

Egypt tourism numbers to fall less than feared

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Egypt's Tourism Minister Zoheir Garrana

Egyptian Tourism Minister Zoheir Garrana reported Tuesday that tourist arrivals to Egypt should slip by 1 to 3 percent in 2009, less than feared, and will grow again in 2010 as Europe rebounds from its economic woes

Garrana said Egypt, after months of decline, saw tourism numbers advance by 10.7 percent in September compared to a year earlier, spurred by strong Russian and British arrivals.

"I believe in October we will have a positive figure. In November, the same," Garrana said. "That's why I'm predicting we'll be closing the year between minus one and minus three."

"As of the third quarter of 2010, I believe that we will be sitting on very solid ground," he added.

Garrana said visitor numbers should grow between 3 and 5 percent in 2010 in Egypt, home to pharaonic ruins and Red Sea beach resorts.

Numbers should again rise by 10 to 14 percent in 2011 thanks largely to an expected recovery in Europe and to Egypt's efforts to bolster its marketing campaigns, he added.

The global economic downturn has stung Egypt's tourism industry, a crucial source of revenue and jobs in the most populous Arab country.

More than 12.8 million tourists visited Egypt in 2008, providing revenues of nearly \$11 billion. This compares to a gross domestic product of \$163 billion, according to World Bank statistics.

Garrana has previously said the sector employs about 12 percent of Egypt's workforce.

Garrana had said in May that he hoped he could limit the overall fall in arrivals in 2009 to 8 or 9 percent. But after deeper declines early in the year, cumulative arrivals were down just 5.5 percent in the first nine months of 2009, Garrana said.

He added that revenues were down 6.4 percent.

A full recovery for Egypt's tourism sector will depend on the jobless rate in Europe, where most of the country's tourists come from, Garrana said.

"If it (the unemployment rate) drops, I think we will be back on track," he said. "Fifty million people have lost their jobs around the world. These are potential travellers, definitely."

Slackening arrivals from Eastern Europe accounted for the bulk of Egypt's losses this year, Garrana said. The number of Ukrainian tourists tumbled 44 percent in the first nine months of 2009, and the number of Polish tourists fell 24 percent, he said.

Slowed by declines in foreign currency earners such as tourism and Suez Canal receipts, Egypt's economic growth slipped to 4.7 percent in the year 2008/09, compared with over 7 percent a year earlier.

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