian's from Israel	25.6
Palestinian's from West Bank	85.9
Others	4.2
Total	201.8

SOURCE: Palestinian Ministry of Tourism and the Arab Hotels Association, April 2020.

2.7.3 Jericho

According the Hotels Association number of hotels in Jericho is 18 with 690 rooms. In 2019, the total overnight stay in Jericho was 114.9 thousand. Similar to Ramallah, 55% of overnight stays are by domestic tourists, 38.8% Palestinians from Israel and 21.5% from the West Bank (see Table 21 and Table A.5).

TABLE 21 | **Overnight Stay in Jericho 2019 (in thousands)**

United States of America	8.3
Republic of Korea (South Korea)	8.3
Romania	7.1
France	3.6
Germany	3.4
Russian Federation	2.3
Italy	1.9
China	1.7
India	1.4
United Kingdom of Great Britain and Northern Ireland	1.2
Greece	1.2
Indonesia	1.2
Spain	1
Poland	0.9
Philippines	0.8
Egypt	0.4
Ukraine	0.2
Slovakia	0.05
Palestinian's from Israel	38.9
Palestinian's from West Bank	24.8
Others	6.3
Total	115

SOURCE: Palestinian Ministry of Tourism and the Arab Hotels Association, April 2020.

3

MUSLIM TOURISM

3.0 MUSLIM TOURISM

In 2019, the total number of tourists arriving from Muslim majority countries was 127.2 thousand compared to 123.6 in 2018 and 125 thousand in 2017. Indonesia had the highest number of tourists in 2019 (33.4 thousand) followed by Turkey with 33.4 thousand, which implies an increase of 18% compared to 2017. Jordan has the third highest number (19.6 thousand), which has increased by one third since 2017. Most Jordanians come to visit their relatives in East Jerusalem and the West Bank. The number of tourists from Malaysia increased by 44% in 2019 compared to 2017. Table 22 indicates that the number of tourists from Egypt reached 8.2 thousand in 2019 compared to 6.3 thousand in 2018 and 7 thousand in 2017. Most of them are Christian Copts Pilgrimages visiting mainly during Easter.

The last 3 years witnessed an increase of tourists from Muslim countries. For example, in 2013 the number of tourists from Indonesia was 29.5 thousand and only 9.4 thousand in 2009. The number of tourists from Malaysia reached 7.8 thousand in 2013, compared to only 584 in 2009. The number of tourists from Morocco was only 658 in 2009 but increased to 2.2 thousand in 2013 to 2.9 thousand in 2017 and 3.5 thousand in 2019.

According to a survey by the Israeli Ministry of Tourism in 2018, a sample of tourists from selected countries shows that 94.1% of tourists from Malaysia are Muslims, 4.1 % Protestant. 81 % of Turkish tourists are Muslims, 12.9% Jewish. As indicated in Table 23, the majority of tourists from Indonesia are Christians (53.2 % Protestants, 12.2 % Catholic), only 33.9% are Muslims. While 10% of tourists from Singapore are Muslims, only 10.1% of Kazakhstanis identified themself as Muslims (50% of them declared that they have no religious affiliation).

The percentages of Muslims among the tourists from the UK and South Africa are 4.4% and 4.1% respectively. 2.4% of French tourists are Muslims. For other countries, the share of Muslim tourists ranges between 1 to 1.7%.

The estimated number of Muslim tourists in 2018 by countries is 82.9 thousand; 26.4% among those are Muslims from Western European countries. (See table 23)

74% of tourists from Muslim countries arrive with an organized group, mainly for religious purposes. For Indonesians, Pilgrimage is the travel purpose for 96.3%, Malaysian 79.3%, Turkish 41.7%. The average for Europeans is 15%, although for some countries this percentage reached almost 58.7% like Romania, Italy 38.4%, Poland 37.9%, Spain 39.6%, and Greece 33.6%.

TABLE 22 | **Tourist's Arrivals from Muslim Majority Countries 2017-2019** **(in thousands)**

	2017	2018	2019
Malaysia	10.3	13.7	14.8
Indonesia	36.3	35.2	38.8
Turkey	41.4	39.3	33.4
Jordan	14.6	16.4	19.6
Egypt	7.0	6.3	8.2
Uzbekistan	3.8	3.9	3.4
Kazakhstan	8.7	5.8	5.5
Morocco	2.9	3.0	3.5
Total *	125	123.6	127.2

SOURCE: Data processed from the Israeli Central Bureau of Statistics.
Israeli Ministry of Tourism, June 2019.

Table 24 shows the visited cities by Muslim tourists compared to Christians as in 2018. Jerusalem is the most visited city with 78.6% for Muslims compared to 83.3% for Christians. Tel Aviv is visited by 48.6 % of Muslim tourists compared to 67.4 % of Christians. Bethlehem and Jericho are visited by one third of Muslims compared to almost 50% of Christians for Bethlehem and 31.1% for Jericho. The Dead Sea is visited by 64.7% of Christian compared to only 15.3% of Muslims. Nazareth is visited only by 4% of Muslim tourists compared to 48.9% of Christians.

Hebron is visited by 95.5% of tourists from Malaysia, 29.2% of Indonesian tourist and 5.2% of Chinese tourists. Almost 21.6% of tourists from Asia visit Hebron. If we take for example Indonesian tourists: 34.4% visited Al Aqsa Mosque, 29.2% Al Ibrahimi Mosque in Hebron, 63.9% the Church of Annunciation in Nazareth, 59% the baptism site, 65.6% Capernaum, 65.6% the Wailing Wall, and 100% visited the Mount of Olives. For Malaysians, 87% visited Al Aqsa Mosque, 95.5% Al Ibrahimi Mosque, 4.3% the Church of Annunciation in Nazareth, 21.5% the Wailing Wall and 100% Mount of Olives.

Most of Indonesian Christian tourists stay in Bethlehem. Muslims usually prefer to stay in Jerusalem for prayers in Al Aqsa, which is their mainly visited site, and actually use hotels within walking distance from the old City within the CBD of East Jerusalem. The average length of stay for Indonesians is 4.3 nights, 3 for Malaysians, and 4.5 for Turkish. In general, Muslim tourist's overnight stay is much less than the average of 8.2 nights for tourists who stay for up to 30 days.

TABLE 23 | **Percentage of Muslim Tourists Visiting in 2018 by Countries**

Country	Total No. of Tourists	Percentage of Muslims
Malaysia	13.8	94.1
Turkey	39.3	81
Indonesia	35.4	33.9
Singapore	14.2	11
Kazakhstan	6	10.1
South Africa	28.2	4.4
United Kingdom	224.2	4.1
France	351.6	2.4
Sweden	33.8	1.7
Norway	16.5	1.7
Philippines	29.6	1.5
Netherlands	85.0	1.2
Switzerland	58.9	1.2
China	115.6	1.1
Canada	95.5	1.1
Denmark	23.2	1

SOURCE: Israeli Ministry of Tourism, June 2019.
Data processed from the Israeli Central Bureau of Statistics.

TABLE 24 | **Muslim & Christian Tourists by Visited Cities 2018**

City	Muslims (%)	Christians (%)
Jerusalem	78.6	83.8
Tel Aviv – Jaffa	48.6	67.4
Jericho	33.7	33.1
Bethlehem	32.6	49.6
Dead Sea	15.3	64.7
Haifa	6.9	2.4
Nazareth	4	48.9
Tiberias	2.4	15.7
Eilat- Red Sea	1.2	6.7

SOURCE: Israeli Ministry of Tourism, June 2019.

According to the Israeli Ministry of Tourism 2018 survey the average expenditure of Indonesian tourist is 930 USD, 833 USD of Malaysian, and 768 USD per Turkish tourist. The average expenditure for Muslim tourists is 855 USD (50% for accommodation, 23% for food and shopping) which is 58.6% of the Christian tourist expenditure with an average of 1458 USD (48.7% for accommodation, 21.8% for food and shopping). In comparison, the average expenditure of a Jewish tourist is 1402 USD (43% for accommodation, 33.8% for food and shopping).


Al I'sawiya
Sheikh Jarrah
Wadi Al Joz
East Jerusalem's Center (CBD)
Bab Az-Zahara
(Herod's Gate)
As Suwwana
Damascus Gate
(Bab- Al Amud)
Old City
ipcc
INTERNATIONAL PEACE & COOPERATION CENTER
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4

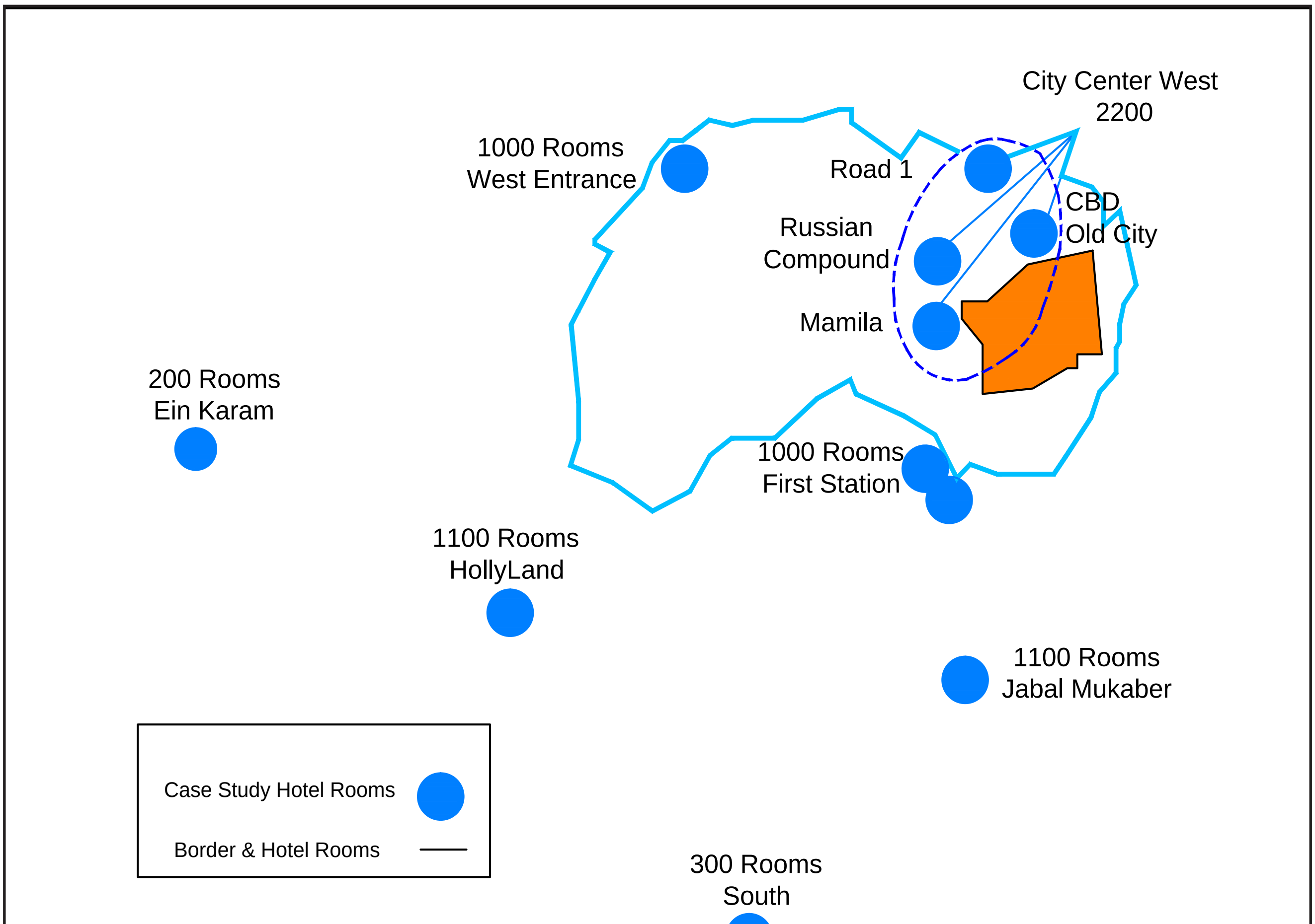
PLANNING AND TOURISM DEVELOPMENT IN EAST JERUSALEM

4.1 TOURISM PLANNING REVIEW

The Israeli Ministry of Tourism was established in 1965. The first professional tourism development master plan was only authorized 10-year after the establishment of the ministry.. This masterplan defined Jerusalem as the main center of tourism and advocated strengthening the statues of the city . Eight years later, in 1983, the Israeli "National Master Plan no. 12" was approved, which defined 11 tourism planning spaces, and considered Jerusalem as a primary tourism center with a wide spectrum of diverse accommodation facilities and tourism services to attract touristsAccording to this plan, 11,000 hotel rooms needed to be built in Jerusalem.

In 1995, a 5-year tourism development plan was authorized at the national level. This plan considered Jerusalem a central tourist attraction and argued that an active government intervention is crucial to promote the development of tourism in Jerusalem, as well as to decentralize it, especially in the periphery areas. Although Jerusalem was again defined as a core location for tourism, only in August 2010 did the Israeli Cabinet approve a government plan to develop tourism in the city. The plan included the adding 10,000 hotel rooms in the inner city neighbourhoouds, in addition to 3,000 rooms in outer neighbourhoods to establish new tourism areas in the city. The 1995 national tourism masterplan dealt with urban revitalization and its subsidies aimed at developing the West Jerusalem City Centre as an entertainment and cultural centre as well as the re-use of historical buildings as hotels, the upgrade of public transportation, the accessibility of touristic attractions, and the protection of the green belt around the old city as well as open public spaces.

In addition to the "national" level plans, at the district and local levels a few relevant tourism development plans were approved, such as the "Jerusalem District Plan" amendment number 30 in 2013. Tourism was regarded as a tool to strengthen Jerusalem as a city, whereby emphasis was placed on tourist accommodation and the strengthening of hotel and accommodation districts, like the East Jerusalem city centre, Road 1, King David Street, the old Jerusalem railway station, Armon Hanatziv (Jabal Al-Mukab-

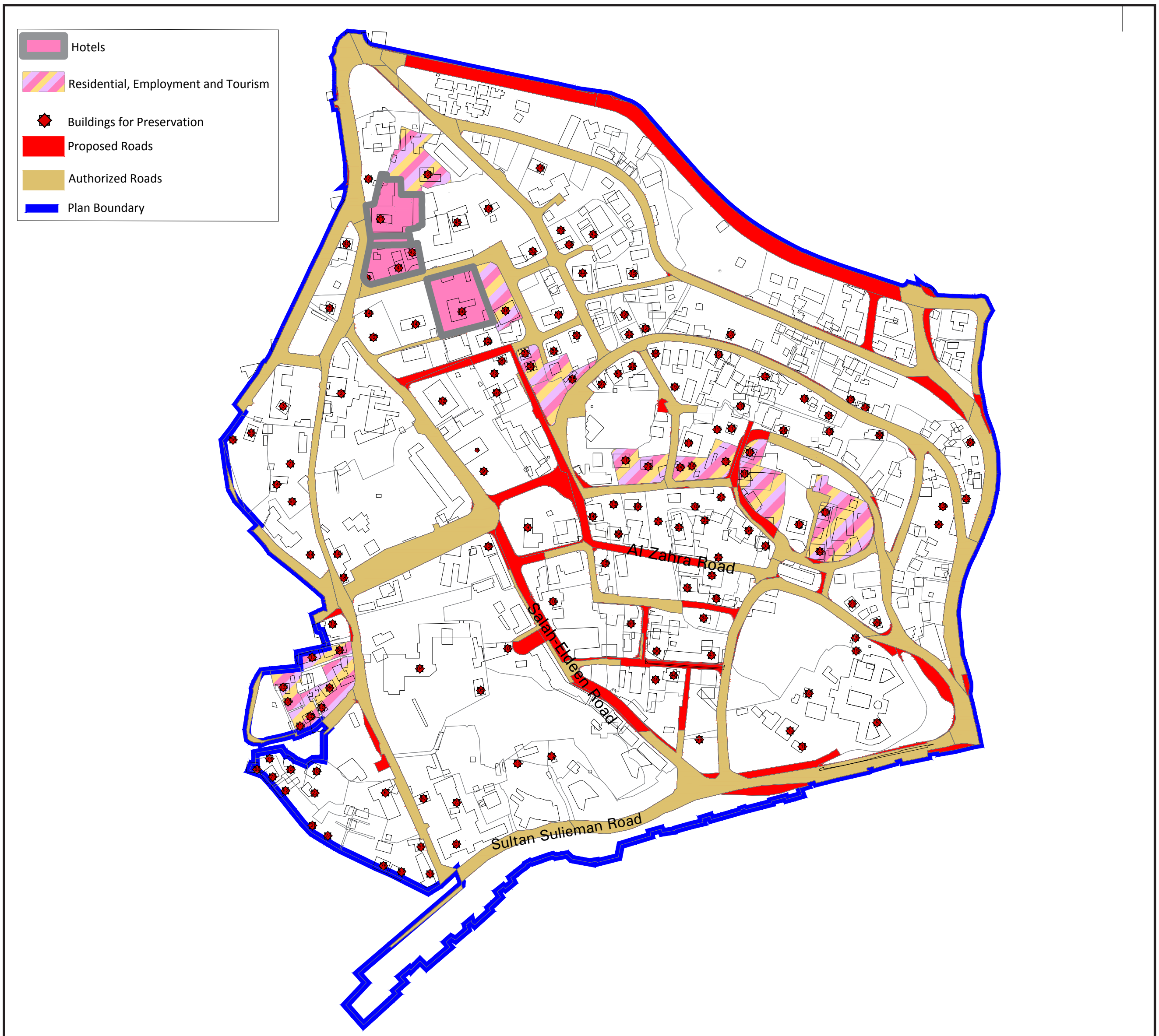


MAP 1 | **Number of Hotel Rooms Proposed according to Israeli Master plan 2000** ber), and the Holy Land neighbourhood (south-west of Jerusalem).

The first draft of the Jerusalem Master Plan 2000 was realised in August 2004 and modified in November 2009. However, this plan was not officially approved. Instead, it served as a selective guiding planning policies. Chapter 13 of the master plan documents focuses on tourism development, emphasising the need to develop infrastructure, and arguing in favour of integrating hotels within a multipurpose urban city (commercial, residential, offices etc.). The Master Plan 2000 focused on developing tourism in the city centre, especially in areas adjacent to the Old City, or in areas overlooking the Old City's historical walls. Moreover, the establishment of 2,200 new hotel rooms in the centre, including in East Jerusalem, was proposed.

The 2000 masterplan includes the construction of 1,000 hotel rooms near the old railway station south-west of the Old City, in addition to 1,000 new rooms close to the city's main entrance of West Jerusalem, and another 1,100 new rooms near Armon Hanatziv (Jabal Al-Mukabber). Beside the 1,100 new rooms near the Holy Land compound (near the Malha Shopping Mall), 300 new rooms were suggested near Mar Elias close to the main entrance to Bethlehem, and 200 new rooms in the abandoned Palestinian village of Ein Karem (see Map 1).

In March 2010, the local municipal committee for planning and building approved a plan to develop an area of 1.4 million m^2 in the East Jerusalem Central Business District (CBD). Today, 180 thousand m^2 of commercial buildings and 60 thousand m^2 of residential buildings already exist. Furthermore, the plan

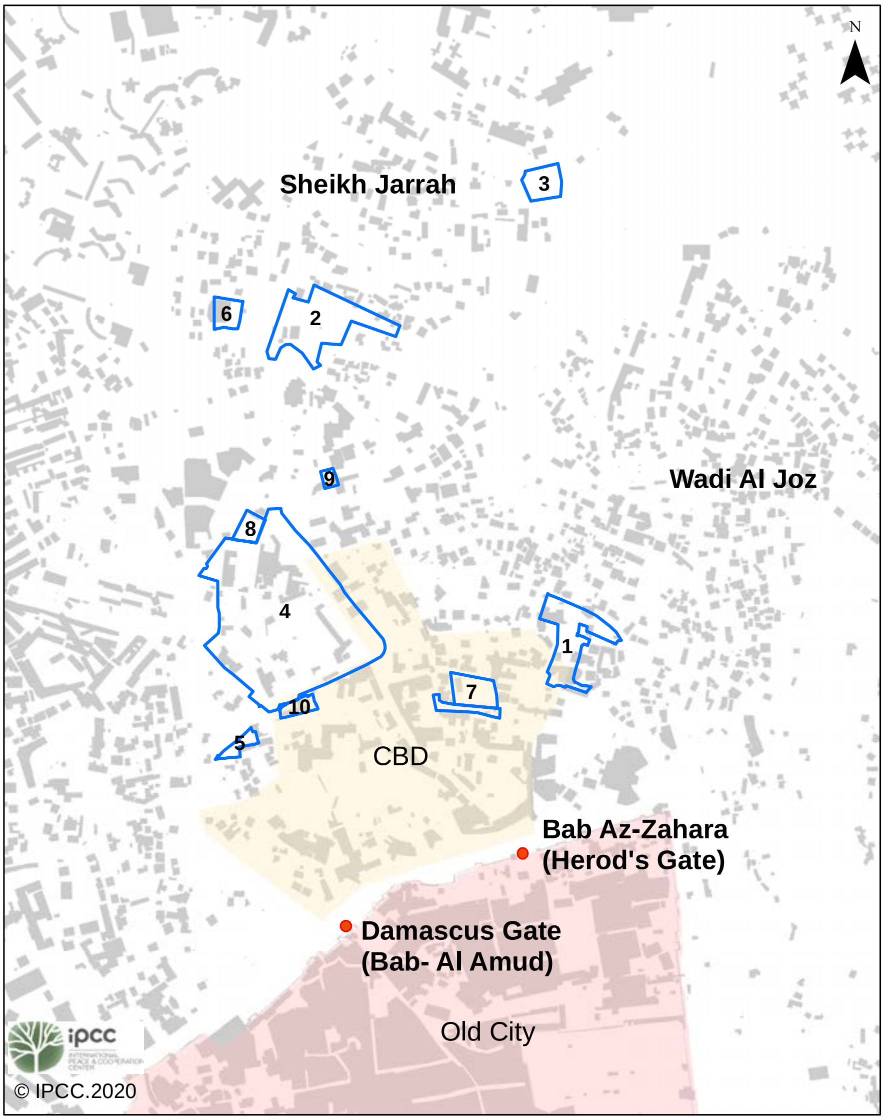


MAP 2 | **CBD East Jerusalem 2020 plan** proposed 1,000 additional housing unites, which was first reduced to 400 and cancelled at a later stage. The total area of development was reduced to 550 thousand m^2. This plan has never been officially approved and was replaced by another plan which was deposited in January 2020. This new plan allocates an area of 12 thousand m^2 for hotels (1.73% of a total area of the CBD plan, 706 thousand m^2), with only two sites being designated for hotels (the American Colony expansion and the Orient House). 33 thousand m^2 were designated as a mixed use residential, employment and tourism area (4.7%), 20.7 thousand m^2 (2.94%) commercial, 108 thousand m^2 residential (15.4%)and 156 thousand m^2 for public buildings and institutions (22.10%).

This master plan is actually not allowing a major development similar to the plan approved in West Jeruaslem Center and the main city entrance in addition to the new centre in Malha area south of West Jerusalem. Since 1967, the CBD development in East Jerusalem was inhibited because of a lack of proper planning. This new plan, currently undergoing the process of authorization, will not change the reality much for tourism. Except for the road system and the green belt around the Old City walls, this plan does not provide evidence on how it will improve infrastructure and parking as well as transport systems to enhance the image and equality of space for the East Jerusalem community and tourists. (See Map 2 East Jerusalem's CBD 2020 plan in page 33).

Map 3 below show the authorized spot detailed master plans for tourism development initiated by private Palestinian owners. According to these plans, more than 1,400 hotel rooms spanning a total area of 145,000m^2 are currently ready for development. Most of the newly approved hotels are located in the CBD of East Jerusalem within walking distance from the Old City. The proximity of the new hotels to the Old City and its holy places is a major advantage of locations in East Jerusalem. Five of the approved plans include more than 200 hotel rooms, of which most were approved in the late 90's and early 2000's (See Table B. 1 in Appendix B).

In addition to the approved spot detailed plans master plans for the hotels, some owners of already existing hotels submitted plans to increase the capacity of their establishments. For example, in 1985 the Pilgrims Place (Golden Walls) Hotel obtained approval to add another floor on two buildings of the hotel, covering a total area of 1,930m^2, and concluded the construction in the late 1990s. Another example is a plan to add two floors to the National Hotel with a total area of 13,129m^2 (increasing the number of floors from 6 to 8). This plan was approved in 1996; however, it has yet to be constructed. The Holland Hotel had also obtained



MAP 3 | **Authorised plans for hotels in East Jerusalem, 2019**

No	Neighbourhood	Area(Dunum)
1	Suwaneh Mount of Olives	5.1
2	Wadi Al-Joz	19.1
3	Wadi Al-Joz	68.6
4	(CBD) American Colony area - historical hotels	11.6
5	Sheikh Jarrah	8.3
6	Sheikh Jarrah	4.5
7	Sheikh Jarrah	8.6
8	Suwaneh	11.3
9	Al Qaa – Suwaneh	14.1
10	Al Qaa – Suwaneh	10.2

TABLE 25 | **Potential areas for future development in East Jerusalem core.**

approval to increase its total area by 1,456m^2 by adding 2 floors to the eastern section of the hotel, and one floor to the western section. The plan was approved in 1997 but has not been implemented so far. In 2014, the Christmas Hotel obtained approval to add 65 rooms to its already existing 30 rooms adding an area of 4,280m^2, not constructed yet.

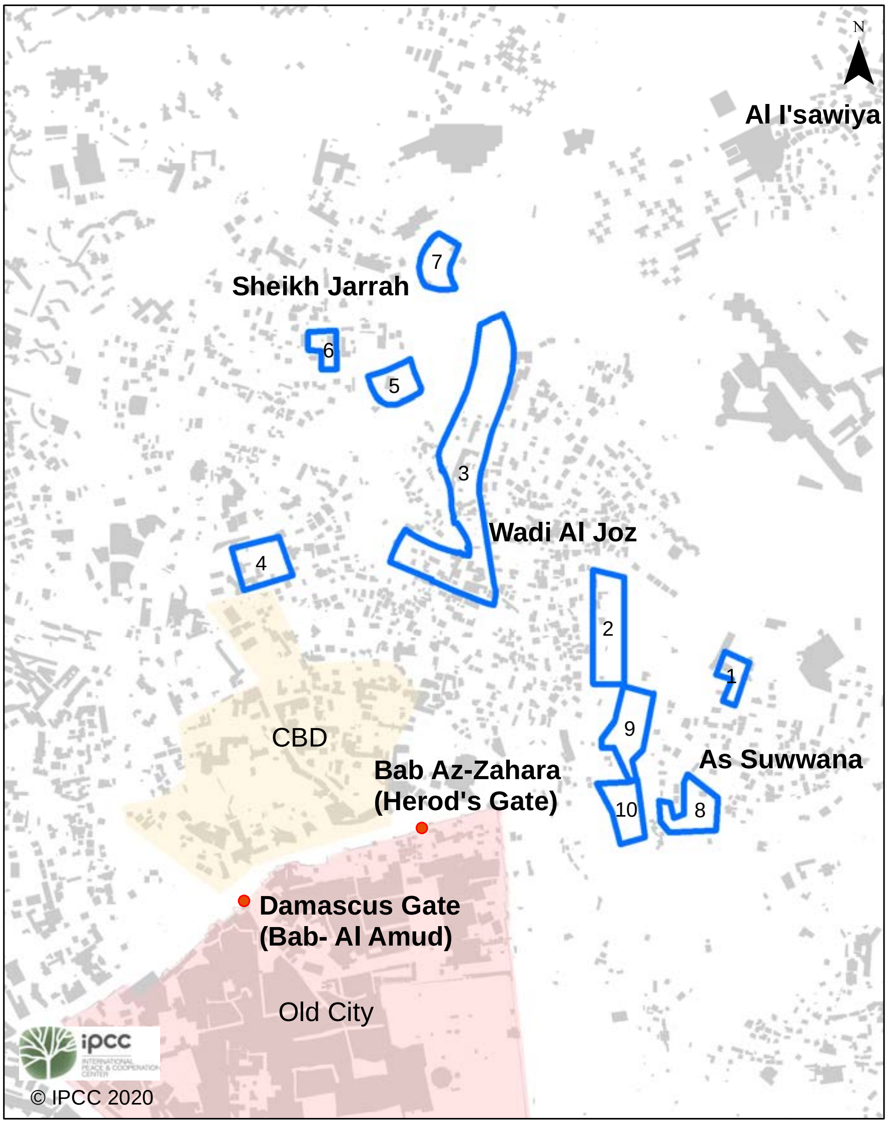
In addition to the approved masterplans Table 25 presents the potential areas for tourism development in the inner neighbourhoouds of East Jerusalem (areas adjacent to the Old City, as well as to religious and historical sites). The total area of these sites is approximately 125 dunum, with the two largest parcels located in Wadi Al-Joz.

One of these parcels is the current industrial/service area in Wadi Al-Joz (listed as number 3 in Table 25; also see Map 4), which is mainly a mechanics workshop.

New commercial functions and residential areas have been developed in this area in the last 5 years. This area also provides a parking solution for Muslims wanting to pray at Al-Aqsa Mosque, especially on Fridays and during the holy month of Ramadan. Area 2 also provides parking solutions, especially for buses, as it is informally used today.

Area 4 includes 2 historical landmark buildings (owned by the Husseini family). This area has a potential for a high density of 9 floors, as marked by the Master Plan 2020, which can be preserved as boutique hotels and modern edifices near the historical buildings. The projected capacity of the 7 potential sites is around 1,000 hotel rooms, in addition to residential, commercial, office space and public usages.

Areas 8, 9 and 10 are all in the valley of Mount of Olives overlooking the Old City from the East. The total area of the 10 sites is around 125 Dunnum with a minimum capacity of 2000 hotel rooms , in additional to mixed usages of residential, commercial, recreational , office space and public space.



MAP 4 | **Potential areas for future development in East Jerusalem core.**

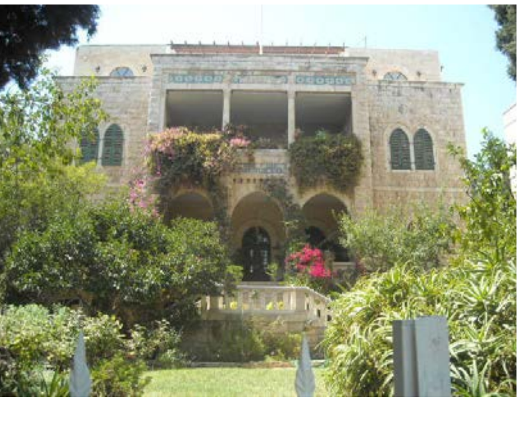
The lack of development, the delay in constructing new hotels, and the expansion of existing ones raise the question of why most of the plans have not yet been implemented. A consultation with leading developers in Jerusalem provided the following answers:

1. Tourism is a highly sensitive sector because of the political situation. During the Second Intifada, between 2001 and 2004, the tourism sector collapsed. The image of Jerusalem as a hostile city during these periods of conflict escalation resulted in the immediate cancelation of tourism plans by organized groups. This is especially impactful taking into account that most tourists staying in East Jerusalem are travelling in organized groups.
2. Most of the sites for tourism development are family-owned, which restricts their financial ability to develop their projects with large scale investment.
3. Israeli planning bureaucracy related to the granting of building permits, the ministry of tourism's complex requirements and the high taxation are a major impediment to investment in tourism development.
4. The private sector and investors consider the tourism sector to be unstable and risky. Additionally, return on investment takes many years. Therefore, investors prefer to invest in office space, residential buildings to be rented to international organizations and diplomates as well as commercial centres.
5. A general lack of large-scale private sector companies and the domination of private investors with limited financial capacity.
6. Banking and financing are very complex due to the lack of land registration and the ability to mortgage properties.
7. Lack of interest from and information available to potential international, Arab and Muslim investors, where Israeli restrictions do not "allow for massive tourism development" in East Jerusalem.
8. Previous development plans did not consider sustainable development, modern ways of building and integrating multipurpose facilities. New tourism development projects need to be integrated with accommodation, touristic facilities, commercial and office space as well as residential buildings, including service apartments. The newly authorized projects in the last 3 years have begun to consider this need in their zoning proposals.

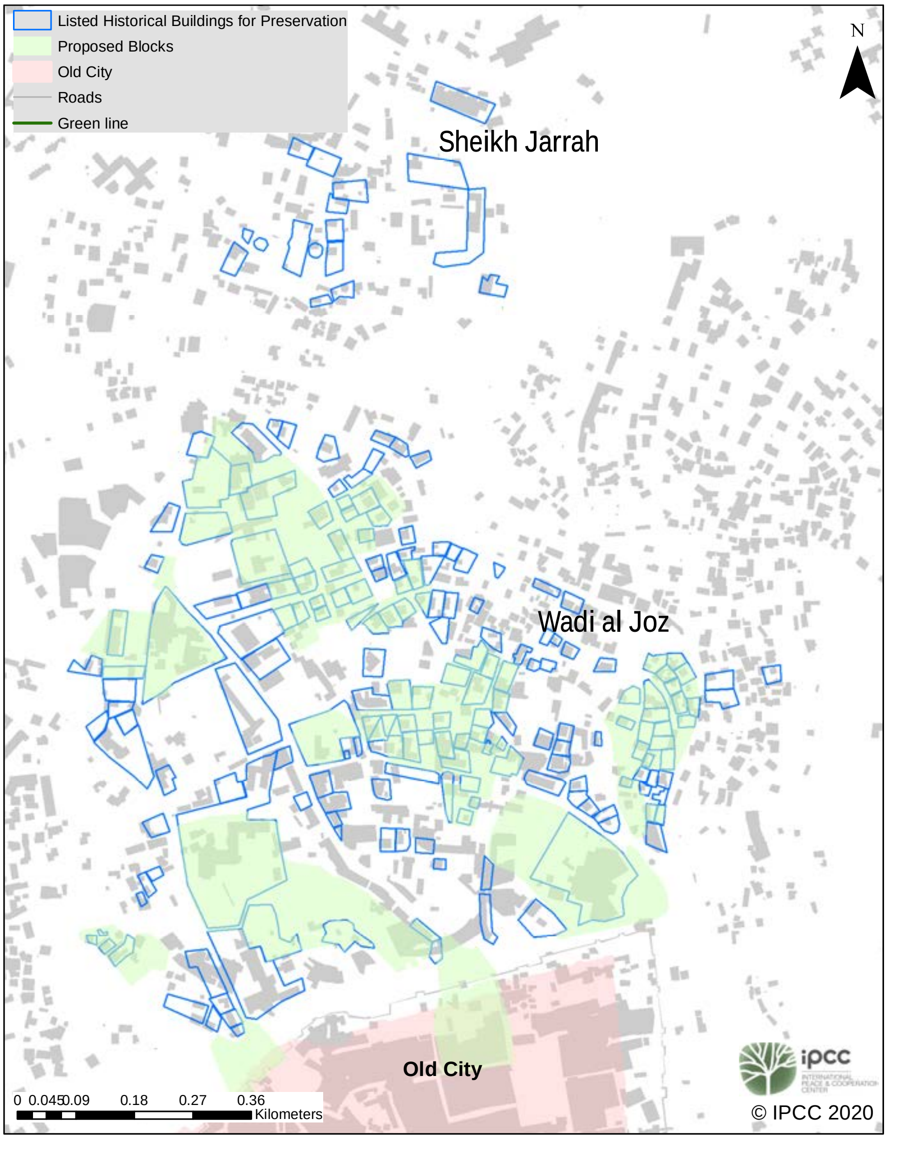
4.2 "Historical" Buildings

Jerusalem's Old City is the most valuable cultural heritage asset and main tourist attraction inscribed in the UNESCO World Heritage Site List on account of its outstanding universal values. Located within the city walls are some of the most important, and thus, most famous historic and religious buildings. However, "historical" buildings, mostly predating the late 19th and 20th centuries, are also located outside of the Old City walls, which opens up the opportunity of using these additional tourism accommodation options and of linking them with Palestinian heritage and culture.

One of the potential areas to be used for tourism development is located to the North of the Old City, specifically the neighbourhoods of Musrara, Masoudieh (Saed wa Said), and Al-Saharah (Az-Zahara) in the East Jerusalem Centre, in addition to the buildings in Sheikh Jarrah, Wadi Al-Joz, Silwan and Al-Tur (Mount of Olives). In order to be viable for tourism development, this area should be revitalized and upgraded, following guidelines provided by a conservation plan. Some of the actions to be executed are cleaning the area, restoring and rehabilitating old houses using local building materials, and create new buildings that are mindful of and respect the existing urban fabric. This would provide the potential to establish an area which is highly valued by tourists and which would provide business opportunities for the local population, artists and craftsmen. Other buildings may be used to open art galleries and promote and develop cultural activities. Some of the houses clusters can be used as an artist quarter with bed & breakfast rooms.



Along with new functions in the revitalized environment and with a view to the number of old buildings, it is also possible to establish 20 boutique hotels. Boutique hotels should be comprised of several restored old houses, as a cluster of houses, with hotel rooms or apartments. The new master plan of East Jerusalem CBD marked the most of the buildings for preservation despite the fact that they are not historical and build in the early sixties. Map 5 shows the proposed blocks for "historical" buildings for preservation.



MAP 5 | **"Historical" buildings for preservation**

4.3 Special Tourism Development Zone

Religious and pilgrimage groups tourism are dominating the tourism market in East Jerusalem (and Bethlehem). However, the fact that no accommodation facilities have been developed since 1967 in East Jerusalem due to the Israeli restrictions prevented East Jerusalem from turning into a tourism centre and acutely halt any possibility to develop new tourism sectors. Assuming that the recovery of the tourism industry from COVID-19 pandemic will take a long time, there is a need to rethink the Palestinian tourism industry, to enlarge the tourism supply and to develop new tourism sectors through creating a new tourism development zone in East Jerusalem while also developing accommodations for tourists in the CBD and inner East Jerusalem neighbourhoods.

East Jerusalem's share of touring and sightseeing tourism is almost non-existent, although the city enjoys a huge potential to develop fast growing new sectors like thematic tourism, eco-tourism, cultural heritage tourism, and international conferences targeting the increasing numbers of FIT.

In addition to the economic potential, there is a need for a reinvented ecologically, socially and economically sustainable tourism in East Jerusalem through protecting natural areas and providing higher quality of accommodation facilities, hotels, mixed use resorts and public spaces, theme parks, recreational areas and proper touristic infrastructure.

The IPCC team of planners identified a potential area for developing a "New Tourism Zone" located 6 km north-west of the Old City on one of the last vacant lands in Palestinian Governorate in Area C of the West Bank, which is under full Israeli civil and security control.

The criteria for selecting this area are the following:

1. The need to protect the unique nature of this area from massive housing development and from the destruction of the special heritage landscape typical to Jerusalem and other parts of the West Bank.
2. Its panoramic and scenic view as well as its hilly terrain and pleasant vistas
3. Proximity to the Old city and accessibility: Despite the fact that this site is Area C of the West Bank territory, it has no wall or check point and is fully integrated with Jerusalem
4. Great development potential and the potential to establish multi-mixed functions.
5. Land reserve and land ownership is mainly private Palestinian of families from the city of Jerusalem and villages around especially Beit Hanina, Al Jeb, Beit Ijza and Beit Iksa.
6. Potential for an interrelated environmentally, socially and economically sustainable spatial and tourism development plan
7. Responding to the needs of the new tourists with a pronounced desire to learn, self-actualize, and to explore the sense of spaces and local identity.

The construction of the separation wall left only one Palestinian village in this area, Nabi Samul. Other surrounding villages were enclaved and cut-off from East Jerusalem. Since February 2012 IPCC has worked on a master plan for Nabi Samul village, protecting its special natural and history. However, this plan was never considered or discussed by Israeli authorities. In general, development in this area is still highly restricted by Israeli military orders and considered as a settlement's expansion area. Especially young couples of this villages are forced to move to neighbouring villages losing their permit to access their village and visiting their parents and relatives.

The Geopolitical restrictions in this area did not prevent us from considering the development of this important area, on the contrary: the urgency to develop new economic models and promote the protection of the nature and unique landscapes as well as to integrate it into our social economic and cultural lives has become more critical nowadays.

The total area of the planned new tourism zone is 1745 dunun (17.45 km^2) divided into 3 complexes: (See Map 6)

1. Urban tourism complex with a total area 1025 dunum located south East of the special zone.
2. Thematic tourism complex with a total area of 500 dunum located in the central west of the special zone.
3. Eco-tourism complex with a total area of 220 dunum located in the north of the special zone.

These 3 complexes will be integrated in a larger natural area which extends to 71 km^2, forming a mixed use and multi-touristic types zone which includes accommodation and attractions such as leisure, ecological, art, music, sport, shopping, culinary experience as well as an art and culture heritage village, adventure parks and theme parks.

This area is the only large-scale reserve land; the proposed tourism zone will provide land protection from intensive settlement construction which would eliminate its enormous economic, environmental and social potential for Palestinian East Jerusalem and for the entire city. This zone will attract future tourists, both local and international who will not only take advantage of the amenities, facilities, extravagances, and services of contemporary living, but also generally relish and experience the exhilaration of being in the outdoors and hilly terrain. Hence, tourists could actively enjoy the landscape of Jerusalem and the tradition Palestinian heritage and permaculture.

This zone will encompass networks of multipurpose open spaces. Therefore, its vital principles are the multipurpose use of open green space resources, enabling the capitalization of public benefit and guaranteeing that the complete value of the network exceeds the entirety of its constituent parts.

Linkages between urban tourism, rural areas, and green spaces reduce environmental destruction and contribute to green spaces for people to visit, work, and interact in. Open well-managed spaces in the fundamental habitats of the mountainous terrain will protect the eco-system and unique landscape overlooking the Jerusalem and Ramallah area.

A sustainable tourism model will be created in this proposed special tourism development zone to strengthen the economy of Jerusalem and to integrate tourism with social, cultural and environmental needs of the Palestinians in East Jerusalem and benefit the entire city. It will be used to leverage employment rates and regional development to ensure that East Jerusalem becomes one of the major tourist destinations in Palestine receiving record numbers of tourists and high tourism revenues.

This plan incorporates the development of three complexes of tourism: urban tourism, thematic tourism, and eco-tourism.

1. Urban tourism aims at developing an urban hotel campus to be integrated with other urban functions, such as office spaces for high tech and services, and commercial activities, all following a vision of a contemporary city with a green environment. This would transform the proposed sites into a liveable space with all urban services available to serve tourists. This type of tourism includes accommodation such as hotel apartments, green areas, cultural performance open air theatre, and a shopping arcade. According to the planning program developed by the IPCC team, the hotels area is 250 dunum with a density of 10 rooms per dunum. This means the capacity of this use is 2500 hotel rooms covering 24% of the complex area, while 35% of the complex is a green recreational area. The mixed-use area would cover 215 dunum with a density of 50%, offering more than 100 thousand m² of office spaces, short term rent apartments and commercial facilities. 200 dunum is allocated to open air strip mall with construction potential of 20-50 thousand m² commercial space. Linear parks will link the different parts of the complex. A road will connect the tourism zone to the city's Northwest to reduce the distance between the zone and the Old city, the East Jerusalem Center as well the Center of West Jerusalem.


Site for Urban Tourism Complex I

2. The concept of **thematic tourism** fosters tourism in mountainous sites which tourists will find attractive: Not only will they be able to enjoy the diverse scenery and picturesque exquisiteness of the area, they will also greatly benefit from the clean and fresh air characterizing the mountains. Altogether, thematic tourism will allow to exploit the spectacular backdrops of the land and thus to promote sustainable tourism. Specifically, elements of this tourism type will be a roller coaster, sport terrains, an adventure park, a picnic area, a heritage village with themes of permaculture and the relation of Old Jerusalem with rural areas and travel routes, resorts and restaurants facilities. According to the planning program developed by the IPCC team, the resort hotels area is 100 dunum with a density of 5 rooms per dunum, meaning the capacity of this use is 500 hotel rooms covering 20% of the complex area, while 39% of the complex is green and recreational area. The heritage village covers an area of 90 dunum and will be a model village documenting the tangible and intangible Palestinian heritage. The village will include craft and art shops and open theaters for cultural and folklore festivals. It will be connected with the recreational area and a green belt will divide the village from the resort hotels. The theme park will cover an area of 115 dunums linked with the recreational area. A road links this complex with the city through the urban tourism complex.

Site for Thematic Tourism Complex 2

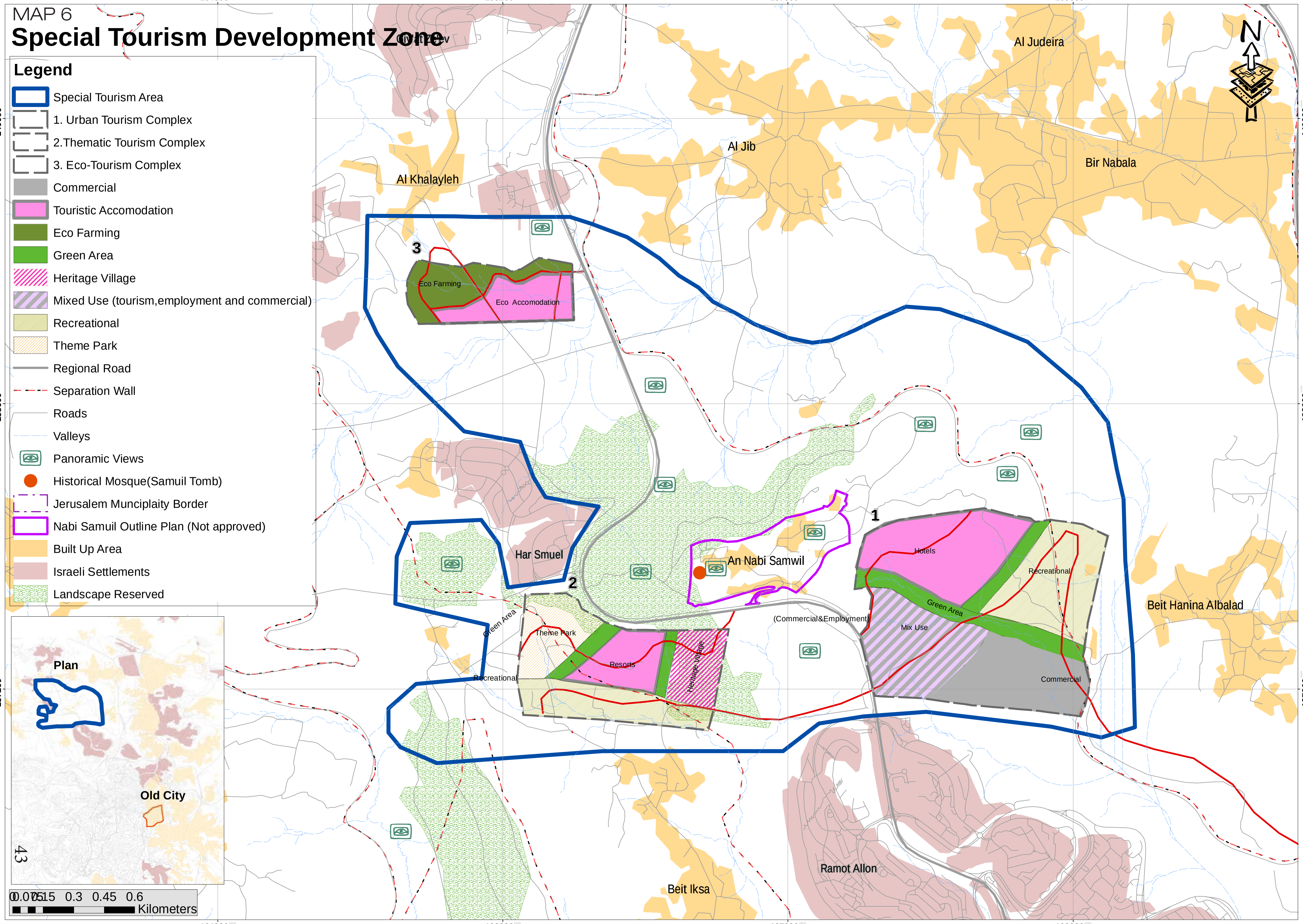
3. The **Eco-Tourism** site integrate ecological natural protection with touristic accommodation facilities of cabins and an eco-farm. The ecotourism complex will include Eco-accommodation lodges and camping areas with a total area of 110 dunum, permaculture, biodiversity and technologies of sustainable agricultural, water and energy solutions. The complex will include a seasonal farmers market and a culinary market. The communities living in the surrounding villages will be integrated into the planning

whereby the density calculated for construction will not exceed 10% providing 100 rooms. The Eco Farm will host an organic farm on an area of 110 dunum as well as interactive educational facilities focusing on and development of this complex. In general, integrating the local economy is highly desirable in the entire tourism zone and not limited to this complex.

Site for Eco Tourism Complex 3

MAP 6

Special Tourism Development Zone



5

COVID-19 PANDEMIC IMPACT

5.0 COVID-19 PANDEMIC IMPACT

The COVID-19 pandemic further deteriorated the already grim social and economic situation in East Jerusalem. With urban living conditions deteriorating further and the unemployment rate rising to 40-50% due to the breakdown of public life during lockdown period, East Jerusalem is likely to witness a severe economic and social crisis in the aftermath of the COVID-19 pandemic two waves until now (July 2020). To effectively mitigate the negative consequences of the pandemic, it is essential to understand its economic, social, environmental and cultural impact. Only if the effects of the COVID-19 induced economic and social shocks are well-understood, will it be possible to design intervention that will allow for a quick recovery.

Given the increased importance of this sector, as illustrated by the rising number of visitors during the last years, promoting tourism will be a key factor in East Jerusalem's economic and social recovery. To ensure that tourism will return to its pre-COVID19 level (or above), a granular and comprehensive analysis of the pandemic's impact on the sector will be pivotal. Moreover, there is a need to focus on sustainable and diverse tourism concepts since COVID-19 is likely to alter the way we travel in a lasting manner.

Examining the impact of COVID-19 on the potential to promote sustainable tourism (i.e. innovative tourism concepts based on ecological, social and economic sustainability) by integrating the protection of the environment as a criterion in the spatial planning of tourism development is a priority and opens the door to developing new sectors in East Jerusalem and other Palestinian areas.

6

CLOSING SUMMARY

6.0 CLOSING SUMMARY

In 2019, the total number of tourists reached 4.90 million, which is an increase of half a million tourists compared to 2018 (total of 4.39 million) and 1.04 million more than in 2017 (total 3.86 million).

According to the Israeli Ministry of Tourism survey, 1.2 million of the tourists who arrived in 2018 were traveling with organized group tours, which amounts to 30.2%, compared to 32% in 2016 and 24% in 2017. Free Independent Travellers (FIT) made up 64.8% of tourists in 2018, as compared to 66% in 2017 and 58% in 2016. In 2018, 54.9% of tourists were Christians (73.7% visited for the first time), thereof 22.2% Catholic, 12.4 % Orthodox, Protestant-Evangelical 12.6% (2.6% other Protestant). 27.5% of tourists in 2018 were Jewish (91% return visitors), while only 2.4% were Muslims (71% visited for the first time).

According to the 2018 tourism survey one million tourists arrived for religious tours and pilgrimage (24% of total tourists). 30% arrived to visit relatives or friends, and 21.3% arrived for touring and sightseeing.

98.1% of organized group tours stayed in hotels, compared to only 34.5% of the FIT tourists. In 2018, 55.9% of total tourists stayed in hotels, 28.4 % stayed with relatives and friends (1.7 million), 8.7% in apartments (645 thousand), 4.2% hostels and 0.7 % in Christian guesthouses.

In 2018, 77.5% visited Jerusalem compared to 74% in 2017. In 2018, 47.3 % of tourists stayed in Jerusalem compared to 45.3% in 2017, with an average stay of 5.4 days in 2018 and 5.2 in 2017. Tel Aviv is the second most visited city, with 67.4% of tourists in 2018 and 65.3 % in 2017, who stayed for 5.1 days on average in 2017 and 5.0 in 2018. In 2018 30.9% of tourists visited Bethlehem, compared to 28.2% in 2017. The number of tourists who stayed in the city increased from 5.4% in 2017, to 7.8% in 2018 with an average of 3.5 nights which is almost similar to the average stay in 2017 (3.4 nights). The number of tourists visiting Jericho also increased from 16.9 % to 20.4%, but still only few stay in the city (0.7 % with on average 2.2 nights in 2017 and 0.9% with 1.8 nights in 2018).

The USA consistently had the highest number of tourists (excluding day tourists and cruises). While American tourists made up 21% (778.6 thousand) of total tourists in 2017, this share increased to 21.5% (897.1 thousand) in 2018 and to 21.3% (969.4 thousand) in 2019. France accounted for the second largest share in 2018 and 2019 with 344.0 thousand and 376.5 thousand respectively. In 2017, the Russian Federation was second with 8.9% (330.5 thousand), but the share of Russian tourists decreased to 7.6% in 2018 (316.1 thousand) and 7% (318.1 thousand) in 2019. Germany ranked fourth in the last 3 years with 289 thousand tourists in 2019 (6.4%).

The total number of tourists staying in East Jerusalem hotels was the highest in 2019, amounting to 229.7 thousand tourists with 701.4 thousand overnight stays, which constitutes a slight increase compared to 2018 and an increase of 10% compare to 2017. The total number of tourists staying in West Jerusalem hotels exceeded one million in 2019 with 3.6 million overnight stays, which implies an increase of 11.8% compared to 2018 and an increase of 26.1% compared to 2017.

In 2019, tourists from the USA spent 78.1 thousand nights in Bethlehem (6.5%), tourists from India 75.3 thousand (6.3%), Greece 60.1 thousand (5%), Indonesia 47.1 thousand (3.9%), Table 18 shows the guests' nights by their nationality, revealing that 60.8% of tourist overnight stays are of tourists from EU Countries.

Religious tourism and pilgrimage will continue to be an important sector that requires intervention in the urban development needs of East Jerusalem. East Jerusalem has suffered from a lack of development in the last 53 years, specifically in the accommodation and related touristic services and facilities.

In the last 5 decades, the number of hotel rooms has shrunk by at least one-third. In general, the number of tourist accommodations has declined in number and quality. This report demonstrates the potential for developing tourism in East Jerusalem, the shortage resulting from the lack of development in the city, the increase of tourists in the last few years, and the high competition with West Jerusalem and Bethlehem when it comes to building new hotels especially in the last 10 years.

The changing character of international tourism, the demand for new tourism products, and the shift from organized groups to individual tourism and low-cost packages are a challenge for East Jerusalem. Yet, there is a great opportunity to "economically label Jerusalem" as a living historical city that is very rich with its tangible and intangible heritage, and the city's potential to provide unique experiences with suitable facilities and attractions focusing on sustainable innovative concepts. This report emphasizes the need to develop this new sector(s) and will be used for an advocacy campaign in setting a new agenda to utilize the economic and social potential of the city.

More than 1,400 hotel rooms which are still awaiting developers and investors can be developed in the East Jerusalem. Most of these hotel sites are within a walking distance from the Old City, as well as from historical and religious sites. Furthermore, additional areas for potential tourism development have been proposed by this spatial feasibility study in Sheikh Jarrah and Wadi Al-Joz, prime locations with proximity to the Old City. In Wadi Al-Joz, a large parcel of 60,000m^2 has the potential to be developed for mixed use of new residential areas with hotels, shopping centres, apartment hotels, residential buildings, sports facilities, and public parks.

The focus on tourism development in East Jerusalem is still dominated by organized group's religious tourism. The lack of development prevented from promoting other types of tourism although the city enjoys a huge potential to do so. There are other complementary, or new, tourism sectors that also need to be developed, such as eco-tourism, cultural tourism, conference tourism, recreational tourism, etc. This will be done by providing potential investors with planning information, spatial analyses of planning and zoning in the East Jerusalem's centre, with a special focus on the Old City's adjacent neighbourhoods, and a design of a new plan for tourism development which will not be limited to accommodation and traditional religious tourism.

Increasing the number of overnight stays and the average nights are the most effective indicator for tourism development in Jerusalem, which needs to be broadened beyond pilgrimage and religious purposes. Tourist products and supply should support the new tourism development plan in the North West of Jerusalem in the Nabi Samuel area. This area is an integral part of East Jerusalem as it is defined as Area C in the West and is considered the only vacant large-scale land to accommodate such a new tourism sector, with a potential of 2,600 hotel rooms in addition to thematic parks, conference centre, heritage and cultural village, green areas, eco-farm, picnic areas, restaurants, cafes, office spaces, and shopping centres.

7

APPENDEICES

7.0 APPENDEICES

Appendix A: List of Hotels in East Jerusalem and other Palestinian Cities

TABLE A.1 | **Hotels in East Jerusalem**

	Name	Location	No. of Rooms	Notes
Outside the Old City				
1	**Seven Arches Hotel**	Mount of Olives	196	
2	**St. George Hotel**	Omar Ibn Al-‘Aas Street, 6	129	
3	**National Hotel**	Al-Zahra Street, 4	121	
4	**Golden Walls** (Pilgrims Palace) **Hotel**	Sultan Suleiman Street	120	
5	**Ambassador Hotel**	Nablus Road, 5	115	
6	**Holy Land Hotel**	Haroun Al-Rashid Street, 9	110	
7	**Ritz Hotel**	Ibn Khaldoun, 8	104	
8	**American Colony Hotel**	Nablus Road, 26	95	
9	**Grand Park Hotel**	Ibn Joubair Street, 4	91	
10	**Ambassador Boutique (**former Meridian)	Abu Taleb Street, 5	83	*Refurbished early 2020*
11	**Jerusalem Panorama Hotel**	Ras al Amoud	65	
12	**Legacy Hotel** (former YMCA)	Nablus Road, 29	56	
13	**New Capitol Hotel**	Salah Eddin, 17	54	*Refurbished end of 2019*
14	**Jerusalem Metropole Hotel**	Salah Al-Deen Street, 6	52	
15	**Mount of Olives Hotel**	Mount of Olives Street, 53	50	
16	**New Victoria Hotel**	Al-Masoudi street, 8	49	
17	**Commodore Hotel**	Al-Suwaneh, Samuel Ibn Adeih	45	
18	**Christmas Hotel**	Ali Ibn Abi Taleb Street,1	40	
19	**Addar Hotel**	Nablus Road , 53	30	
20	**Rivoli Hotel**	Salah Eddin , 3	28	
21	**Tantur Hills Hotel**	Hebron Road, 303	26	
22	**Al-Zahra Hotel**	Al-Zahra Street, 13	15	
23	**Jerusalem Hotel**	Ibn Shaddad Street, 14	14	
Total Number Of Hotel Rooms			**1688**	
Inside the Old City				
24	**Gloria**	The Latin’s Street, 33	104	
25	**New Imperial**	Jaffa Gate	50	
26	**Al-Hashimi**	Khan Al-Zeit, 73	44	
Total Number Of Hotel Rooms			**198**	
GRAND TOTAL			**1886**	

SOURCE: IPCC Survey on Public Facilities, 2019.

TABLE A.2 | **Hostels and Guesthouses in East Jerusalem**

	Name	Location	No. of Rooms
Outside the Old City			
1	**Notre Dame of Jerusalem Centre**	Paratroopers Road, 3	160
2	**New Palm hostel**	Musrara Street, 6	38
3	**Franciscan De Marie Guest House**	9 Nablus Road	30
4	**Saint Poulos**	Nablus Rd., 2 Schmidt School	29
5	**St. Thomas Home**	Nablus Rd., Caldean Street 6,	28
6	**La Maison d'Abraham Guesthouse**	Ras Al-Amud	24
7	**St. George's Pilgrims Guesthouse**	Nablus Street, 65	24
8	**Bridgettine Sisters Monastery**	M. of Olives, 11, As-Suwwana	14
Total Number Of Rooms			347
Inside the Old City			
9	**Casanova house of pilgrims**	Casanova street 12, New gate	87
10	**Knights Palace**	New Gate	51
11	**Petra Hostel**	Jaffa Gate,1	42
12	**Jaffa Gate Hostel**	Jaffa Gate	40
13	**Christ Church Guest House**	Jaffa Gate	32
14	**The Austrian Hospice**	Via dolorosa , 37	31
15	**New Swedish Hostel**	David Street, 29	31
16	**Lutheran Hostel**	Saint Mark's Road, 6	23
17	**Armenian Hostel**	Hostel Via Dolorosa, 36	20
18	**Mar Maroun Guesthouse**	25 Maronite Convent Street	17
19	**Golden Gate hostel**	52 Khan El-Zeit Street	13
20	**Hebron Hostel**	Souk Khan El-Zeit, 8	13
21	**Citadel Youth Hotel**	Saint Marc Street, 20	13
22	**Al-Arab Hostel**	Khan El-Zeit,61	10
23	**Chain Gate Hostel**	Bab El-Silsileh 155	10
Total Number Of Rooms			433
GRAND TOTAL			780

SOURCE: IPCC Survey on Public Facilities, 2019.

TABLE A.3 | **Hotels in Bethlehem**

Number	Hotel Name	Rooms Numbers
1	Ambassador City	109
2	Alexander	58
3	Angel	100
4	Ararat	228
5	Bethlehem	222
6	Bethlehem Inn	48
7	Bethlehem Star	127
8	Casanova	90
9	Diamond	94
10	Eman Regency Palace	55
11	Everest	26
12	Golden Park Resort & Hotel	66
13	Grand Hotel	104
14	Holy Family Hotel	90
15	Holy Land	58
16	Jacir Palace	250
17	Manger Square	219
18	Mount David	77
19	Nativity Bells	105
20	Nativity Hotel	158
21	Olive Tree Tourist Village	26
22	Russian Hotel	71
23	Al-Salam	26
24	Santa Maria Hotel	83
25	Shepherd Hotel	89
26	Shepherd' House Hotel	110
27	St. Antonio	36
28	St. Gabriel	143
29	St. Michael	49
30	St. Nicholas	32
31	Walled off	9
Total		**2958**

SOURCE: Palestinian Ministry of Tourism and Arab Hotels Association, April 2020.

TABLE A.4 | **Hotels in Ramallah**

Number	Hotel Name	Rooms Numbers
1	Aladdin	27
2	Al-A'in	24
3	Alhambra Palace	10
4	Ankars Suites	36
5	Beauty Inn	23
6	Al-Bireh Tourist Hotel	35
7	Caesar	45
8	Carmel	70
9	City Inn Palace	47
10	Gemzo Suites	90
11	Grand Park	83
12	Al-Hajal	-
13	Millennium	171
14	Palestine Plaza	102
15	Rento	45
16	Rocky	36
17	Royal Court	46
Total		**890**

SOURCE: Palestinian Ministry of Tourism and Arab Hotels Association, April 2020.

TABLE A.5 | **Hotels in Jericho**

Number	Hotel Name	Rooms Numbers
1	Al-Amal	35
2	Bab Al-Shams Resort	-
3	Al-Baiara Resort	-
4	Jericho Resort Village	92
5	Oasis	179
Total		**306**

SOURCE: Palestinian Ministry of Tourism and Arab Hotels Association, April 2020.

TABLE A.6 | **Hotels in Hebron**

Number	Hotel Name	Rooms Numbers
1	Abu Mazen	52
2	Hebron Tourist	28
3	Queen Plaza	-
Total		**80**

SOURCE: Palestinian Ministry of Tourism and Arab Hotels Association, April 2020.

Appendix B: Authorized Plans in East Jerusalem 2019

TABLE B.1 | **Authorized Plans for Hotels in East Jerusalem**

Number	Plan No	Year	Project Name	Location	Total Land Area	Total Bulding Area	Number of rooms
1	5092	1999	Al-Alami Com-pound	Ekhwan Al Safa-Al Hariri	10 dunum	36,764m²	At least 200
2	5225	1999	Al-Rashid Hotel	Sheikh Jarrah	16.689 dunum	32,130m² 21,050m² main 11,080 services	300
3	6363	2003	Niwas	Sheikh Jarrah	7.15 dunum	24,477m² 12,187m² main 12,290m² services	240
4	5044	2005	The Episcopal Anglican Church	Between Nablus Rd, Salah Al-Deen St. and Amr Ibn Al- 'Aas St.	60 dunum	148,355m² At least 10,000m² Hotel rooms	At least 260
5	101-0298059	2016	Al-Baraka (Constructed)	Amr Ibn Al-'Aas St. Noomi Kiss	1.652 dunum	1,325m² tourism 1,324m² commercial 1,325 m² offices	30
6	101-0365148	2016	Golden Gate	Sheikh Jarrah	3.17 dunum	21,420m² 13,260m² main 8,160m² services	216
7	101-0068577	2016	Barakat Family	Al-Zahra St.	5.713 dunum	7970m² tourism, 790.96m² com-mercial, 868.73m² offices	73
8	101-0512970	2018	Jerusalem com-mercial Cen-tre- PIF (Kurdieh family)	Nablus Road	2.4 dunum	4290m² hotel rooms 2618m² commercial 3542m² offices	72
9	101-0509497	2018	Dar Al-Tifel Al-Arabi	Abu Obidah St.	0.855 dunum	3,238m² 1745m² main 1494m² services First Floor com-mercial and other 4 floors as hotel rooms and offices	
10	101-0522938	2018	Rizeq	Amr Ibn Al- 'Aas	6.947 dunum	3618m2 Hotel Rooms 1027m2 Commercial	54

8

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