



Co-funded by the European Union

# East Jerusalem: A Modern and Competitive City Travel Destination

**An inclusive and participatory approach to innovation, empowerment, and capacity building supporting the Palestinian tourism MSMEs and individuals in East Jerusalem.**

## Our Vision

Building upon East Jerusalem's existing but widely unexploited portfolio of touristic assets, the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ) jointly support a sustainable recovery from the COVID-19 crisis and long-term growth of East Jerusalem's Palestinian tourism sector.

- **East Jerusalem becomes a well-known modern and flourishing city travel destination for local and international travellers, embedded in the Palestinian tourism value chain.**
- **East Jerusalem attracts travellers with a competitive tourism portfolio featuring local Palestinian identity and heritage.**

A stronger, more diverse, and internationally competitive Palestinian tourism sector in East Jerusalem will result in new, more, and better job and career opportunities, especially for Palestinian women and youth, and contribute to better living conditions for East Jerusalemite Palestinians.

## Challenges and Potentials: Palestinian Tourism in East Jerusalem

Jerusalem's worldwide fame as a travel destination is beyond question. For every inhabitant, the city welcomed about 4 visitors in 2019, totalling more than 4 million arrivals – an increase of almost 30% compared to 2018. However, a large number of tourists mainly stay, visit, eat, and shop in the well-curated touristic areas of western Jerusalem.

Tourism offers in the eastern part of the city are struggling to be competitive due to a lack of marketing and promotion, but also resulting from comparably low and inconsistent quality and service standards, most

Palestinian touristic offers often go unnoticed by international travellers.

While other Palestinian destinations are thriving, East Jerusalem has lost its central role as Palestine's touristic hub. The small city of Bethlehem alone has 78 hotels with 5,210 rooms, most of them built in the past decades, while East Jerusalem witnessed a sharp decrease from once having 41 hotel establishments in 1967, down to only 26 in 2020.

In addition, a rather unfavourable atmosphere hinders any growth for tourism investment or creative and innovative business models.

With its remarkable tangible and intangible touristic portfolio, East Jerusalem has the potential to become the centrepiece of the Palestinian tourism industry, which is already one of the most dynamic and promising sectors of the local economy.

In 2019, total revenues from travel and tourism sustained more than 3,000 Palestinian businesses and accounted for more than US\$120 million in salaries and wages (not counting non-registered employees) across the Palestinian tourism sector.

On average, the sector contributes 10-20% to the Palestinian GDP, making it one of the biggest contributors to foreign exchange revenue.

However, due to the COVID-19 crisis, the number of international arrivals has been very low well into 2021 but are expected to rise quickly once the worldwide situation resolves.

## Our Approach

The East Jerusalem Tourism Development Programme follows a holistic strict bottom-up approach to tourism development.

Implemented by

The Programme builds upon the active engagement of tourism businesses, associations, and individuals. A major factor involves harnessing the creative, entrepreneurial, and innovative potential of East Jerusalemitate Palestinians to contribute and develop new ideas and visions of a Palestinian identity and image of East Jerusalem as a city travel destination for locals and international visitors.

The Programme's intervention logic is based on three interconnected pillars:

New tourism products and services:

- **Strengthening the capacities in product development, marketing, and attracting new customers of up to 100 Palestinian MSMEs and individuals engaged in tourism.**
- **Support the development of at least 30 new and innovative touristic services or products significantly enriching the Palestinian tourism offer.**

Knowledge sharing, cooperation, and networking:

- **Establishment of at least 3 micro-destinations within East Jerusalem with a unique and appealing Palestinian image and product offer.**
- **Advance the digitalization of the East Jerusalem Palestinian tourism value chain and strengthen local businesses' capacities to conduct digital marketing and sales generation.**
- **Set-up of a technical Destination Management Organization (tDMO) for East Jerusalem as a focal point to increase the competitiveness of the local tourism offer.**
- **Support organisations representing the East Jerusalem tourism sector.**

Marketing, promotion, and visibility:

- **Support a strong and credible East Jerusalem brand and sub-brands.**
- **Support a sustainable and resilient recovery of the Palestinian tourism sector from COVID-19.**
- **Communicate new products and services to clients nationally and internationally.**
- **Establish linkages to international tour operators and booking channels.**

## Tourism Development Hub and Expertise Network

In October 2021, the Programme established the Tourism Development Hub and Expertise Network, the first Palestinian innovation centre focussing entirely on the tourism sector and providing dedicated support to anyone engaged in the Palestinian tourism value chain.

The Hub provides a hybrid physical and virtual co-working and co-creation space for the programme, it aims to support established tourism entrepreneurs and service providers as well as, in particular, young and female Palestinians with innovative and creative capacities.

Through the planned provision of childcare services, the Hub seeks to specifically cater to young parents and individuals with family responsibilities and thus extend its offers to target groups often unable to benefit from business training and capacity development.



East Jerusalem, Photo: © Plötzgen

## Expected Impact

- **East Jerusalem is an attractive and credible destination and brand for local and international customers.**
- **National and international tourists are aware of Palestinian heritage and culture in East Jerusalem.**
- **At least 100 new or improved products and services and at least 3 attractive micro hubs are established in East Jerusalem.**
- **New products and services in East Jerusalem are easily accessible through national and international marketing and booking channels.**

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