

GREEK TOURISM SECTOR IS OPTIMISTIC, DESPITE THE WAR IN UKRAINE



Greek tourism now represents 25% of the country's GDP, a quarter of the national wealth, and the jobs that go with it. It is an important sector for Greece which is recovering from a long depression since the crisis of 2010.

Leisure activity has been recovering after being seriously weakened by Covid, and very recently by the war in Ukraine: the country has seen a surge in prices (+70% for energy, 30% for restaurants) and **has seen the loss of hundreds of thousands of Russian and Ukrainian tourists**, who are very fond of the islands located in the north of the archipelago. The president of the Union of Greek tourism operators estimates the number of cancellations of Russian reservations at 600,000 and 240,000 Ukrainian cancellations. The majority of these are wealthy customers. The expected losses amount to 700 million euros.

To attract customers, Athens has taken a series of measures. In particular, it has opened the season earlier. The first effect: the number of arrivals during the Easter vacations has increased in the capital as well as in Thessaloniki on the Aegean Sea. And then, to boost tourism, Greece began lifting restrictions on Covid-19 in February. The border test is no longer mandatory for travelers with a European vaccination certificate, and from May 1st: no more health pass in bars and restaurants.

According to the tourism minister Vassilis Kikilias, the occupancy levels during Easter showed increased demand for popular destinations like Nafpaktos reaching 100 percent capacity, followed by Santorini, Evia and Ioannina (90 percent), Mykonos and Heraklion (85 percent), Etoloakarnania and Thassos (80 percent), and Kefalonia and Kalavryta (70 percent).

Can we say that Greece is drawing a line under its worst years of crisis? Since 2010, the International Monetary Fund has lent Greece 1,800 billion euros. This debt has now been paid off. **Athens even finished repaying it in early April, almost two years ahead of schedule.** This early repayment saved the country 230 million euros in interest. But despite the recovery, part of the population is still mobilized and demonstrating. They feel they are not benefiting enough from the recovery.

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