



FOREIGN EXPERIENCE OF PUBLIC-PRIVATE PARTNERSHIP IN THE TOURISM AND HOSPITALITY SECTOR: THE EXAMPLE OF TURKEY AND SINGAPORE

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Abstract

This scientific article analyzes the international experience of public-private partnership (PPP) in the tourism and hospitality sector, using Turkey and Singapore as examples. Tourism is one of the most dynamically developing sectors of the global economy, and PPP mechanisms play an important role in its development. The study uses comparative analysis, systematic approach, and document analysis methods. The results identify the specific features, advantages, and limitations of PPP models in the tourism sector of Turkey and Singapore, and assess the possibilities of adapting them to Uzbekistan's conditions. In particular, Turkey's experience of stimulating hotel construction through the "sheritme yeri" system and 49-year long-term lease contracts, as well as Singapore's practice of designating tourism as a strategic direction of economic development and creating infrastructure in harmony with the private sector, are analyzed. The article develops practical recommendations for applying these experiences in Uzbekistan.

Keywords: Public-private partnership, tourism, hotel industry, concession, long-term lease, infrastructure, Turkish experience, Singapore experience.



Introduction

Tourism is one of the most dynamic and promising sectors of the global economy. According to the World Tourism Organization (UNWTO), international tourist arrivals worldwide exceeded 1.4 billion in 2024, with the sector accounting for approximately 10% of global GDP and 1 out of every 10 jobs. Developing tourism requires attracting significant investment in infrastructure, hotel industry, transport, and service sectors. Due to limited state budget capacities, public-private partnership mechanisms play an important role in fulfilling this task.

Studying the international experience of public-private partnerships in tourism and hospitality is particularly important for Uzbekistan, which has set strategic tasks for developing this sector. According to the "Uzbekistan – 2030" strategy, the goals are to increase tourism service exports to 3 billion US dollars and create 1 million new jobs in the sector. In implementing these strategic goals, analyzing the experience of advanced countries – Turkey and Singapore – in PPPs in tourism, learning their advantages, and adapting them to Uzbekistan's conditions is of urgent scientific and practical importance.

The main reason for choosing Turkey and Singapore is that these two countries have accumulated extensive experience in applying PPP mechanisms in tourism, yet their development models and economic conditions have characteristics comparable to Uzbekistan. Turkey has rapidly developed hotel construction through its "şeritme yeri" (strip allocation) system and long-term lease contracts, while Singapore has designated tourism as a strategic priority for its economic development and built infrastructure based on harmonious cooperation between the state and private sector. Both countries offer models that are interesting and worth studying for Uzbekistan, given their geographical location, economic conditions, and development stages.

The purpose of this research is to analyze the international experience of public-private partnerships in tourism and hospitality, specifically using the examples of Turkey and Singapore, to identify their specific features, advantages, and limitations, as well as to assess the possibilities of applying these experiences in Uzbekistan's conditions.



LITERATURE REVIEW ON THE TOPIC

Issues of public-private partnerships in tourism and hospitality have been extensively studied in foreign and domestic literature. International financial institutions (World Bank, European Bank for Reconstruction and Development) have developed guides and methodologies on PPPs, which detail mechanisms for attracting private investment in developing tourism infrastructure. In the research of Uzbek scholars, the theoretical foundations of PPPs, legal mechanisms of concession and lease contracts, as well as specific directions for implementing PPPs in tourism have been analyzed.

Studying Turkey's experience in tourism shows that the country has designated tourism as a strategic priority by the state, which in turn has allowed active involvement of the private sector. Singapore, on the other hand, has created a unique model of cooperation between the state and private sector, making tourism one of the main components of the country's economic development.

Domestic researchers have analyzed the advantages of applying PPP mechanisms in tourism, practices in foreign countries, and the legal framework of Uzbekistan based on statistical data. In particular, issues of economic efficiency of implementing PPP mechanisms in pilgrimage tourism have been studied. Additionally, Turkey's experience of "model hotel" projects has been applied in Uzbekistan's project to build 278 small hotels, and positive results of this experience have been noted.

However, the existing literature lacks sufficient research dedicated to the comparative analysis of international PPP experience in tourism and hospitality, specifically the Turkish and Singaporean models. This article aims to fill that gap.

RESEARCH METHODOLOGY

The research employed comparative analysis, a systematic approach, and document study methods. Through the comparative analysis method, the PPP models in tourism of Turkey and Singapore, their legal regulation, risk distribution mechanisms, and areas of practical application were compared with each other. The systematic approach method allowed analysis of PPP projects as an interconnected system of institutional, financial, and legal aspects. Using the document study method, state programs related to tourism, investment policies, and PPP legislation of Turkey and Singapore, as well as reports from international



organizations (UNWTO, WTTC), were analyzed. Additionally, Uzbekistan's practices and existing PPP projects in tourism were studied, and the possibilities of adapting international experience were assessed.

ANALYSIS AND RESULTS

Turkey is one of the leading countries in the global tourism market. In 2024, the country received 56 million international tourists and tourism revenues amounted to approximately 54 billion US dollars. Turkey's success in tourism is largely due to the effective use of public-private partnership mechanisms.

The most important form of PPP in Turkey is the system of long-term leasing of state-owned land. State-owned tourist land plots are leased to private investors for periods of up to 49 years. This system creates opportunities for investors to build hotels at relatively lower costs and manage them over a long period. As a result of systematic reforms implemented in Turkey since 2017, tourism investments have become a mainstay of the country's economic development.

The "şeritme yeri" (strip allocation) system is another effective mechanism unique to Turkey. In this system, the state designates tourism zones, assumes the obligation to build infrastructure (roads, electricity, water, sewerage), and provides land plots to attract private investments. Private investors build hotels in these zones and manage them over a long period. In Turkey, such a system is being effectively applied mainly in major tourist centers such as Antalya, Bodrum, Istanbul, and Cappadocia.

In Turkey, hotel and resort construction requires different investment scales depending on type and size: 150,000-300,000 US dollars per room for 5-star luxury hotels, 80,000-150,000 US dollars per room for 4-star hotels, and 100,000-200,000 US dollars per room for boutique hotels. The amount of investments directed to the tourism sector by the Turkish government for 2025 was 2.533 billion lira, which is approximately 23% more than the previous year.

Another important aspect of PPP in tourism in Turkey is the tourism certificate (Turizm İşletme Belgesi) system. A special certificate is issued by the Ministry of Culture and Tourism for hotels, motels, apart-hotels, thermal facilities, marinas, and entertainment centers. Entrepreneurs holding this certificate are entitled to incentives and subsidies specified in the legislation.



Within the framework of the "Heritage for the Future" project implemented by the Turkish Ministry of Culture and Tourism, the number of archaeological excavations has reached 172. Innovative concepts such as "Night Museums" have been created, offering tourists the opportunity to visit monumental structures and ancient cities outside regular visiting hours. All of this is carried out through private sector participation and the coordinating role of the state.

Another important aspect of Turkey's experience is the support for the small and medium-sized hotel segment. The country's main focus is not on luxury hotels but on compact, comfortable, "budget-friendly" hotels without extravagance. Because only one or two percent of tourists demand luxury hotels; for the remaining main tourist flow, a hotel is only necessary for overnight stays.

Singapore, despite its small area and limited natural resources, has become one of the world's most developed and most visited tourist destinations. Public-private partnership mechanisms have played an important role in this success.

Singapore's main approach is to designate tourism as a strategic direction for the country's economic development. In the early 1960s, the country's founders designated tourism as one of the main economic sectors alongside trade, shipbuilding, and manufacturing. Since then, tourism has remained at the center of Singapore's economic plans.

One of the brightest examples of PPP in Singapore is the integrated resort construction project. The government engaged the private sector to build and manage major resort complexes such as Marina Bay Sands and Resorts World Sentosa. These projects completely transformed Singapore's international tourism image and turned the country into a globally recognized leisure and events center. Integration of transport and tourism is one of the important directions of PPP in Singapore. In 1975, the government decided to build Changi Airport, which played a decisive role in turning the city into a regional aviation and transit hub. Singapore has unique experience in harmonizing cultural heritage and tourism. The government actively cooperates with the private sector in restoring historic neighborhoods such as Chinatown, Little India, and Kampong Glam and turning them into tourist attractions. "Hawker" centers (open-air food markets) are inscribed on UNESCO's Intangible Cultural Heritage list; they are built by the state and managed by private entrepreneurs.



In 2025, the Singapore government announced the "Tourism 2040" strategy. According to this strategy, the goal is to increase tourism revenue to 47-50 billion Singapore dollars by 2040. The main directions of the strategy are MICE (Meetings, Incentives, Conferences, Exhibitions) and wellness tourism. The country applies a model focused on quality over quantity, offering high-level services and attracting the private sector through strong investment programs. In Singapore, tourism accounts for approximately 4% of GDP and provides more than 160,000 jobs. In particular, the country's potential in MICE and wellness tourism is being strengthened. Expanding cooperation with the private sector and further improving the investment environment are set as the main priorities of state policy in the strategy.

CONCLUSION AND RECOMMENDATIONS

As a result of analyzing the experiences of Turkey and Singapore in public-private partnerships in tourism and hospitality, it was found that each country's unique model offers useful lessons for developing tourism in Uzbekistan.

The main conclusions from Turkey's experience are that long-term lease contracts of up to 49 years give investors sufficient time to recover investments and make profits. The "şeritme yeri" system clearly divides responsibilities: the state builds infrastructure, while the private sector constructs the main tourism facilities. The policy of supporting small and medium-sized hotels is oriented to the needs of the main tourist flow, allowing prices to remain affordable and competitive.

Singapore's experience demonstrates the importance of designating tourism as a strategic direction for the country's economic development. Through long-term planning (Tourism 2040 strategy) and specialization in high-value segments such as MICE and wellness tourism, the country achieves high tourism revenues despite limited area and natural resources. Integrating tourism infrastructure with the transport system (as exemplified by Changi Airport) and developing cultural heritage in harmony with the private sector are also important advantages of the Singapore model.

The following recommendations have been developed for developing public-private partnerships in tourism and hospitality in Uzbekistan:

First, introduce a system of long-term lease contracts. Based on Turkey's experience, the state should develop a procedure for leasing state-owned tourist



land plots to private investors for periods of 30-49 years. This creates opportunities for long-term planning and investment recovery for investors. The length of the lease term serves to increase the volume of investments attracted for hotel construction.

Second, introduce the concept of "tourism zones". Based on Turkey's "şeritme yeri" system, it is advisable to establish tourist zones where the state has built infrastructure (roads, electricity, gas, water, sewerage, internet networks) and to encourage the construction of hotels by private investors in these zones.

Third, support the small and medium-sized hotel segment. Based on Turkey's experience, it is proposed to develop standard designs for building compact, comfortable, "budget-friendly" hotels, and to introduce facilitated loans and tax incentives.

Fourth, long-term strategic planning. Based on Singapore's experience, it is necessary to develop a long-term strategy for Uzbekistan's tourism for 2035 or 2040, with special attention to high-income segments such as MICE (business), wellness (health), eco, gastro, and pilgrimage tourism.

Fifth, expand support mechanisms for public-private partnerships. As seen in the experience of Turkey and Singapore, it is necessary to introduce tax incentives for investments, subsidies, and a tourism certificate system, and to simplify construction and licensing processes. It is essential to create opportunities for private investors to obtain all permits based on the "single window" principle.

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