

THE STRATEGIC ANALYSIS OF TOURISM INDUSTRY IN THE TRNC WITH SPECIAL EMPHASIS ON ITS FINANCIAL DIMENSION

Okan ŞAFAKLI

Near East University, Faculty of Economics & Administrative Sciences, KKTC

ABSTRACT

Basic objective of this study is to apply strategic management concept to the tourism industry of Turkish Republic of Northern Cyprus (TRNC) and develop appropriate strategies to improve the sector. The study will first of all explain the strategic management concept. The main part of the study will focus on the strengths and weaknesses of the TRNC as well as the environmental opportunities and threats that exist for the tourism sector. Furthermore, basic findings of the research conducted on the financial problems of TRNC tourism sector will be presented. After these evaluations appropriate strategies will be developed. The study will end with an evaluation and a conclusion.

KEY WORDS

Strategic Management, TRNC, Tourism, Finance

KKTC'DE TURİZM ENDÜSTRİSİNİN STRATEJİK ANALİZİ

ÖZET

Bu çalışmanın temel amacı, stratejik yönetim kavramının Kuzey Kıbrıs Türk Cumhuriyeti (KKTC) turizm sektörüne uygulanması ve bu sektörün iyileştirilmesi için strateji geliştirilmesidir. Çalışmada öncelikle stratejik yönetim kavramına açıklık getirilecektir. Çalışmanın esasını ise, stratejik yönetim kavramına göre KKTC'de turizm sektörünün güçlü ve zayıf yönlerini ve çevrenin yarattığı fırsat ve tehlikeleri ortaya koyma ve strateji geliştirme oluşturacaktır. Çalışmada ayrıca KKTC turizm sektörünün finansal sorunları üzerine gerçekleştirilen çalışmanın sonuçları ortaya konacaktır. Çalışmanın sonunda ise genel değerlendirme ve sonuç kısmı yer alacaktır.

ANAHTAR KELİMELER

Stratejik yönetim, KKTC, Turizm, Finans

1. INTRODUCTION

Strategic management concept is an approach adopted by the profit and non-profit organizations to establish strategies, for short or long term plans, to achieve their goals. Strategic management in this study will be adapted to the tourism sector as a whole rather than an organization. Detailed explanation of the strategic management concept will take place in the second part.

Although the tourism sector is considered to be the locomotive sector and also the superior sector of the TRNC, it has not yet performed to meet the expectations of economic developments in the country (Şafaklı & Erku¹, 2002: 833-838). The share of the sector in the Gross National Product (GNP) is around 3%. Contribution of the sector for employment is 4% (Safaklı & Erku², 2001: 106-109). In South Cyprus, which is in the same island, the share of the tourism sector in the GNP is 19% and the contribution to the employment is 9.7% (www.stockwatch.com.cy; Dept. of Statistics and Research, 1999: 19). The most critical role of the tourism sector is being the currency earning aspect and the positive contribution to the trade deficit. The total tourism revenues of TRNC in the year 2000 amounted to 392.1 million \$, net contribution of the tourism revenues to the total currency revenues in that year was %50.6. The ratio of tourism revenue to the tourism revenues in the same year is %393.5 (DPÖ,2001a:195).

This study aims to develop a strategy to improve the contribution of the tourism sector to the overall economy. The conceptual explanations of the strategic management concept, and strategic analysis of the sector will be reviewed and analysed. After strategic analysis a separate part is devoted to the research conducted on financial problems of tourism sector because the solution of the critical problems encountered by tourism sector depends on its financial capability. Afterwards, strategies will be developed for the sector. Finally, the study will end with general evaluations and conclusion.

2. THE CONCEPT OF STRATEGIC MANAGEMENT

Strategy is the plans adopted by the top management to successfully reach the objectives and the mission of the organization (Wright and Others, 1998:4-5). Strategy contains tools to achieve long term objectives, action plans, and allocation of resources (Hax and Majluf, 1996: 2). In another words strategy is the ways and means to reach the objectives (Miller & Dess, 1996: 5). Strategic approach includes a final objective, strategic choice, vision, and mission, accompanied with policies and plans.

Vision in strategic management approach, is a global and inclusive broad definition of the future that is not yet apparent and foreseeable. It does not include any means and ways of realizing the vision (Dinçer, 1998: 5 ; Morden, 1999: 109). Mission, on the other hand, is the purpose of existence of the organization in the eyes of the public (Wheelen & Hunger, 2002: 10). Plans and policies are guides of the application of the strategies to the organizations or the sectors (Jauch and Glueck, 1988: 6).

Taking the following steps performs strategic management:

1. Analysis of the external environment for threats and opportunities (Luffman and Others, 1996:33)

2. Analysis of the internal weaknesses and strengths (Morden, 1993:3)

3. Development of mission and objectives

4. Formulation of the strategies (Miller, 1998: 154)

5. Application of the strategy, and the evaluation of the strategy to find out whether it has achieved its goals.

The biggest criticism to the strategic management approach is that there are plenty of external environmental conditions which are subject to changes and that the long term plans become meaningless because of these changes (Jauch and Glueck, 1988: 18). To overcome criticism to the strategic management, the strategic planning adapts contingency planning and crises management concepts to overcome unexpected developments (Ebert and Griffin, 1995: 104-105).

3. STRATEGIC ANALYSIS OF THE TRNC TOURISM SECTOR

Before adopting any strategy for the tourism sector there is a need to carry out a strategic analysis to identify the internal strengths and weaknesses of the sector and the opportunities and threats that exist in the environment. However, due to special circumstances of this study and the field of expertise of the author the analysis will be limited to the most important factors only.

3.1. Strengths and Weaknesses of the TRNC Tourism Industry

3.1.1. Strengths

Following are the strengths of the TRNC

- There are no apparent human rights and democracy issues
- Natural heritage is well preserved
- The mild climate all year round
- Sun, sea, and the beautiful weather
- Rich flora and fauna
- Rich and quality environmental resources
- Availability of land for investment
- The country is free of mass buildings and concrete constructions (KKTC Devlet Bakanlığı ve Başbakan Yardımcılığı, 2000: 14).
- Unlike many other Mediterranean countries the TRNC has very rich natural, cultural, and historic mosaic (Şafaklı & Erkuç, 2002: 33-38)
- The TRNC has competitive advantage against the South Cyprus in respect of hotel prices and the historic places (Bıçak & Altınay, 1999: 480).

3.1.2. Weaknesses

Following are the weaknesses of the TRNC

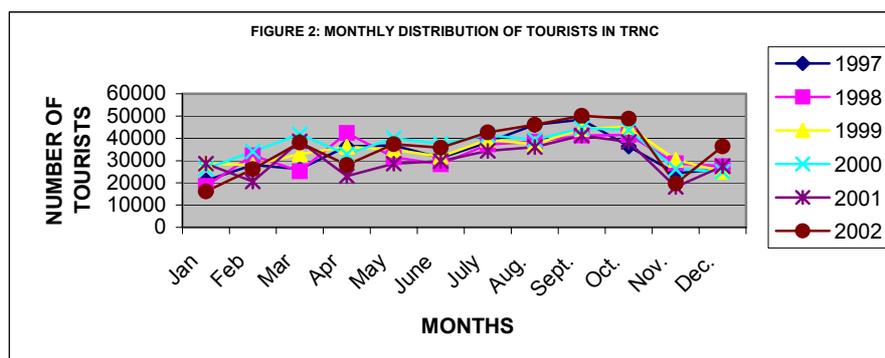
- TRNC, which shares the same island with the South Cyprus lag behind in the fields of management, organization, service quality, transportation prices, transportation service quality, and promotional activities (Bıçak & Altınay, 1999: 480).

- Incompleteness of the physical plan and the Tourism Master Plan, which would provide guideline to the development of the sector (Şafaklı, 1999: 14-24).
- Problems arising from the inexistence of an independent tourism organization which lead to lack of coordination, and organization (Şafaklı & Özdeşer¹, 2002: 157-161).
- Problems arising from the lack of coordination and policy development in the fields of coordination and harmonization of the related services, environmental hazards, inappropriate constructions, and lack of consideration to the natural environment. (Şafaklı & Özdeşer²,2002: 807-814).
- There are still problems in the field of infrastructure such as the roads, water, electricity, and sewage systems.
- Low quality services, which especially create problems in the peak seasons. The sector finds it difficult to obtain appropriate personnel in the peak season.
- Although the development bank was established in 1993 to relieve the sector from financial difficulties, the sector is still in financial crises.
- Lack of finance is a big obstacle in front of new investments as extensions and improvements, and improvement of service quality (DPÖ, 2001a:208-209).
- Lack of product image
- Lack of mass transportation
- The tourist facilities are very close to the military units (KKTC Devlet Bakanlığı ve Başbakan Yardımcılığı, 2000: 14).
- Inability to make projections about the future cost and prices due to the weak Turkish Lira and high inflation.
- The average occupancy rate never exceeded 40%. The highest occupancy rate in 1991-2000 period was 37,26%. (KKTC Turizm Planlama Dairesi ,2000: 28).
- 80% of tourists come from Turkey and only the remaining 20 percent come from other countries. This composition reduces the currency-earning characteristic of the tourism industry. This situation also increases the negative effect of the devaluation of the Turkish Lira (DPÖ, 2001b: 210).
- Although the climate is suitable for all the year round of tourism it can be seen from the table 1 and figure 1 that the tourism activities in the months January, February, November and December are very limited.
- Another shortcoming in the tourism industry is lack of fresh water resources.

TABLE 1. MONTHLY DISTRIBUTION OF TOURISTS IN TRNC

	Jan	Feb	Mar	Apr	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1997	21040	28053	26189	36393	36786	31235	38288	46135	48418	36349	24273	26205
1998	18583	32349	25137	42391	31473	28312	37285	38561	41184	41517	28741	27494
1999	28623	28057	32936	36209	34937	31722	39390	37395	44223	45135	30306	25082
2000	26411	34082	41763	32837	40029	37471	41394	39343	44470	43889	26146	25116
2001	28659	20609	38681	23119	28661	29718	34315	36040	41203	38382	18222	27455
2002	16229	26179	38096	28015	37393	35750	42628	46117	50185	48831	19694	36440

Source: SPO (2004), *Statistical Yearbook 2002*, TRNC State Planning Organization Statistics and Research Department, Nicosia, p. 215.



3.2 Opportunities And Threats Created By The External Environment

Analysis of the tourism industry and the environmental developments indicate that there are possible opportunities and threats that may exist for the industry:

3.2.1 Threats

- The Cyprus problem, un-recognitions and embargoes create economic and political uncertainties. As a result there is a high political risk and this has negative effect on new investments. Apart from this there is no direct flight from any other country than Turkey.

- When compared, tourism industry of TRNC lags behind its biggest competitor the South Cyprus. Economic strength is most crucial especially during the efforts of finding a viable solution to the Cyprus problem. However when the two economies are compared as seen in table 2, there is a big gap between the two economies. Overwhelming strength of the Greek economy may create threats to the Turkish economy.

Table 2. Basic Economic and Tourism Indicators of North and South Cyprus

	North Cyprus			South Cyprus		
	1995	1999	2002	1995	1999	2002
GNP (Million US \$)	755,7	963,9	941,4	8951,4	9288,3	9615,7
Per Capita GNP (US \$)	4167	4666	4978	13757,2	13531,3	13557,8
Inflation Rate (%)	72,2	55,3	24,5	2,6	1,7	2,0
Number Of Accommodation	93	115	123	546	616	946

Establishments						
Bed Capacities	7774	9932	10916	81835	87893	94466
Number of Tourists	385759	414015	429376	2100000	2434300	2418200
Share of Tourism in Employment (%)	6	7	6,5	10,6	10,8	10,4
Tourism Receipts (Million US \$)	218,9	192,8	114,1	810	1025	1283
Share of Tourism Receipts in GNP (%)	28,9	20	12,1	20	20,3	20,7

Source: www.devplan.org; www.kpros.org/DSR/key_figures, January 2004; www.pio.gov/dsr/, January 2004

- Unfair attitude of the European Union: Although the application of the Greek side on 4th July 1990, to become a member of EU is not legal and is against the 1960 Guarantee agreements, the 1960 Cyprus Constitution, and 1960 founding agreements, the EU accepted and put into action the application in 1993. Membership agreements were reached in 1998 and the Greek side is due to become member in May 2003. Despite this fact the EU has made over 200 million Euro aid to the Greeks (Mendelson, 2001: 34-39 ; www.cyprus-eu.org.cy). Injustice and bias attitude of the EU continues and they are suggesting that they will accept the Greek side even before an agreement.

- There are shortcomings regarding the relations with Turkey (KKTC Cumhurbaşkanlığı, 2000:4)

- Competition with the Mediterranean countries with a similar climate.

3.2.2. Opportunities

- Geopolitical importance of the TRNC.
- Being close to the petroleum discharge points and to be on the line of sea transportation from the Eastern Mediterranean (KKTC Cumhurbaşkanlığı, 2000:5)
 - Turkey being the nearest country and the Turkish support
 - Large number of Turkish Cypriots living outside Cyprus
 - Easy access
 - Prohibition of the casinos in Turkey.

4. THE RESEARCH ON THE FINANCIAL PROBLEMS OF THE TOURISM SECTOR IN THE TRNC

According to strategic analysis detailed above tourism sector of the TRNC can only overcome its vital weaknesses if necessary financial sources are obtained. Therefore, a research designed to determine the basic aspects of financial evil has been conducted toward the tourist accommodation establishments. In this respect, at the beginning of the research, secondary data regarding the tourist accommodation establishments has been collected. Based on this, a structured questionnaire was compiled in order to determine the cornerstones of financial problems faced by

tourism sector in the TRNC. The research was conducted toward the all of tourist accommodation establishments, which are totally 110. However, approximately 40 % of these establishments responded to this questionnaire. The basic findings of the research can be summarized as follows:

• **Relative Importance of Financial Sources**

ALTERNATIVES	PERCENTAGE
Equity	65
Commercial Bank	17,5
Development Bank	17,5
Other Financial Institutions	
Factoring	
Leasing	
Other	
Total	100

According to table the most important financial source of accommodation establishments is equity. Secondly, commercial banks and Development Bank equally carry second importance in the financing mix of establishments. The other sources do not have any financial contribution to the establishments.

• **Relative Importance of Equity in the Financing Mix**

ALTERNATIVES	PERCENTAGE
0 % - 20 %	
20 % - 40 %	
40 % - 60 %	10
60 % - 80 %	40
80 % - 100 %	60
Total	100

The highest and lowest percentages of equity in financing mix belong to the intervals between 80 % - 100 % and 40 % - 60 % respectively. Expectedly, These results confirm the above basic finding that equity is primary and inevitable part of establishments' financial sources.

• **Frequency of Bank Dealings**

ALTERNATIVES	PERCENTAGE
Always	30
When required	50
In some periods	
No dealings	20
Total	100

The half of the establishments has bank dealings when required while 30 % of them have continual relationship. Only 20 % of the establishments responded that they have no any bank dealings.

• **Preference of Credit Maturity**

ALTERNATIVES	PERCENTAGE
Short term	
Medium term	10
Long term	50
Absence of Credit Usage	40
Total	100

The half of establishments prefers long-term credit while 40 % of them answered this question as the absence of credit usage.

• **The ability of Raising Preferred Loan From Development Bank**

ALTERNATIVES	PERCENTAGE
Yes	10
No	90
Total	100

Almost all of the establishments responded that that could not raise loan from Development Bank at preferred terms.

• **The ability of Raising Preferred Commercial Bank Loan**

ALTERNATIVES	PERCENTAGE
Yes	20
No	80
Total	100

Almost all of the establishments also responded that that could not raise commercial bank loan at preferred terms.

• **The Possibility of Raising Loan From Financial Institutions in Turkey**

ALTERNATIVES	PERCENTAGE
Yes	
No	100
Total	100

Tourist accommodation establishments in the TRNC asserted that it is not possible for them raise loan from financial institutions in Turkey due to the reasons beyond their ability.

• The Possibility of Raising Loan From International Financial Institutions

ALTERNATIVES	PERCENTAGE
Yes	
No	100
Total	100

In addition to Turkey It is also impossible for them to raise loan from international financial institutions such as European Union and World Tourism Organization because of the country’s international status.

• Reasons of Facing Credit Problems.

ALTERNATIVES	PERCENTAGE
Inadequate balance sheet and income statement	16
Insufficient collateral	25
Inadequate credit information	
High interest rates	59
Total	100

Table shows that high interest rates being the vital factor for the cost of capital are the basic reason causing tourist accommodation establishments not to raise credits at favorable terms. Furthermore, insufficient collateral and inadequate balance sheet and income statement can be ranked as the second and third handicap leading to credit problems.

The following statement summarizes the research findings above:

“ It can be concluded that financial obstacles asserted to be prerequisite for the solution of most of the problems faced by tourist accommodation establishments in the TRNC have reached to a chronic level. Such that neither the equity of establishments nor the funds provided by Development Bank is sufficient to finance all of the feasible projects. Unfortunately they could not also afford to raise favorable commercial bank credits due to high interest rates and insufficient collateral. Additionally, it is not possible for them to apply for international funds including Turkey because of the reasons beyond the scope of this study. Therefore, equity is the primary and inevitable source of finance for them”.

5. ADAPTATION OF STRATEGY TO THE TOURISM SECTOR OF THE TRNC

In order to develop optimal strategies it would be appropriate to separate strategies as macro and sectoral strategies.

5.1. Macro Level Strategies of the TRNC

Following strategies should be adopted in order to influence the sector in macro level:

• In case of the continuation of the Cyprus problem the following measures should be taken:

a) Integration with Turkey to provide low cost competitive and efficient direct flights from selected destinations.

b) Participation of Turkish and TRNC governments in tourism investments in order to balance the political risks

• To overcome the water problem that has negative impact on the sector, by transporting water from Turkey with pipelines.

• Preparation of physical plan with optimum development objectives.

• Application of development plans combined with operational plans.

• Creating an organizational structure and coordination mechanism for environmental protection

• Creating and developing mass transportation systems.

• The economic protocols signed between Turkey and TRNC should be put in action without any delay. As a part of this protocols funds used to finance tourism projects should increased to attain investment targets. However, final decisions regarding the feasibility and allocation of funds should be isolated from political and populist considerations. Other measures to be taken are the elimination of credit barriers encountered by tourist accommodation establishments in applying for external tourism loans and Institutions. Before all else required guarantees and collateral should be provided in order to fulfill international credit conditions

• Closer institutional collaboration and coordination should be built between tourism and financial sector. Such that financial institutions which are basically commercial banks should be encouraged to grant loans compatible with the characteristics of tourism investments.

5.2. Sectoral Strategies

The most important sectoral plans and policies that should be adopted by TRNC are as follows:

• Preparation and application of tourism master plans.

• Creation of an independent tourist organization that will deal with scientific development of the tourism industry which is one of the two preferential sectors (Şafaklı, 1998: 162-166),

• To introduce new tourism products such as special interest tourism as well as mass tourism.

• To make efforts to increase the number of students and related tourist from the 3rd countries.

• Develop a tourism sector in harmony with the other sectors in the economy.

• To create a sustainable tourism industry that will benefit from the natural and man-made environment.

• To support special interest tourism such as, belief, cultural, natural health, climbing, yacht, walking, water and air sports in order to extend the tourism season to 12 months.

• To create new product and product image to meet the changing needs in the market.

• To train the personnel in the sector to the international standards.

- Formation of tourism cooperatives can be considered, as an alternative for financing and marketing needs of tourism sector.

6. GENERAL EVALUATIONS AND THE CONCLUSION

When TRNC Tourism sector is analyzed under the strategic management concept it is found that the greatest strength of the country and the sector is the clean air, sea, sand and sun, mild climate all around the year, and rich cultural and historic heritage. These conditions and the potential from special interest tourism provide competitive advantage to the TRNC tourism. Despite these strengths there also exist some weaknesses due to country and sector management. The most important weaknesses are lack of tourism master plan, and physical plan, environmental management, lack of an independent tourism organization, education, lack of finance and lack of marketing. Needless to say that financial problems are the heart of these weaknesses because the solution of a lot of problems faced by tourism sector such as marketing, reducing the cost of transportation, necessary infrastructure depends on financial sources.

In respect of threats and opportunities, the most apparent opportunities come from the geographic and geopolitical importance of the country, easy access from air and sea, support coming from Turkey both in economic and political fields. The biggest threat arise from political instability due to Cyprus problem, lack of direct flights, and lack of foreign investment due to high political risk.

After the analysis of the TRNC tourism sector, the following policies need to be adopted:

- Institutional planning, administrative structuring, finance, education and marketing problems need speedy solutions.
- If a solution is not achieved which will bring political recognition and hence stable environment, there should be integration with Turkey. In such a situation the relations with the Turkish mainland tour operators should be optimized in order to solve all the marketing needs via Turkey. To provide investment to country, which is considered as, high risk is to make strong state presence and partnership as it was during the Ataturk period in Turkey.

REFERENCES

Bıçak, H. ve Altınay, M. (1999). Tourism Sector of North Cyprus : Prospects Ahead, *Proceedings of the Second International Congress on Cypriot Studies*, Gazimağusa: Centre for Cypriot Studies, Eastern Mediterranean University.

Department Of Statistics And Research (1999), *Hotels and Restaurants Satistics 1998*, Department Of Statistiis And Research, Ministry of Finance, Republic of Cyprus.

Diñçer, Ömer (1998), *Stratejik Yönetim ve İşletme Politikası*, 5. Baskı, Beta Yay., İstanbul.

DPÖ (2001a), *2002 GEÇİŞ YILI PROGRAMI*, KKTC Başbakanlık Devlet Planlama Örgütü, Lefkoşa –KKTC.

DPÖ (2001b), *İstatistik Yıllığı 1999*, KKTC Başbakanlık Devlet Planlama Örgütü, İstatistik ve Araştırma Dairesi, Lefkoşa –KKTC.

Ebert, Ronald J. & Griffin, Ricky W. (1995), *Business Essentials*, Prentice Hall International Editions, USA.

Hax, Arnolda & Majluf, Nicolass (1996), *The Strategy Concept and Process*, Second Edition, Prentice-Hall International Editions, USA.

KKTC Cumhurbaşkanlığı (2000), *ARAYIŞ ÇALIŞMALARI*, rapor (hazırlayan: Derviş Besimler), Girne-KKTC

KKTC Devlet Bakanlığı ve Başbakan Yardımcılığı (2000), *KKTC Turizm Gelişim Planı-Özet Rapor*, Lefkoşa-KKTC

KKTC Turizm Planlama Dairesi (2000), *Turizm Statistik Yıllığı*, KKTC Devlet Bakanlığı ve Başbakan Yardımcılığı, Lefkoşa.

Jauch, Lawrance & Glueck, William F. (1988) , *Business Policy and Strategic Management*, Fifth Ed., McGraw Hill, Singapore.

Luffman and Others (1996), *Strategic Management*, 3rd Edition , Blackwell Business, Great Britain.

Mendelson, Maurice (2001), *Kıbrıs'ın Avrupa Birliği'ne Girişi Neden Hukuka Aykırı Olacaktır –Hukuki Mütalaa*, Londra.

Miller, Alex & Dess, Gregory G. 1996), *Strategic Management*, Second Edition, McGraw Hill, USA.

Miller, Alex (1998), *Strategic Management*, 3rd Edition, Irwin McGraw Hill, USA.

Morden, Tony (1993), *Business Strategy and Planning*, McGraw Hill, England

Morden, Tony (1999), *An Introduction to Business Strategy*, 2nd Ed. McGraw Hill, England

SPO (2004), *Statistical Yearbook 2002*, TRNC State Planning Organization Statistics and Research Department, Nicosia.

Şafaklı, Okan (1999),“ KKTC’nde Turizm Teşvikleri ve Uygulamalı Bir Çalışmanın Değerlendirilmesi”, *Turizmde Seçme Makaleler:32*, TUGEV Yayını, NO:49, İstanbul.

Şafaklı Okan (1998), *Kuzey Kıbrıs Türk Cumhuriyeti’nde Turizm Yatırımlarının Finansmanı*, (Yayınlanmamış Doktora Tezi), Çukurova Üniversitesi, Adana.

Şafaklı, Okan & Erkut¹, Zeki (2002), “ The Importance of Environment for the Tourism Sector of TRNC ”, *International Conference on the Environmental Problems of the Mediterranean Region*, 12-15 April, 2002, Near East University, Nicosia , TRNC

Şafaklı, Okan & Erkut², Zeki (2001), “The Importance of Special Interest Tourism in TRNC”, *Maltepe Üniversitesi Meslek Yüksek Okulu Dergisi*, 2001/2, Maltepe Üniversitesi Yayınları, İstanbul.

Şafaklı, Okan & Erkut³, Zeki (2002), “Kuzey Kıbrıs Türk Cumhuriyeti’nde Özel İlgi Turizminin Karşılaştırmalı Üstünlüğü”, *Anatolia: Turizm Araştırmaları Dergisi*, Cilt 13, Sayı 1, Bahar 2002, Ankara

Şafaklı, Okan & Özdeşer¹, Hüseyin (2002), “ KKTC Ekonomisinin Genel Analizi”, *Doğuş Üniversitesi Dergisi Sayı:5 Ocak 2002*, Lebib Yalkın Yayınları ve Basım İşleri A.Ş, İstanbul.

Şafaklı, Okan & Özdeşer², Hüseyin (2002), “ The Contribution of The Environment to the TRNC Economy ”, *International Conference on the Environmental Problems of the Mediterranean Region*, 12-15 April, 2002, Near East University, Nicosia , TRNC

Wheelen, T. & Hunger, J.D (2002), *Strategic Management and Business Policy*, Eight Edition, Prentice Hall, USA.

Wright and Others (1998), *Strategic Management*, Fourth Edition, Prentice Hall, USA.

INTERNET REFERENCES

[http:// www.stockwatch.com.cy/economy/tertiary tourism.htm](http://www.stockwatch.com.cy/economy/tertiary_tourism.htm)

[http:// www.cyrus-eu.org.cy/tr/ brief_history.htm](http://www.cyrus-eu.org.cy/tr/brief_history.htm)

www.devplan.org; www.kpros.org/DSR/key_figures, January 2004;

www.pio.gov/dsr/, January 2004