

# GREECE TO SPLASH OUT ON TOURISM



Despite having lived through financial crisis, Greece is set to spend EUR 520 million on refurbishing its tourism industry. The influx of cash is necessary as the Balkan nation struggles to attract tourists.

Greece has been in the news recently for all the wrong reasons. The country has been ridden with debt and has been associated with strikes, turmoil and international disgrace. Greece has traditionally been known for its sun and seaside resorts, along with its superb cuisine and ancient monuments. These are the elements, which used to bring 13 million non-Greek tourists to Greece every year and **the tourism industry used to account for one fourth of Greek economic growth**. After the recession of 2009, numbers of incoming tourists slumped and Greece began to suffer even more. The way to recovery is closely connected with cash, and this is what the Greeks are after.

Indeed, **EUR 520 million is set to be pumped into the tourism industry in mainland Greece and its many islands**. The money will go towards renovating hotels and resorts, along with the idea of improving transport and infrastructure. The problem is that, even though the Germans and British have somewhat recovered from financial meltdown, they have not returned to Greece, leaving income around 12% down on the days before the recession.

**Even when tourists have arrived, they have still been spending less. As a reaction to the trend, some hotels are reducing their prices by as much as 30%**, which is taking its toll at some places. For example, Rhodos simply cannot cope with such losses. The Greek authorities seem to see the only solution in heavy investments in the future of Greek tourism.

Date: 2010-06-28

Article link:

<http://www.tourism-review.com/greece-is-spending-a-large-amout-of-money-on-tourism-this-year-news2264>