

ISRAEL TO ALLOCATE ABOUT US\$ 50 MILLION TO THE HOTEL INDUSTRY



As international tourism slowly picks up, the Israeli Ministry of Tourism has allocated 165 million shekels (about US\$ 50 million) in subsidies to encourage the construction or expansion of hotels in Israel.

According to an announcement made by the government, the ministry would examine a hundred files for the construction, restoration or redevelopment of hotel structures.

The ministry did not specify how many additional rooms these new or restored hotels would provide, nor how many additional tourists could be accommodated.

Tourism Minister Yoel Razvozov spoke of the "great optimism" in the tourism industry and hotel industry as travelers return after two years of pandemic-related restrictions.

If figures released by the government in early 2020 are to be believed, tourism to Israel peaked in 2019 with 4.9 million tourists, most of whom - 4.6 million - spent at least one night in the country. Tourism activity in 2019 would have brought in about \$7 billion to the economy that year.

In all of 2021, on the other hand, only 402,300 tourists visited Israel, while 887,100 tourists came in 2020.

But tourism has rebounded, gradually. In the first five months of 2022, nearly 785,000 foreign tourists came to Israel, up from 400,000 in 2021, according to recent figures.

The Central Bureau of Statistics reported that 262,700 overseas visitors came to Israel in May 2022, compared with 465,700 in May 2019. The number is up from April 2022 when 216,400 overseas visitors came to Israel, many of them during the Passover holiday.

Israel's goal however is to welcome 10 million tourists per year. **This goal can only be achieved if the number of hotel rooms increases significantly, especially in Tel Aviv and Jerusalem.**

This year has already seen the opening of the David Kempinski in Tel Aviv, setting new standards for high-end accommodation and facilities. Two new Fattal hotels will soon open in Jerusalem, as well as a project by Accor. By the end of 2023, 25 new hotels across Israel are expected to open.

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