

# **Investing in Tourism: Developments and Opportunities**

**Yannis Pyrgiotis  
General Secretary, Cultural and  
Tourism Infrastructure  
Ministry of Culture and Tourism**

**Capitallink**

**New York City, November 2010**



**Hellenic Ministry  
of Culture and Tourism**

# Greek Tourism in numbers

- ❖ Among the World's Top 20 Tourist destinations
- ❖ 14.9 million visitors in 2009
- ❖ Almost 20% of the national GDP
- ❖ Represents almost one out of five jobs
- ❖ The country's heavy industry



# Profile of Greek Tourism Today

- Country of origin: England and Germany (more than half)
  - Profile:
    - Mostly low end
    - Mostly all inclusive
  - Season: May to September
  - Destinations: Crete, Kos, Rhodes, Corfu, Mykonos, Santorini, Halkidiki
  - Country profile: a cacophony of marketing campaigns
- Too many names, logos and slogans... ..but one unquestionable(?) profile:  
3S (Sun, Sea and Sensuality) and some ruins







# What led to the crisis in the post-Olympic era

## ❖ Lack of investments

*most of the interventions carried out were funded either by State or European funds.*

## ❖ Bad value-for-money ratio

*comparing to the services offered by other rival Mediterranean destinations*

## ❖ Lack of infrastructure policy guidance

*in order to be able to attract alternative forms of tourism, such as congresses and corporate events, all year long*

# Sun, Sea and So Much More!

- The new image
  - From: the country where nothing ever happens
  - To: the country where something always happens
- The new product
  - Culture, Nature and Our (real) Way of Life
- The new goal
  - all year round
  - all around Greece
  - all experiences under the sun (and sea)



# New policies and initiatives

- ❖ **Attract tourists all year long** *by targeting events that take place throughout the year, such as the Classical Athens Marathon in November, and trying to offer new experiences and options that go beyond the classic ones*
- ❖ **Expand to all of Greece** *by promoting regions and localities*
- ❖ **Use of the Internet and Social Media**  
*in order to attract people from all fields of interests and address them about the country's tourism campaign in a more direct and trustworthy way*
- ❖ **VisitGreece** *the new portal to the world and* **myGreece** *and* **You in Greece** *the two interactive sites to build the country's profile*
- ❖ **“This week in Athens”, “Thessaloniki, Crossroads of Civilizations”, “90 experiences all over Greece”** *eg. The wine roads, the routes of St. Paul and other integrated circuits and events.*



# New policies and initiatives

**❖ Slash the VAT on accommodation from 11% to 6.5%**

*in order to increase the country's competitiveness against cheaper destinations*

**❖ Repeal the existing restrictive cabotage laws**

*a move that- according to estimates- could lead to a billion euros extra revenue each year*

# New policies and initiatives

❖ **Reduce landing and handling costs in Greek Airports**  
*thus, increasing the competitiveness of the airports either used as the final destination or a stopover*

❖ **Attract more budget Airlines**

*in order to increase their flights to Greece*

❖ **Expand to new, emerging markets such as China and Russia**

*by creating targeted, more client-oriented, marketing campaign that leaves the touristic stereotypes aside*

❖ **New Visa policy (Russia, China)**

*faster visa-friendly procedures for those who wish to visit Greece*



ALPHA BANK  
4084  
GUSELLA  
ATHENS CLASSIC MARATHON  
2007

ALPHA BANK  
3022  
NOPANEN  
ATHENS CLASSIC MARATHON  
2007

ALPHA BANK  
3105  
DEPYOT  
ATHENS CLASSIC MARATHON  
2007

ALPHA BANK  
853  
ATHENS CLASSIC MARATHON  
2007

ALPHA BANK  
300

ΚΛΑΣΙΚΟΣ ΜΑΡΑΘΩΝΙΟΣ ΑΘΗΝΩΝ  
ΑΦΕΤΗΡΙΑ





# Promoting investment opportunities

- Updating the tourist investment regulatory framework:
  - Diversifying the tourist product with new forms of tourism
  - Introducing the hotel-resort integrated development with freehold ownership as an integral part of the tourist resort
    - Economic but also cultural and social benefits for regional development: year-round residence, dependence on local markets for goods and services
    - Tapping on the growing global and Mediterranean demand
    - Increase attractiveness of investments through new funding opportunities and securing stable income. Less initial investment or high acceleration of return on initial investment





- Updating the tourist investment regulatory framework:
  - Simplify and speed-up the approval, licencing and permit procedures for tourist investments
  - Set-up a special service, within the Ministry of Culture and Tourism, which in cooperation with “Invest in Greece” will assist, monitor, guide and support each investment proposal throughout the cycle of ‘maturation’ (see ‘fast-track’ law).
  - Review and finalize the national spatial plan for tourism in order to provide a stable and secure land-use framework for investment initiatives



# Public Property

- Proper utilization of public property may significantly affect spreads and public debt
- Total value of portfolio estimated at 300 billion euro but not reliably
- If the state-owned real estate is evaluated and the means of its utilisation and the potential revenue from it are established in a reliable way the global financial markets would take notice.
- Adopt an aggressive policy of utilization to (a) bring income and (b) persuade the markets.



# Tourism Development Co. (ETA)

- Public company entirely owned by the Greek State
  - Management, administration and development of the public tourist real estate property
  - Self management of 28 subsidiaries (3 Marinas, Golf course, 7 Spas, etc.)
  - Affiliated companies
  - Share participation in leased companies
- Unique Real Estate Portfolio :
  - Properties (371 assets) which cover a total of 7.000 hectares throughout Greece
  - Diversity of assets: Xenia Hotels, Marinas, Camping Sites, Golf courses, Ski Center, Exhibition Center, Casino, Museum, Caves, Tourist Kiosks
  - Undeveloped lucrative lands of considerable size and potential for tourism development : Anavyssos, Paliouri, Afandou...(see [InvestinGreece](#))





# Completed Projects

- Hotel Xenia Lagonissi



## Casino Mont Parnes



- Flisvos Marina

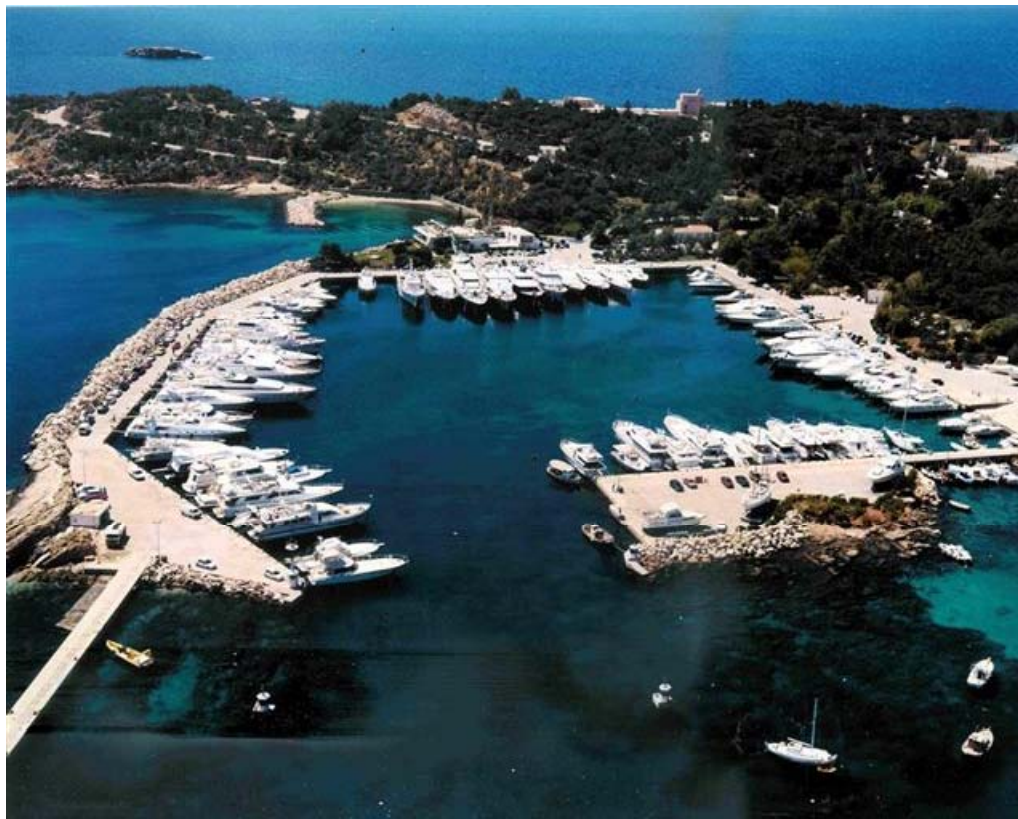


- Zea Marina



Situated in Attica's Riviera most idyllic golf, Vouliagmeni Marina can accommodate up to 115 boats, as well as super and mega yachts. Marina's terrestrial zone covers an area of 35.000sq.m.

The development program includes launching international tenders with the view to modernize existing facilities and upgrade services.



- ALIMOS MARINA
- The largest recreational port in the South-eastern Mediterranean, constructed in early '80s. It is located in the Kalamaki area, a seashore suburb of Athens.
- It has a dominant position in the broader Attica region, benefiting from its proximity to the centers of Athens (11km) and Piraeus (9km)
- The Marina can presently accommodate 1.100 moored vessels and another 500 vessels onshore.
- Berthing wharves have a total length of 1.170 meters.
- The terrestrial zone covers an area of about 171.030 sq.m., where substantial activities for the provision of services to boat owners and visitors can be developed.
- The basin of the port covers an area of 250.000 sq.m.





# ALIMOS MARINA



# Xenia Hotels

- The Group of Xenia Hotels represent tourism infrastructures developed by the Greek National Tourism Organization (GNTO) in the '60s and the '70s.
- These first organized tourism infrastructures of post-war Greece were novel for their time and reflected the architectural vision of inspired minds as Aris Konstantinidis, D. Pikionis, C. Sfaellos, F. Vokos and other famous architects.
- The competitive advantage of those hotels is that they are built in very attractive places all over Greece and that they combine different kind of tourist activity.
- Development plan consists of aesthetic as well as functional upgrading of existing infrastructures, focusing in the conservation and exaltation of the particular XENIA architectural style.



# LAKE KAIAFAS PROJECT

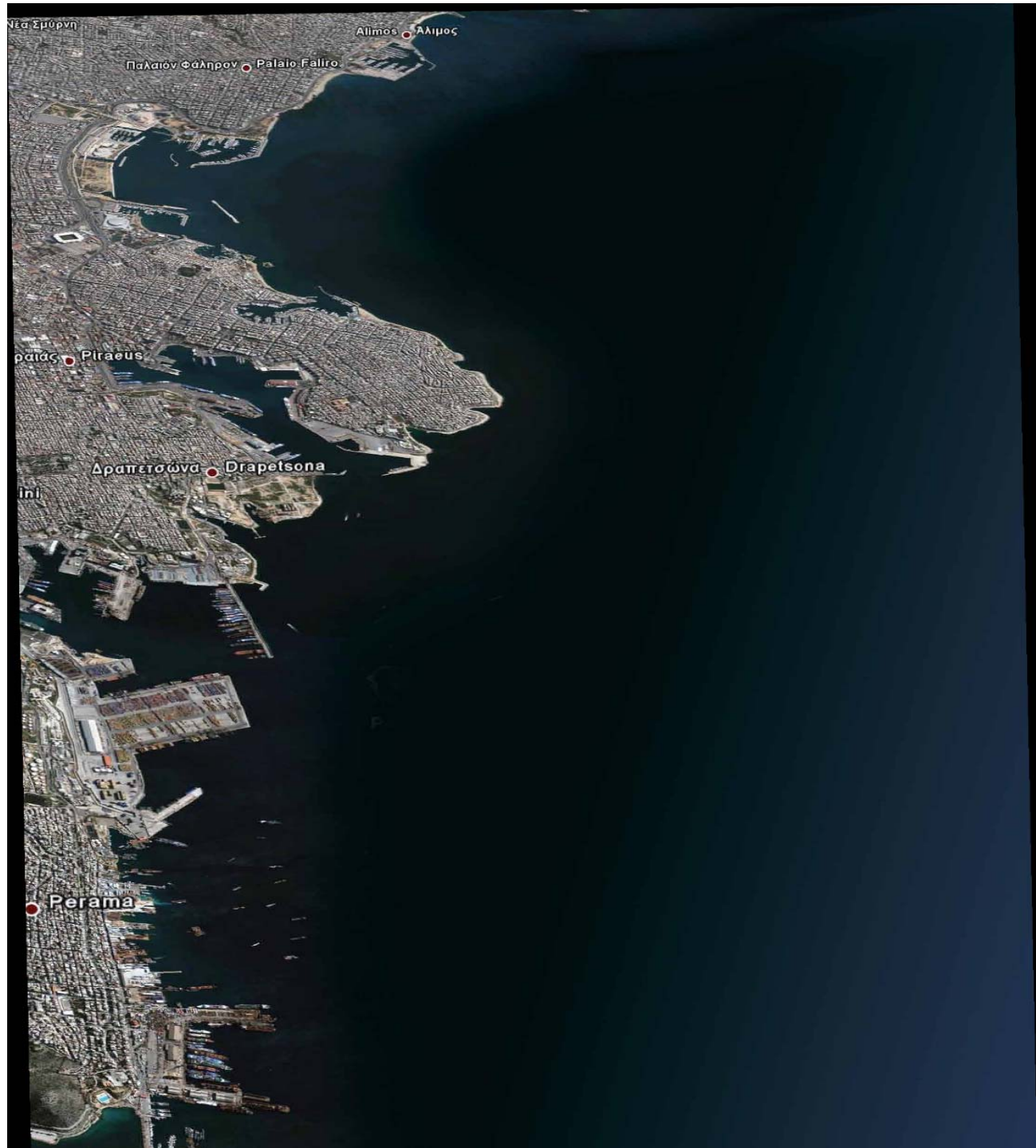
- Lake Kaiafas is situated on the west coast of the Peloponnese. It is a very important in ecological site and offers an extraordinary opportunity for people to experience natural beauty and engage in recreation. It includes a unique combination of features, a freshwater lake, the delightful landscape of pine forest and distinctive ecology, the thermal spa and significant archaeological, historic and cultural richness. The whole area has been classified, under the European network of Natura 2000.
- The thermal springs of Kaiafas, are renowned for their medicinal properties and have attracted visitors to the region for centuries.
- The project includes the restoration and upgrade of existing facilities, the implementation of measures to enhance and protect the environment and the operation of an ecofriendly management plan offering year-round services and activities.





# LAKE KAIAFAS





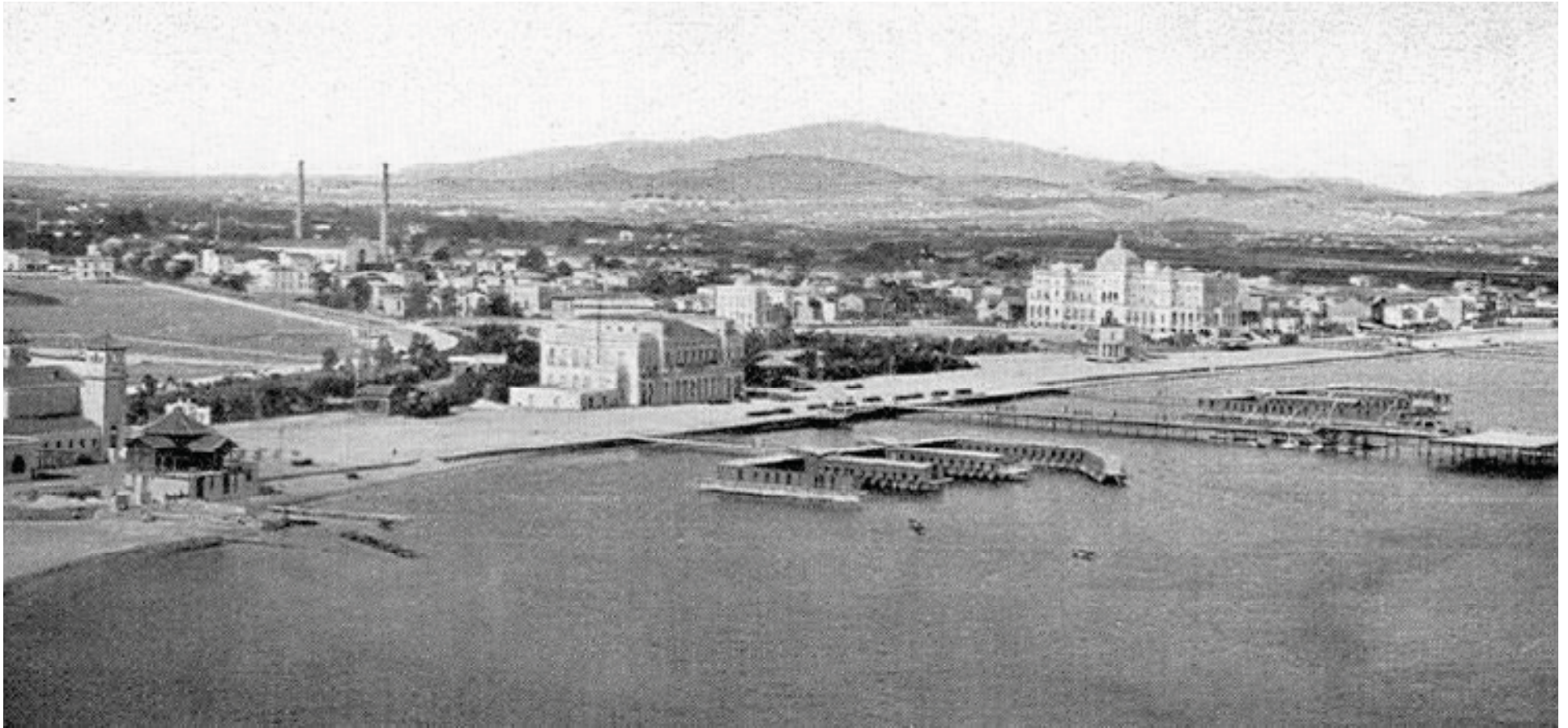
Hellenic Ministry  
of Culture and Tourism





Hellenic Ministry  
of Culture and Tourism





Hellenic Ministry  
of Culture and Tourism





Hellenic Ministry  
of Culture and Tourism



ΕΥΔΕ / ΟΕ 2004  
ΦΑΛΗΡΟ  
(17) 7 ΙΟΥΝ 2002







# Planned projects on the coastal front



Cultural park and Center



Conversion to the Athens Convention Center



New piers for fishing boats



Water Park

Central Esplanade







Hellenic Ministry  
of Culture and Tourism



# Adventure Park





# Entertainment





