

National Tourism Strategy 2030

KPMG Cyprus' Hospitality Newsletter

November 2022 issue



Tourism has always been one of the key pillars of Cyprus' economy contributing, both directly and indirectly, approximately 20% of the Gross Domestic Product. Understanding the importance of the sector's performance on the island's economy, the Deputy Ministry of Tourism launched in January 2020 a 10-year strategy plan, called the National Tourism Strategy 2030. Soon after, the pandemic hit causing several disruptions to the industry but now that the industry is retaliating, this newsletter presents the basis of this strategic plan.



The vision of our National Tourism Strategy 2030 is to develop Cyprus' tourism in a sustainable way, which positively impacts our economy, our society and the environment."

Deputy Ministry of Tourism, Cyprus

Holistic approach

The Deputy Ministry of Tourism in Cyprus is following a holistic approach to tourism in aim to develop the island as a complete destination while managing tourism in a sustainable way that both residents and future travellers can have a fulfilling and environmentally friendly experience.

The action plan embraces an important increase in airline connectivity by increasing flights from key destinations and expanding the country's destination list, an increase in public transport links as well as specialised human resources for the sector. It also comprises promotion of mountain and rural areas, by offering, for example, nature trails and hiking activities programs listed to UNESCO World Heritage sites. Furthermore, the plan includes an enhanced destination branding and safety and stricter quality labels for ensuring high satisfaction levels by visitors. Actions for a reduced visual and noise pollution, alcohol abuse and for preserving the island's beaches are also part of the holistic approach followed by the Deputy Ministry of Tourism.

By 2030 tourism is targeted to annually provide an added value of around €1,5 billion to the Cypriot economy, representing an increase of 53% compared to the contribution of €2,9 billion in 2018.

	2018 Actual Performance	2030 Targeted Performance	% Change
Overnights from incoming tourism	36,2m	47,7m	+32%
Arrivals from incoming tourism	3,9m	5,2m	+31%
Daily spending from incoming tourism	€75	€87	+16%
Total tourism revenue from incoming & domestic tourism	€2,9 billion	€4,4 billion	+53%
% Overnights Nov-Apr from incoming tourism	22%	39%	+77%
Overnights in rural areas from incoming tourism	100.000	400.000	+300%

Strategic focus

The National Tourism Strategy 2030 is focused on the successful achievement of numerous initiatives for establishing Cyprus as a year-round destination. Such initiatives include rebranding Cyprus internationally as a destination which offers more than sun and sea and more importantly increasing airline connectivity and diversifying the island's source markets.

Initiatives for establishing Cyprus as a quality destination include the support of investments in special-interest products such as gastronomy, casino entertainment, weddings, luxury yachting and conferences/festivals. Additionally, the refinement of the island's competitiveness in terms of price and value for money by modernising legislation related to the services offered in the industry such as restaurants, taxis and rental vehicles.

Furthermore, the encouragement of repeat visits through loyalty schemes rewarding payments at various attractions and transportation services is aiming to establish Cyprus as a digitally smart destination.

Last but not least, the plan wishes to establish Cyprus as a country where all residents can benefit from tourism. Initiatives on this focus point include the spread of tourism revenue across all districts by promoting the authenticity of the island's rural and mountainous areas as well as spreading tourism wealth across other sectors of the island's economy.

The ten-year detailed action plan of the National Tourism Strategy 2030 is divided into specific timeframes of short-term (2020-2022), medium-term (2023-2025) and long-term (2026-2030).



The ultimate goal for the launch of such a strategic plan by the Deputy Ministry of Tourism, is to increase the island's competitive position and establish Cyprus as one of the top 30 most competitive countries in the world tourism, while maintaining its position as a climate friendly destination. Subsequently, enhancing the sector's contribution to the island's society and economy.

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