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## Spanish tourism revenues to drop 5.7 percent in 2009

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MADRID - Spain, the world's second-biggest holiday destination, will post a 5.7 percent drop in tourism revenues this year over 2008 due to the global economic crisis and growing competition from other destinations, tourism trade body Exceltur said Wednesday.

The trade group also predicted that tourism revenues fell by 4.1 percent in 2008 over the previous year. It based its forecasts on a survey of 3,500 tourism sector professionals.

"Spanish tourism has not been immune to the crisis and the change in the cycle, which has hurt the sector a bit later although to a greater degree than other sectors," the group said in a statement.

Spain's main tourist attractions -- the sun and beaches -- continued to suffer from cheaper competition from other nations in the Mediterranean such as Turkey and Egypt, Exceltur said.

The global economic slowdown meanwhile means fewer sunseekers from key northern European markets like Britain and Germany are flocking to the country and when they do, they are spending less during their stay.

Spain received 59.2 million foreign visitors in 2007, 1.7 percent more than in the previous year, and the government had been predicting a 4.0 percent increase in arrivals in 2008.

But over the first 11 months of 2008, tourist arrivals were down 2.0 percent from the same period in 2007 at 54.6 million.

The tourism sector accounts for about 11 percent of Spain's jobs and gross domestic product.

The country has recently been trying to promote more upmarket tourism, even though the country is known largely as a destination for budget package tours.

AFP/ Expatica

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