The contribution of tourism to the Greek economy in 2022

2η estimate - April 2024

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1. Introduction

Tourism as a 'horizontal' economic activity

Tourism, unlike most activities in the primary and secondary sectors, is a horizontal rather than a vertical activity. Specifically, tourism is an activity defined in terms of demand for goods and services, whereas primary and secondary sector activities are activities of production and supply of products. For example, the metallurgical sector is made up of companies producing metal products and the cereals sector is made up of agricultural enterprises producing cereals. In contrast, tourism activity depends on and affects many sectors of the economy, such as transport (e.g. air travel and bus transfers), accommodation (hotel or other), dining (restaurants or bars inside or outside the accommodation establishment), entertainment (including sightseeing) and consumption in shops. Tourism is thus an activity that involves many different parts of the social and productive fabric of a country.

Tourism as an activity in Greece

The importance of tourism in shaping the country's GDP and employment will be analyzed in detail below. In brief, tourism was a buffer against recession and unemployment during the years of the crisis and subsequently led the country to positive growth rates. The COVID pandemic and the measures taken to halt its spread led to a very large reduction in tourism worldwide and in Greece, which severely affected the economic life of tourist areas and the economy in general. The rapid recovery of tourism in 2021 and 2022 in Greece led to a rapid recovery of GDP and economic activity in tourist areas and highlighted the country as a world-class tourist destination. Finally, tourism is one of the sectors that have shown and continue to show significant investment interest. Due to the wide dispersion of tourist destinations throughout the country, tourism plays a catalytic role in shaping income in many regions of the country. On the other hand, tourism is highly seasonal due to the fact that holidays for sun & beach - which constitute the largest European product market - are the country's main tourism product.

The aim of this study

Given the importance of tourism for the Greek economy, the recording of its economic figures is a prerequisite for the formulation of opinions and choices regarding the strategy to be followed in Greek tourism for its development and the solution of its problems. The present study aims to contribute to this direction by providing a basis for discussion by capturing the following figures of Greek tourism:

- the contribution of tourism to the Greek economy through detailed recording and mapping of the figures for inbound tourism, Domestic Tourism, Investment in Tourism and its Indirect and Induced Effects on the Economy,
- the regional dimension of tourism, i.e. its contribution to the economies of the country's regions,
- the contribution of tourism to maintaining a balance in the country's external balance of payments,
- the contribution of tourism to employment.

Summary

After two years of travel restrictions and widespread uncertainty due to the coronavirus pandemic, 2022 saw a return to normality in the travel industry, particularly after the 1st quarter of 2022, which had a positive effect on the release of latent holiday demand. As far as Greece is concerned, inbound tourism in 2022 returned to almost pre-pandemic levels:

- inbound tourism receipts were **-2.4%** lower than in 2019 (**€17.3 billion** in 2022 compared to **€17.7 billion** in 2019).
- the direct impact of tourism on the Greek economy in 2022 increased -at current prices- by **+3.4%** (from **€23.1 billion** in 2019 to **€23.9 billion** in 2022) mainly due to:
    - the increase in aviation revenues (**+4.1%**, from **€1.9 billion** in 2019 to **€2.0 billion** in 2022),
    - domestic tourism (**+40.7%**, from **€1.6 billion** in 2019 to **€2.2 billion** in 2022) and
    - investment (**+47.2%**, from **€1.2 billion** in 2019 to **€1.7 billion** in 2022).

Compared to 2021, the recovery in 2022 was remarkably strong. In particular:

- showed **a significant recovery of foreign receipts by +70.6% or +€8,236 million to €19,906 million (including embarkation fees and cruise receipts), compared to €11,670 million in 2021.**
- **had significant investment activity of €3.7 billion, of which €1.7 billion in domestic value added,**
- **overall, the increase in the direct contribution of tourism, both inbound and domestic, to the country's economy is estimated at € +8,929 million** (or +59.7%, from € 14,960 million direct contribution to the economy in 2021 to **€ 23,889 million in 2022**).
- tourism activity remained predominantly export-oriented with **83.3%** of **tourism receipts coming from inbound tourism.**
- **its economic contribution corresponds to 11.6% of the country's GDP**, and if **its indirect contribution** is taken into account, it **represents between 25.4% and 30.6%,**
- for every **€1.0 of tourism activity, an additional €1.2 to €1.65 of additional economic activity is generated**. As a result, for every € 1.0 of tourism revenue, the country's GDP increases by € 2.2 to € 2.65, **i.e. tourism is a sector with a high diffusion of benefits to the economy,**
- the economies of three island regions (South Aegean, Ionian Islands and Crete) are highly dependent on tourism,

- **contributed directly at the peak (Q3) to 16.7% of employment** and overall (directly and indirectly) between **36.7%** and **44.2%** and was and is a key driver of unemployment reduction,
- **covered with travel receipts 44.7% of the balance of trade deficit.** These receipts are equal to **49.0%** of the receipts from exports of all other goods exported by the country, excluding receipts from the export of ships and oil.
- **if travel receipts include air and maritime transport receipts from inbound tourism**, then **total travel receipts equal 55.2% of** export **receipts** from all other exports of all products except ships and oil.

The resilience of tourism and its importance for the Greek economy is obvious from the above.

27.8 million.

Tourists visited Greece in 2022

2. Inbound tourism

Table 1: Inbound tourism, 2022

	Arrivals	%	Receipts (€)	%
Jan	341.401	1,2%	130.266.489	0,8%
Feb	317.037	1,1%	133.028.427	0,8%
Mar	414.255	1,5%	181.110.894	1,0%
Apr	1.056.001	3,8%	608.070.393	3,5%
May	2.205.210	7,9%	1.349.279.651	7,8%
Jun	3.649.442	13,1%	2.450.799.357	14,2%
Jul	5.277.264	19,0%	3.539.614.882	20,5%
Aug	5.865.833	21,1%	4.069.053.552	23,6%
Sep	4.560.293	16,4%	2.777.455.612	16,1%
Oct	2.756.355	9,9%	1.468.121.558	8,5%
Nov	812.359	2,9%	312.934.180	1,8%
Dec	580.092	2,1%	237.710.069	1,4%
Total	**27.835.541**	**100%**	**17.257.445.065**	**100%**
Air	21.113.836	76%		
Road	6.149.169	22%		
Rail	3.010	0%		
Sea	569.527	2%		

Source: ELSTAT, BoG - Processing INSETE Intelligence

In 2022, Greece welcomed almost **27.8 million tourists**, permanent residents of other countries ("Non-Residents") and received almost **€17.3 billion**.

In terms of the mode of transport, due to the pandemic, the picture was different compared to previous years, with **air arrivals** increasing their share to **76%** of arrivals, followed by **road arrivals** with **22%** and **sea arrivals** with **2%.** The percentage of tourists who chose train as their mode of transport for their trip to Greece was negligible.

2022 is the first year since the start of the pandemic in 2020, when both in Greece and internationally there was limited implementation of measures to deal with the pandemic - especially after the first quarter. Therefore, and given the seasonality that underlies the Greek tourism product, the picture in terms of the distribution of arrivals and receipts has returned to pre-pandemic levels. Specifically, in the 2nd and 3rd quarters of the year, when Greece traditionally receives the highest number of tourists, **81.2%** of arrivals and **85.7%** of receipts were recorded. The shares of arrivals and receipts by **quarter** are as follows: **Q1 3.9%/2.6%** of arrivals/receipts, **Q2 24,8%/25,5%** of arrivals/receipts, **Q3 56,4%/60,2%** of arrivals/receipts and **Q4 14,9%/ 11,7%** of arrivals/receipts.

3. Key inbound tourism figures

+89,3%

increase in arrivals

+67,1%

revenue growth

Table 2: Inbound tourism 2021-2022

	Arrivals		Receipts (€)	
	2021	**2022**	**2021**	**2022**
Jan	95.717	341.401	34.181.528	130.266.489
Feb	76.433	317.037	33.027.526	133.028.427
Mar	98.895	414.255	39.012.059	181.110.894
Apr	107.282	1.056.001	58.793.667	608.070.393
May	285.448	2.205.210	217.493.083	1.349.279.651
Jun	1.068.773	3.649.442	797.894.809	2.450.799.357
Jul	2.817.417	5.277.264	2.265.747.959	3.539.614.882
Aug	4.074.152	5.865.833	3.113.789.736	4.069.053.552
Sep	2.995.234	4.560.293	2.073.782.313	2.777.455.612
Oct	2.143.864	2.756.355	1.254.441.952	1.468.121.558
Nov	561.226	812.359	255.949.039	312.934.180
Dec	380.480	580.092	184.306.543	237.710.069
Total	**14.704.921**	**27.835.541**	**10.328.420.215**	**17.257.445.065**
Change		**89,3%**		**67,1%**

Source: ELSTAT, BoG - Processing INSETE Intelligence

Table 3: Key inbound tourism figures 2021-2022

	2021	2022	% Δ
Receipts (m €)	10.328	17.257	67,1%
Overnight stays (th.)	131.357	216.949	65,2%
Arrivals (th.)	14.705	27.836	89,3%
Average Duration of Stay (overnight stays)	8,9	7,8	-12,7%
Average Expenditure per Journey (€)	702,4	620,0	-11,7%
Average Expenditure per Overnight Stay (€)	78,6	79,5	1,2%

Source: ELSTAT, BoG - Processing INSETE Intelligence

In 2022, inbound tourism for 2 years in a row, after the collapse of demand recorded in 2020 due to the coronavirus pandemic, recorded an increase in both arrivals (**+89.3%**, from **14.7 million** in 2021 to **27.8 million** in 2022) and receipts (**+67.1%, from € 10.3 billion** in 2021 to **17.3 billion** in 2022).

The number of overnight stays (non-residential) amounted to **216.9 million**, an increase of **65.2% compared to** 2021 (**131.4 million**)**.**

The Average Expenditure per Journey (AEJ) amounted to **€ 620.0,** showing a **decrease** of **-11.7% compared** to 2021, due to the **decrease of** the Average Duration of Stay by **-12.7%** (from **8.9 overnight stays** to **7.8 overnight stays**) as **the Average Expenditure per Overnight Stay** increased by **+1.2%** (from **€ 78.6** to **€ 79.5).**

-11,2%

decrease in arrivals compared to 2019

-2,4%

decrease in receipts compared to 2019

Table 4: Key inbound tourism figures 2019 and 2022

	2019	2022	% Δ
Receipts (m €)	17.680	17.257	-2,4%
Overnight stays (th.)	232.464	216.949	-6,7%
Arrivals (th.)	31.348	27.836	-11,2%
Average Duration of Stay (overnight stays)	7,4	7,8	5,1%
Average Expenditure per Journey (€)	564,0	620,0	9,9%
Average Expenditure per Overnight Stay (€)	76,1	79,5	4,6%

Source: ELSTAT, BoG - Processing INSETE Intelligence

In 2022, although all key figures of inbound tourism increased compared to 2021, they still fall short of pre-pandemic levels: arrivals (**-11.2%**, from **31,3 million** in 2019 to **27.8 million** in 2022), overnight stays (**-6.7%**, from **232.5 million** in 2019 to **216.9 million** in 2022) and receipts (**-2.4%**, from **€17.7 billion** in 2019 to **€17.3 billion** in 2022).

The Average Expenditure per Journey in 2022 amounted to **€ 620.0** increased by **+9.9%** compared to 2019 (**€ 564.0**). This increase is primarily due to the increase in Average Expenditure per Overnight Stay (**+4.6%**, from **€ 76.1** in 2019 to **€ 79.5** in 2022) and secondarily to the increase in Average Duration of Stay (**+5.1%**, from **7.4 overnight stays** in 2019 to **7.8 overnight stays** in 2022).

According to the methodology followed[1] for the recording of **receipts**, these **do not include the part of the tourist's expenditure that remained primarily abroad**, e.g. the Tour Operator's fee and profit, **but** include **only the part of the tourist's expenditure that was consumed in Greece, e.g.** the hotel's income or the tourist's expenditure in shops.

Similarly, they also do not include receipts from air and maritime transport of inbound tourists for their transit to Greece, which are recorded separately and aggregated with all other transport expenditure such as cargo, cruise passenger data. These additional revenues, as well as domestic tourism expenditure, are discussed in detail below.

+277% in cruise passenger arrivals and +140% in expenditure

4. Cruise Arrivals and Receipts

Table 5: Inbound Cruise Tourism 2021-2022

	Arrivals		Receipts (€)	
	2021	2022	2021	2022
1st Quarter	0	7.661	0	3.058.072
2nd Quarter	45.808	501.494	13.560.557	127.362.116
3rd Quarter	320.162	1.009.959	104.077.706	190.697.598
4th Quarter	175.218	521.139	56.645.699	97.616.289
Total	**541.188**	**2.040.252**	**174.283.961**	**418.734.075**
Change		**277%**		**140%**

Source: ELSTAT, BoG - Processing INSETE Intelligence

Finally, the above data of the Border Survey of the BoG do not include cruise passengers, except for those who end their cruise in Greece and depart from a Greek airport or port. The percentage of such passengers is very small. Therefore, in order to record both the movement of cruise passengers and the receipts from them, the BoG also conducts the Cruise Survey. According to the data of this survey, in 2022 Greece welcomed more than **2.0 million** cruise tourists, up **+277%** compared to 2021**,** and earned almost **€418.7 million,** up **+140%**.

2022, as mentioned above, was the 1st year since the start of the coronavirus pandemic in 2020, when the implementation of measures to deal with the pandemic was limited both in Greece and internationally. Specifically, the seasonality of cruise passengers was also high, but comparatively lower than that of inbound tourism, with **49.5%** of arrivals and **45.5% of** receipts recorded in the **3rd quarter,** while in the **2nd** and **4th quarters** it was **24.6%/25.5% of arrivals** and **30.4%/23.3% of** receipts. In **1st quarter** 2022 cruise traffic was very low, accounting for just **0.4% of arrivals** and **0.7% of receipts**. In terms of 2021, no cruise ship traffic was recorded, due to travel restrictions and lockdown enforcement, between January and April 2021.

In addition to the above, for the calculation of the total cruise receipts, the cruise companies' expenses should be included, which in 2021 were estimated at **€ 48 million.** Therefore, with a corresponding proportional increase as the receipts reflected in the Cruise Survey of the BoG, these receipts are estimated at **€ 116 million** for 2022.

-23% in cruise passenger arrivals and -16% in expenditure compared to 2019

Table 6: Inbound Cruise Tourism 2019 and 2022

	Arrivals		Receipts (€)	
	2019	**2022**	**2019**	**2022**
1st Quarter	32.977	7.661	11.608.737	3.058.072
2nd Quarter	720.814	501.494	157.714.028	127.362.116
3rd Quarter	1.086.691	1.009.959	212.769.660	190.697.598
4th Quarter	815.700	521.139	116.791.500	97.616.289
Total	**2.656.181**	**2.040.252**	**498.883.925**	**418.734.075**
Change		**-23%**		**-16%**

Source: ELSTAT, BoG - Processing INSETE Intelligence

Compared to 2019, in 2022, cruise passenger arrivals decreased by **-23%** (from **2.7 million** in 2019 to **2.0 million** in 2022) while receipts decreased by **-16%** (from **€498.9 million** in 2019 to **€418.7 million** in 2022).

The return to normality in 2022 helped to restore, at pre-pandemic levels, the seasonality of the cruise industry, especially in terms of expenditure. In particular, the **3rd quarter** recorded **49.5%** of arrivals and **45.5% of** receipts, while the **2nd** and **4th quarters** recorded **24.6%/25.5% of arrivals** and **30.4%/23.3% of receipts.** In **1st quarter** 2022 cruise traffic was very low, accounting for just **0.4% of arrivals** and **0.7% of receipts**. The corresponding figures for 2019 for arrivals and receipts were 1st quarter **1.2%/2.3%**, 2nd quarter **27.1%/31.6%**, 3rd quarter **40.9%/42.6%** and 4th quarter **30.7%/23.4%.**

5. Air and Maritime transport revenue

As mentioned above, the BoG Border Survey does not include the expenditure of tourists on transport to and from Greece. A part of this expenditure is collected by Greek companies and therefore all of this revenue is revenue for the country from tourism. Another part of this expenditure is paid to foreign companies which then pay part of their revenue for the service of their customers (e.g. for the staff they employ in Greece or for handling company fees). In order to determine the country's revenues from air and maritime transport, we carried out market research and contacted professional associations and companies active in these sectors (airlines, shipping companies, handling companies, etc.).

According to the data we have collected, the revenues of Greek companies from this activity are estimated in 2022 at **€1,992 million (+91.7%)** for air transport and **€122 million (+52.8%)** for maritime transport, compared to **€1,039 million** and **€80 million** respectively for 2021.

6. Road and rail transport revenue

Road Transport: the part of the expenditure of non-residents that relates to consumption in Greece (e.g. petrol consumption) is recorded by the Border Survey of the BoG, while the part of the expenditure that relates to consumption outside Greece is not included in this recording.

Rail Transport: the part of the expenditure of non-residents that relates to consumption within Greece is recorded by the Border Survey of the BoG, while the part of the expenditure that relates to consumption outside Greece is not included in this recording. The estimated -additional- revenue of OSE is considered to be negligible since the estimate of the number of incoming tourists by rail was less than 3,000.

7. Domestic tourism

-41,9%

domestic tourism expenditure in 2022 compared to 2008

Table 7: Domestic tourism 2016-2021 (for trips with at least 1 overnight stay)

	2016	2017	2018	2019	2020	2021	2022	%Δ 2022-19
Trips	4.590.484	5.296.499	5.523.673	4.941.550	4.331.856	4.705.479	5.801.809	17,4%
Expenditure (€)	1.286.735.621	1.398.365.311	1.714.551.188	1.598.636.515	1.408.617.976	1.719.606.617	2.249.295.673	40,7%
Overnight Stays	46.438.123	53.577.582	59.630.035	53.650.631	52.729.191	55.261.525	58.818.120	9,6%
Average Expenditure per Trip (€)	280	264	310	324	325	365	388	19,8%
Average Expenditure per Overnight Stay (€)	28	26	29	30	27	31	38	28,3%
Average Duration of Stay (overnight Stays)	10,1	10,1	10,8	10,9	12,2	11,7	10,1	-6,6%

Source: ELSTAT - Processing INSETE Intelligence

According to ELSTAT's "Holiday Survey" for 2022, **domestic tourism expenditure for trips with at least one overnight stay amounted to €2,249 million**, the highest since 2011, when for 2019 it was **€1,599 million**, an increase of **+40.7%** compared to 2019. It is worth noting that in 2008, the corresponding expenditure was **€ 3,868 million,** meaning that over the period 2008-2022, **domestic tourism expenditure decreased by -41.9%.**

For trips with at least **1 overnight stay** in the period 2019-2022, it follows that:

- the number of trips increased by **+17.4%** (from **4.9 million** trips in 2019 to **5.8 million** trips in 2022)**,**
- total expenditure increased by **+40.7%** (from **€1.6 billion** in 2019 to **€2.2 billion** in 2022),
- overnight stays increased by **+9.6%** (from **53.7 million** in 2019 to **58.8 million** in 2022) resulting in
- the Average Expenditure per Journey (AEJ) to increase by **+19.8%** (from **€324** in 2019 to **€388** in 2022), due to the increase in
- the Average Expenditure per Overnight Stay (AEO) by **+28.3%** (from **€30** in 2019 to **€38** in 2022) since
- the Average Duration of Stay (ADS) decreased by **-6.6%** (from **10.9 overnight stays** in 2019 to **10.1 overnight stays** in 2022).

For every €1 increase in tourism revenues, GDP increases by €2.65

8. Tourism and indirect benefits

Table 8: Indirect benefits of tourism

	% Distribution of Tourism Revenues	Multiplier
Accommodation	45,3	2,50
Food services	18,0	2,50
Maritime transport	9,0	2,41
Road transport	7,1	3,25
Air transport	5,4	2,98
Retail trade	4,9	3,69
Entertainment	3,8	1,90
Travel agencies	3,7	3,68
Car rental	1,8	1,39
Conferences	1,0	4,13
Weighted Average		**2,65**

Source: KEPE, IOBE - Processing INSETE Intelligence

According to IOBE (2012), every €1.0 generated by tourism activity generates **€1.2 in** indirect and induced additional economic activity and thus, in total, generates **€2.2 of** GDP, i.e. the multiplier of tourism activity is 2.2.

The table shows the multipliers of the individual sectors of the Greek economy according to a study by KEPE (2014), as well as the percentage contribution of each sub-sector to Greek tourism activity according to a study by IOBE (2012).

According to the table, the resulting multiplier of tourism for the Greek tourism economy is **2.65**, which means that for every **€1.0** of tourism activity, an additional indirect and induced additional economic activity of **€1.65** is created and therefore, overall, GDP increases by **€2.65**. Therefore, the multiplier of tourism activity is between **2.2** and **2.65**.

€ 2.0 billion in hotel investments, with € 1.2 billion domestic value added

9. Investments

9.1 Investment in the hotel sector

Table 9: Estimation of investment in the hotel sector

New Hotel Constructions						
		Total	**5***	**4***	**3***	**2*/1***
New Rooms	2021	11.268	1.643	4.261	2.515	2.849
	2022	13.666	3.539	3.920	3.345	2.862
Cost of Construction (mil. €)	2021	1.064	226	488	219	132
	2022	1.412	511	466	299	135
Domestic Value Added (mil. €)	2021	661	134	298	141	89
	2022	881	308	289	193	92

Source: Hellenic Chamber of Hotels - Estimates - Processing INSETE Intelligence

Hotel Renovations						
		Total	**5***	**4***	**3***	**2*/1***
Rooms, end of year	2020	433.541	93.619	121.523	102.147	116.252
	2021	441.235	97.372	125.026	102.370	116.467
Cost of Renovation (mil. €)	2021	830	395	211	142	82
	2022	621	220	185	128	89
Domestic Value Added (mil. €)	2021	401	175	102	76	49
	2022	307	97	89	68	52

Source: Hellenic Chamber of Hotels - Estimates - Processing INSETE Intelligence

Hotel Investments in Domestic Value Added						
		Total	**5***	**4***	**3***	**2*/1***
Domestic Value Added (mil. €)	2021	1.063	309	400	216	137
	2022	1.189	405	378	262	144

Source: Hellenic Chamber of Hotels - Estimates - Processing INSETE Intelligence

To estimate the investments made by the hotel sector in Greece in 2021 and 2022, the following were taken into account:

- for new constructions, the number of new rooms constructed, according to the Greek Chamber of Hotels (**HCH),** as well as the Average Estimated Cost of Construction of new rooms per star category based on market data.
- for renovations, the number of rooms per category at the end of the previous year on the basis of the HCH, as well as the Average Cost of Renovation/Repair/Maintenance of existing rooms per star category (based on ITEP study "Annual Hotel Industry Survey, 2022").

Based on the above, the total investment by the hotel sector for the construction of new and renovation/repair/maintenance of existing hotel rooms in 2021 and 2022 was estimated at approximately **€ 1,894 million** and € **2,033 million** respectively - an increase of **+7%**.

Of these amounts, one part relates to imported goods and services and the rest to services and goods of domestic value added. Taking this into account, it is estimated that the investment of the hotel sector in 2021 and 2022, net of imports, amounts to approximately **€ 1,063 million** and **€ 1,189 million** respectively - an increase of **+12%.**

€ 3.7 billion in tourism investment with € 1.7 billion in domestic value added

9.2 Investment in tourism other than hotels and total investment

According to IOBE (2012), the revenues of accommodation, which include not only hotels but also rooms to let, villas etc., account for **45.3%** of tourism activity. In the absence of data for the other sectors and taking into account that the hotel sector provides only a part of the accommodation, one can proportionally estimate the total investment of the other sectors at **€ 2,287** for 2021 and **€ 2,455** for 2022. Recognizing that, compared to the other sectors serving tourism, the hotel sector is comparatively more capital intensive and in order to be conservative in our projections, we reduce this amount by **1/3** and estimate the total investment of the other sectors at **€1,525 million** for 2021 and **€1,636 million** in 2022 - an increase of **+7%.**

Table 10: Estimation of investment in the tourism sectors other than hotels

	Total	Domestic Value Added
2021	1.525	508
2022	1.636	545
Source: HCH, IOBE - Estimates - Processing INSETE Intelligence		

Compared to the hotel sector, the other sectors also have a lower share of domestic investment expenditure, due to the fact that they invest more in machinery and equipment and less in buildings. Conservatively, investment expenditure in domestic value added is estimated at **1/3** of total investment. Therefore, the investment of other sectors in terms of domestic value added amounts to **€ 508 million** in 2021 and **€ 545 million** for 2022 - an increase of **+7%.**

Table 11: Total investment estimate

	Total	Domestic Value Added
2021	3.419	1.571
2022	3.669	1.734
Source: HCH, IOBE - Estimates - Processing INSETE Intelligence		

Based on the above, the total investment activity in tourism for 2021 amounts to **€ 3,419 million**, of which **€ 1,571 million** is domestic value added expenditure. The corresponding figures for 2022 are **€ 3,669 million** and **€ 1,734 million**, showing an increase of **+7%** and **+10%** respectively.

83.3% of tourism in 2022 was an export activity

10. The contribution of tourism to the Greek economy

Table 12Direct and indirect benefits of tourism

Expenditure Category	2019, mil. €	2021, mil. €	2022, mil. €	%Δ 2019-2022	%Δ 2021-2022
Inbound Tourist Expenditure	17.679	10.328	17.257	-2,4%	67,1%
Cruise Tourist Expenditure	500	174	419	-16,2%	140,3%
Cruise Company Expenditure	138	48	116	-16,1%	140,3%
Air transport	1.914	1.039	1.992	4,1%	91,7%
Maritime transport	96	80	122	27,2%	52,8%
Domestic tourism	1.599	1.720	2.249	40,7%	30,8%
Investments	1.178	1.571	1.734	47,2%	10,4%
Direct Tourism Impact	**€23.104**	**€14.960**	**€23.889**	**3,4%**	**59,7%**
as % GDP	12,6%	8,2%	11,6%		
IOBE Multiplier	2,2	2,2	2,2		
Direct and Indirect	**€50.829**	**€32.913**	**€52.556**	**3,4%**	**59,7%**
as % GDP	27,7%	18,1%	25,4%		
KEPE Multiplier	2,65	2,65	2,65		
Direct and Indirect Result	**€61.225**	**€39.645**	**€63.306**	**3,4%**	**59,7%**
as % GDP	33,4%	21,8%	30,6%		
GDP	€183.347	€181.500	€206.620	12,7%	13,8%

Source: INSETE Intelligence

According to the 2nd estimate of ELSTAT, the country's GDP, at current prices, in 2022 stood at **€ 206,620 million**, up **+13.8%** compared to 2021 (€ 181,500 million).

Summarizing the data on tourism quoted above and comparing them with the country's GDP, the following picture emerges:

- the direct contribution of tourism to the country's economy in 2022 is estimated at **€23.9 billion**, corresponding to **11.6%** of GDP, compared to **€15.0 billion** and **8.2%** of GDP in 2021 and **€23.1 billion** and **12.6%** of GDP in 2019.
- taking into account the multiplier benefits, the total contribution of tourism to the country's economy in 2022 is estimated to be between **€ 52.6** and **€ 63.3 billion**, corresponding to between **25.4%** and **30.6%** of GDP. The corresponding figures for 2021 were between **€ 32.9 billion** and **€ 39.6 billion**, corresponding to between **18.1%** and **21.8%** of GDP, while for 2019 they were between **€ 50.8 billion** and **€ 61.2 billion**, corresponding to between **27.7%** and **33.4%** of GDP,
- GDP in the period 2021-2022 increased by **+13.8%** or **€ +25,120 million**, while tourism activity increased by **+59.7%** or **€ +8,929 million** directly or **€ +19,643/+23,661 million** indirectly and directly.
- In the period 2019-2022, GDP grew by **+12.7%** or by **€ +23,273 million,** while tourism activity increased by **+3.4%** or by **€ + € 785 million** directly or **€ +1,728/+€2,081** indirectly and directly.

- the share of income from tourism activity derived from abroad amounted to **83.3%** (compared to 78.0% in 2021 and 88.0% in 2019), i.e. tourism remained a predominantly export activity in 2022.

Tourism supports the income of the Region

11. Regional breakdown and contribution by region

Table 13: Regional breakdown and contribution by Region, 2022

Region	% Revenue distribution of incoming tourism 2022	Proportion of direct tourism expenditure 2022 - in € m	Region GDP 2022*	% of GDP to which the direct tourism expenditure corresponds	per capita GDP 2021 - in €
South Aegean	27%	6.516	6.565	99%	16.639
Crete	21%	5.068	10.108	50%	13.994
Attica	17%	3.944	98.909	4%	23.335
Ionian Islands	15%	3.610	3.333	108%	14.520
Central Macedonia	9%	2.092	28.365	7%	13.453
Peloponnese	3%	627	9.304	7%	14.407
Eastern Macedonia & Thrace	2%	507	8.102	6%	12.006
Epirus	2%	360	4.498	8%	11.981
Thessaly	1%	320	10.781	3%	13.390
Western Greece	1%	305	9.117	3%	12.429
Central Greece	1%	300	10.564	3%	16.834
North Aegean	1%	173	2.771	6%	10.658
Western Macedonia	0%	67	4.204	2%	14.141
Total Country	**100%**	**23.889**	**206.620**	**11,6%**	**17.058**

Source: ELSTAT, BoG - Processing INSETE Intelligence

In the absence of data on the regional distribution of total tourism expenditure, its estimation is approximate, based on the distribution of inbound tourism receipts as reflected by the Border Survey of the Bank of Greece.

These figures are compared with the GDP estimate for each Region, considering both the 2022 GDP and the latest available % breakdown (2021 data).

Due to the approximate nature of the data in the table, the picture it shows is mainly indicative.

Tourism makes a high contribution to covering the balance of trade deficit

12. Contribution of tourism to the balance of payments

Table 14: Contribution of tourism to the Balance of Payments, 2019-2022

	2019 (mil. €)	2021 (mil. €)	2022 (mil. €)	%Δ 2019-2022	%Δ 2021-2022
Balance of Trade	**-22.833**	**-26.719**	**-39.558**	**-73,2%**	***-48,1%***
Travel receipts (incl. Cruise)	**18.179**	**10.503**	**17.676**	**-2,8%**	***68,3%***
as % deficit of Balance of Trade	79,6%	39,3%	44,7%		
Estimate of Revenues from Transport	**2.148**	**1.167**	**2.229**		
Travel receipts and transports/ Balance of trade	*89,0%*	*43,7%*	*50,3%*		
Exports of Goods	**32.434**	**39.328**	**53.755**	**65,7%**	***36,7%***
Exports of Goods except Ships and oil	**23.263**	**28.996**	**36.043**	**54,9%**	***24,3%***
Travel receipts / Exports of Goods	56,0%	26,7%	32,9%		
Travel receipts and transports / Export of Goods	62,7%	29,7%	37,0%		
Travel receipts / Exports of Goods except Ships and Oil	78,1%	36,2%	49,0%		
Travel receipts and transports / Exports of Goods except Ships and Oil	87,4%	40,2%	55,2%		

Source: BoG - Processing INSETE Intelligence

Tourism, especially during the economic crisis, was one of the most important sources of revenue for the country, balancing the balance of payments. This trend was abruptly interrupted in 2020 due to travel restrictions and an unprecedented decline in travel demand. In 2022, with the full lifting of travel restrictions, tourism activity returned to pre-pandemic levels. However, and despite the fact that travel receipts in 2022 reached almost the same level as in 2019 (**-2.8%**), the contribution of tourism to the balance of trade coverage declined significantly. This decrease was due to the 48.1% widening of the balance of trade deficit observed in 2022 compared to 2021 as a result of the continued increase in imports to which the increase in raw material and energy prices due to the war in Ukraine contributed.

Specifically, for 2022, **travel** receipts **covered 44.7% of the goods balance deficit** (compared to **39.3%** in 2021 and **79.6%** in 2019). If the receipts from air transport, cruises etc. which BoG counts in other balance of payments codes are also taken into account, then the contribution of inbound tourism to the coverage of the balance of trade deficit reaches **50.3%** (compared to **43.7%** in 2021 and **89.0%** in 2019).

In addition, tourism receipts in 2022 account for **32.9%** (compared to **26.7%** in 2021 and **56.0%** in 2019) of the total receipts from exports of all types of goods made by the country. If transport receipts are included in these receipts, the total equals **37.0%** (compared to **29.7%** in 2021 and **62.7%** in 2019) of the receipts from exports of goods.

If ship and oil exports are subtracted from goods exports, then the share of tourism receipts equals **49.0%** (compared to **36.2%** in 2021 and **78.1%** in 2019) of total goods export receipts. Also, if transport is included in tourism receipts, the share of receipts equals **55.2%** (compared to **40.2%** in 2021 and **87.4%** in 2019) of the country's total goods export receipts other than ships and oil.

Employment recovery in accommodation and catering services, reaching almost pre-pandemic levels in 2022 (2019)

13. Tourism and Employment

Table 15: Employment trends (in thousands), 2019, 2021 and 2022

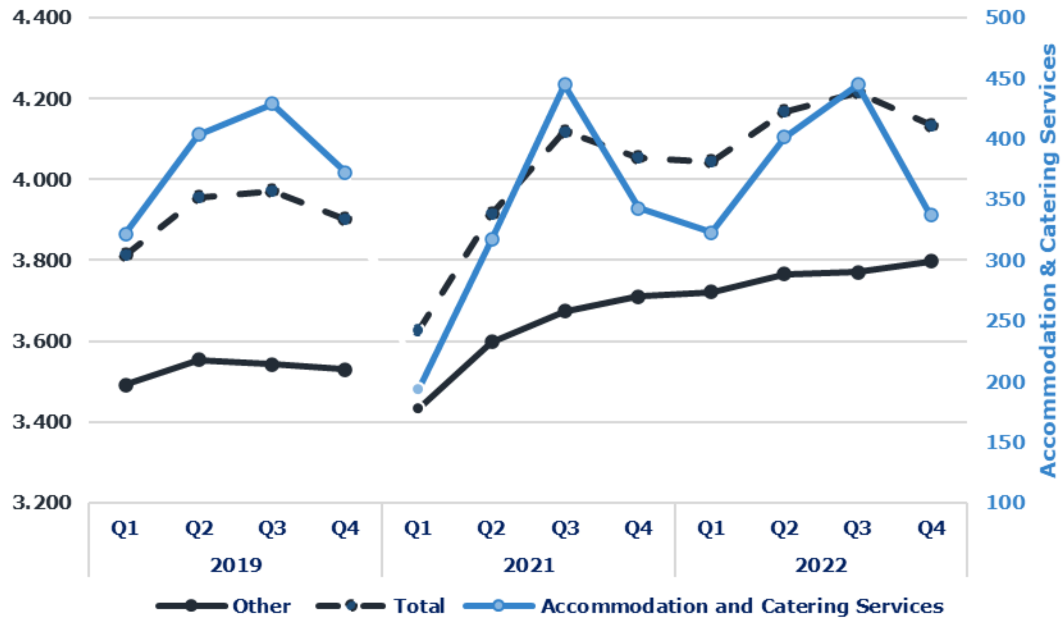
	Q1	Q2	Q3	Q4
2019				
Accommodation and Catering :	322	403	429	373
Other	3.492	3.553	3.543	3.529
Total	3.814	3.956	3.972	3.902
2021				
Accommodation and Catering :	193	317	445	343
Other	3.432	3.598	3.673	3.710
Total	3.625	3.915	4.118	4.053
2022				
Accommodation and Catering :	323	401	445	337
Other	3.721	3.766	3.771	3.798
Total	4.044	4.167	4.216	4.135
%Δ 2019-2022				
Accommodation and Catering :	0,3%	-0,5%	3,7%	-9,5%
Other	6,6%	6,0%	6,4%	7,6%
Total	6,0%	5,3%	6,1%	6,0%
%Δ 2021-2022				
Accommodation and Catering :	67,3%	26,6%	-0,01%	-1,6%
Other	8,4%	4,7%	2,7%	2,4%
Total	11,6%	6,4%	2,4%	2,0%

Source:Labour Force Survey ELSTAT- Processing INSETE Intelligence

Tourism, apart from its great contribution to the country's economy, also makes a great contribution to employment and, in recent years, has contributed significantly to the reduction of unemployment. This positive trend was disrupted by the coronavirus pandemic in 2020 and 2021, while in 2022 it recovered, reaching almost the same level as in 2019 (**-1.4%**, from **381.9 thousand** in 2019 to **376.7 thousand** in 2022), recording in Q3 2022 (445.1 thousand) the 2nd highest number of employees, after Q3 2021, since the start of the LFS. In the individual quarters in 2021-2022, employment in Accommodation and Catering Services increased by **+67.3%** in Q1 compared to **+8.4%** in Other Sectors and by **+26.6%** compared to **+4.7% in Q2,** while it decreased in **Q3 -0.01%** and **Q4 -1.6%** in contrast to Other Sectors which recorded an increase of **+2.7%** and **+2.4%** respectively.

Similarly, in the individual quarters during the period 2019-2022, employment in Accommodation and Catering Services increased by **+0.3%** in **Q1** compared to **+6.6%** in Other Sectors and by **+3.7%** in **Q3** compared to **+6.4%** in Other Sectors, while it decreased in **Q2** by **-0.5%** and **Q4** by **-9.5%**, while in Other Sectors it increased by **+6.0%** and **+7.6%** respectively.

Graph 1: Development of employees by quarter (in thousands), 2019, 2021 and 2022



Source: Labour Force Survey, ELSTAT - Processing INSETE Intelligence

As already mentioned (see table on p. 15 with data from IOBE (2012), accommodation and catering account for 63.3% of tourism expenditure in Greece. Under the working assumption that the contribution of these two sectors to employment in tourism-related activities is similar, we can conclude that the total employment generated by tourism during the peak (Q3) of 2022 is estimated at **703 thousand workers or 16.7% of total employment.**

If they are included, with a multiplier corresponding to GDP (2.2 or 2.65), then the total employment (direct and indirect) generated by tourism amounts to **36.7%** to **44.2%** of the total.

The corresponding contribution to employment generated by tourism during the peak (Q3) of 2019 and 2021 is estimated at **678 thousand/703 thousand** workers or **17.1%** of total employment respectively. While if they are included, with a multiplier equivalent to GDP (2.2 or 2.65), then the total employment (direct and indirect) generated by tourism amounts to **37.6%** to **45.2%** of the total for both years

14. Sources

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This study was carried by INSETE under the act "Actions of Forecasting and monitoring changes in the Tourism Sector to strengthen its competitiveness and structural adjustment " with MIS 5003333 code, which is **part of the operational Programme ""Competitiveness, Entrepreneurship & Innovation" (EPAnEK)" and is co-financed by the European Social Fund (ESF)**

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