

# SPANISH GOVERNMENT WILL ALLOCATE EUR 221 MILLION TO TOURISM BUSINESSES



The Spanish Secretary of Tourism, Isabel Borrego, stressed the importance of the private sector entering tourism, which is why EUR 221 million will be invested in 2014 in businesses providing tourism services as grants and loans.

In this line, Borrego announced that **private companies will be able to access for the first time the financial support by the FOMIT** (Tourism Infrastructure Modernization Fund), to which have been allocated EUR 182 million, as part of measures prioritizing easy access to loans. As part of these measures, a society of mutual guarantee for the tourism sector will be created, with EUR 31 million, focused mainly on SMEs, which are the ones facing major problems when obtaining loans.

Borrego also highlighted another fund - the Emprendetur loans - with a budget of EUR 190 million, to support young entrepreneurs in Spain. She indicated that the adjusted total state budget of tourism for the year 2014 will be EUR 496 million.

She also said that a major part was dedicated to the repayment of loans, to which have been allocated EUR 14 million. The deadline to pay all the required loans between 2008 and 2010 ends in 2021.

However, the Secretary of State alleged that a larger budget is not directly related to the increase in the number of tourists, noting that other non-budgetary measures taken by the government have effect on the sector such as the modification of airport charges.

Furthermore, Borrego explained that the budget reduction for Turespana (Spanish Tourist Board), of EUR 69.9 million (-16.7%) was affected by two of the branches of the institute, which were not directly related to the promotion activity, and became dependent on the Secretary of State.

**The Secretary of State has announced that the government will invest EUR 6 million in a tourism promotion campaign, conducted jointly with the private sector.** Spain will also maintain its presence at the most important international events to promote its destinations including the 45 tourism shows it attended during 2013.

The new line of promotion will focus on new technologies and will target priority markets. Borrego therefore stressed the implementation of the Plan of Intelligent Destinations with events in pilot destinations focused on the areas of technology, accessibility, innovation and sustainability.

In addition, she stressed that they are working on the redistribution of the Tourist Offices Abroad (TOA) in cities such as Moscow, Beijing and Buenos Aires.

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