

Greece

Tourism in the economy

Tourism is one of the most important sectors of the Greek economy and a key pillar of economic growth. Tourism GDP accounted for 6.8% of total GVA in 2017. The sector directly employed 381 800 people in 2018, accounting for 10.0% of total employment in the country. Tourism is an export champion in the Greek economy. Travel exports accounted for 43.3% of total service exports in 2018.

In 2018, inbound tourism to Greece was at an all-time high with a record 33.1 million international tourist arrivals, an increase of 9.7% over 2017. Tourists from other EU countries accounted for almost two-thirds of total visits, an increase of 15.1% over the previous year. The volume markets of Germany (+18.2%) and France (+7.3%) grew significantly, recording a total of 4.4 million and 1.5 million visits respectively, as did arrivals from the United States which reached 1.1 million visits, representing an annual growth of 26.9%. Nights in all means of accommodation rose by 8.1% compared with 2017, to reach 230.7 million.

Domestic tourists made 5.7 million trips in 2018, up 3.6% over 2017. Only 4.7% of domestic trips were for business purposes in 2017, with the vast majority being leisure orientated. The majority of domestic visitors stayed with friends or relatives or in other non-rented accommodation, with only 34.2% of visits using paid accommodation.

Tourism governance and funding

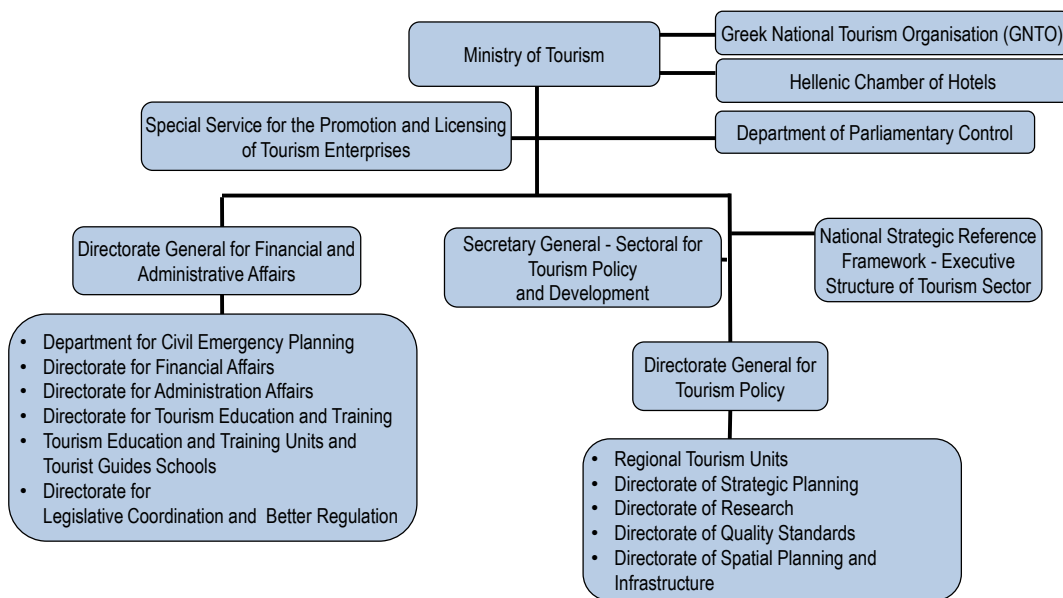
The Ministry of Tourism is responsible for tourism policy making and development in Greece. It introduces legislation on tourism, agrees the strategic marketing plan, stimulates investment and works to improve the quality and competitiveness of Greek tourism. The Ministry co-operates closely with other interested ministries and tourism bodies, such as the Association of Greek Tourism Enterprises and the Research Institute for Tourism.

The implementation of the Marketing Strategy is carried out by the Greek National Tourism Organisation (GNTO), which operates a network of 16 offices overseas. The Hellenic Chamber of Hotels is the Government's statutory advisor on tourism, as well as the competent authority responsible for the official classification of hotels, rooms and apartments.

The Ministry of Tourism operates a network of 14 Regional Tourism Offices that licence and inspect tourism businesses, conduct quality control, monitor official classifications and regulate the sector. At the regional and local level, regions and municipalities plan and implement programmes and activities for tourism development and promotion. All promotional activities require the approval of the Greek National Tourism Organisation, to ensure that these campaigns align with the national strategy for tourism promotion.

The total budget for the Ministry of Tourism rose by 6.3% in 2018 to EUR 63.7 million, up from EUR 59.9 million in 2017. Of this, EUR 20.6 million was allocated to support the marketing and promotional activities of the Greek National Tourism Organisation.

Greece: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2020

Tourism policies and programmes

The National Strategic Reference Framework for the Tourism Sector guides the sector's development for the period 2014-20. Greece's tourism strategy aims to promote the country as a global and attractive year round destination offering unique and authentic travel experiences. Tourism is at the centre of Government policy for national development, innovation and openness.

The main priorities for national tourism policy are to improve the competitiveness, quality, authenticity, resilience and sustainability of the tourism product, and to boost investment in high quality accommodation and other tourism developments with a low environmental footprint. It also takes into consideration the UN Sustainable Development Goals.

The five axes of the National Tourism Strategic Plan are as follows:

- High-standards of infrastructure, with improvements to the licensing regime in order to attract high-quality investments, eliminate red tape and optimise the spatial distribution of tourism (Box 1.20).
- Respect for sustainability principles.
- Improved accessibility and connectivity, by enhancing the country's aviation route network and by expanding and upgrading the national network of marinas.
- Better management of the tourism experience, to increase quality and attractiveness via a focus on sustainable destination management and tourism education.
- Redesign of the tourism product, and redefinition of the brand and communications to reflect the focus on quality, authenticity, resilience, sustainability and value for money.

Within this framework, the Ministry of Tourism is implementing policy to diversify the tourism product, upgrade tourism infrastructure and embed the tourism sector in the local economy. These actions aim to create high quality jobs, increase visitor expenditure, disperse demand and protect and improve natural and cultural resources, as well as create positive spill-over effects into the wider national economy.

To improve connectivity throughout the country, Greece has prioritised interventions that facilitate access by visitors to remote or hard to reach areas on both land and water (roads, motorways and ports). Investments are also progressing with a number of regional airports. In particular, five airports will be completed by the end of 2019 under an agreement with German investment partner *Fraport*, while the whole programme of airport upgrades is expected to be concluded at the end of 2021. Improved access along with the promotion of lesser known destinations is expected to spread the benefits of tourism to many other parts of the territory (Box 3.11).

A top policy priority is to develop a new strategic plan for sustainable tourism with a long-term horizon, providing guidelines for policy implementation, stimulating development projects and creating partnerships, and for these actions to be strengthened by adopting a whole-of-government approach.

Other policy initiatives currently being developed include a range of cross-cutting activities with other ministries and the private sector such as:

- A major public-private sector collaboration to stimulate the development of maritime tourism by improving and enhancing the national network of tourist ports.
- Implementation of practical traineeships in the tourism sector for students in post-secondary education and the operation of vocational training programmes to boost skills and employability.
- Improvements to tourist guides' education and licencing.
- A new Inter-Ministerial Working Group to improve co-operation and co-ordination between the Ministry of Tourism and the Ministry of Culture and Sports on issues of common interest.
- A partnership with the Hellenic Statistical Authority to improve inbound tourism statistics and other data on occupancy, industry structure.

A key challenge for the tourism sector in Greece is congestion caused by excessive volumes of tourists, especially during the peak summer season. New legislation relating to the development of thematic products creates the institutional framework to enable product differentiation, with the ultimate strategic goal of reducing acute seasonality. Working closely alongside major tour operators, the plan aims to highlight emerging destinations and attract visitors to experience lesser known places and assets during the shoulder months. The new legislation recognises sea, spa, sports, rural, religious, meetings incentives conferences and events (MICE), and health tourism as key growth opportunities. Recent legislation has also helped modernise the operation of the tourism value chain - by supporting entrepreneurship and improving skills in order to capitalise on new markets that demand authentic and sustainable experiences.

The Greek National Tourism Organisation's Tourism Marketing Plan 2019-20 distinguishes the competitive advantages of each of the 13 Regions, and proposes a range of dynamic packages combining well known destinations with new, emerging destinations, offering travellers a variety of choices throughout the year. The Marketing Plan showcases the hidden attractions of each region, raises the awareness of both domestic and inbound visitors to result in the dispersal of tourism demand throughout the year. Furthermore, the Ministry of Tourism has worked closely with the European Bank for Reconstruction and Development to roll out management plans to promote sustainable tourism in two of the country's most popular holiday islands: Rhodes and Santorini. The plans aim to help the islands' businesses and local communities to ensure that the destinations are developed, managed and promoted in a sustainable, inclusive and integrated way, with a clear focus on residents. In addition, a training guide will lay the foundations for extending relevant practices across the country.

Embracing digital transformation is a further key priority, and planned development will create a digital ecosystem for Greek tourism using four strategic pillars: digital transformation of services to citizens and enterprises; digital upgrading of tourism education; an integrated system of online data collection and processing; and utilisation of new technologies in tourism promotion.

Statistical Profile

Greece: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	19 025	17 154	24 650	..
Overnight visitors (tourists)	5 622	5 111	4 873	5 492	5 691
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	44 089	39 104	39 373	44 999	48 398
Inbound tourism					
Total international arrivals	24 272	26 114	28 071	30 161	33 072
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	2 459	2 810	3 139	3 706	4 381
Bulgaria	1 535	1 901	2 523	2 546	3 135
United Kingdom	2 090	2 397	2 895	3 002	2 943
Italy	1 118	1 355	1 387	1 441	1 667
France	1 463	1 522	1 314	1 420	1 524
Nights in all types of accommodation	186 927	188 012	193 419	213 516	230 727
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	5 802	6 291	7 235	7 685	7 961
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Bulgaria	751	1 109	1 557	2 186	2 371
Former Yugoslav Republic of Macedonia	1 800	1 979	1 923	1 787	1 352
Turkey	716	652	803	810	967
Germany	469	400	444	421	500
Italy	292	297	364	351	405
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	14 652	15 824	15 086	16 621	18 444
International travel receipts	13 393	14 126	13 207	14 630	16 086
International passenger transport receipts	1 259	1 698	1 879	1 991	2 359
Outbound tourism					
Total international expenditure	3 014	3 189	3 081	2 920	3 314
International travel expenditure	2 076	2 037	2 005	1 905	2 191
International passenger transport expenditure	937	1 151	1 076	1 015	1 123

.. Not available

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888934076875>

Greece: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	62 973	320 003	347 756	365 892	374 417	381 819
Accommodation services for visitors	49 346	75 931	75 068	79 615	87 294	95 363
Hotels and similar establishments	10 040	69 617	67 851	72 238	78 450	87 027
Food and beverage serving industry	..	220 539	249 681	261 484	263 222	266 227
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	7 782	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	2 205	4 002	3 921	3 762	6 094
Travel agencies and other reservation services industry	5 770	21 328	19 005	20 872	20 138	14 136
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	75	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888934076894>



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