

# PORTUGAL WELCOMED MORE THAN 21 MILLION TOURISTS IN 2017

Tourism in Portugal is ready to celebrate its best year ever. By the end of the year, the country should welcome more than 21 million tourists, above the last year's hallmark of 19.1 million. According to the registers of the Secretary of State for Tourism, Ana Mendes Godinho, **the goal is to grow 10% in comparison to 2016**, and, right now, the number is steadily growing above the threshold established in the plan Estratégia Turismo 2027, in which the annual growth of 8% had been set.

The estimates for the hotel industry are also positive. According to the Hotel Industry Association of Portugal, 2017 "will be the third year of growth, something that will consolidate the results". This increase in demand in hotels was also tailed by the prices paid for hotel units, another element that has registered a significant growth.

The numbers speak for themselves: the number of tourist stays in Portugal has, for the first time ever, surpassed the 30 million in the first seven months of the year, even though the growth of overnight stays, number of guests, and revenue has registered a downturn.

Between January and July, Portugal's hotel industry registered 32.13 million tourist stays, above the 29.6 million amassed last year. During the same period. In the same timeframe, the country welcomed 11.6 million guests, above the 10.6 million during the same period of 2016.

All in all, tourism in Portugal now represents 7% of the gross domestic product (GDP).

## The Capital Keeps Rising

Lisbon is one of the key markets accountable for this spike. In July, the hotels reached new records in terms of occupation and revenue. The data published by the National Statistical Institute of Portugal show that, in all regions, the tourist accommodation had more revenue per guest in July than it did a year ago, with Lisbon's Metropolitan Area having the second strongest growth after Oporto and the Northern Region, with +9.9% or 15.5 million euros.

Actually, the capital's hotels had the best July since, at least, 2007, both in terms of occupation and revenue, with the only exception being the 5-star sector, which fell 1.4% against last year's mark.

According to the City Mayor, Fernando Medina, the sector represents about 80 thousand direct jobs and an economic value of about 6300 million euros, in terms of sales. In other words, it is three times higher than the value amassed by Autoeuropa and four times higher than the whole footwear industry.

## Tourist Tax

As Lisbon's tourism keeps growing, the revenue from the tourist tax already accounts for 15.7 million euros for the capital. On average, it represents 1.1 million euros per month. This amount – of one euro per night – is charged not only by traditional hotel units, but also by local accommodation places. The latter alone contributed with 4.5 million euros in favor of the City Hall, due to the tourist tax.

The amount gathered by the City Hall is targeted to serve as financing means for several projects in the city. **All in all, seven projects have already green light to proceed until 2019, accounting for investments of 33.7 million euros, from which 18.2 million will be directly supported by the Tourism Development Fund of Lisbon,** and 15.5 million euros by other entities.

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