

YACHTING IN GREECE

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For 2nd POSIDONIA SEA TOURISM FORUM 29 May 2013 - “The Growth Challenges for the East Med and the Black Sea”

**A country's economic growth
and expansion, but also its
economic decline, are products
of human thought**

YACHTING IN GREECE

- The Hellenic Chamber of Shipping (HCS) has **4.000** registered members private pleasure boats. We also have about **4.000** registered rental yachts. There are no official numbers for the pleasure boats under foreign flags and for the small pleasure boats. Therefore calculations are based on a study made by the University of Piraeus for the HCS for the pleasure boats in Attica.
- Based on the numbers of the study the total number of pleasure boats in Greece is about **17.700** and they contribute:
 - about **40.000** direct and indirect jobs
 - about **€607 millions** to the Greek economy **without taking into account the charter income of the yachts for rent, the charterers' (users) expenses in the islands, the amounts paid for the purchase of pleasure boats, brokerages etc.** These amounts must be considerable when these boats represent the **45%** of the registered pleasure boats the income of which is inflow.

The tourist market is greatly differentiated

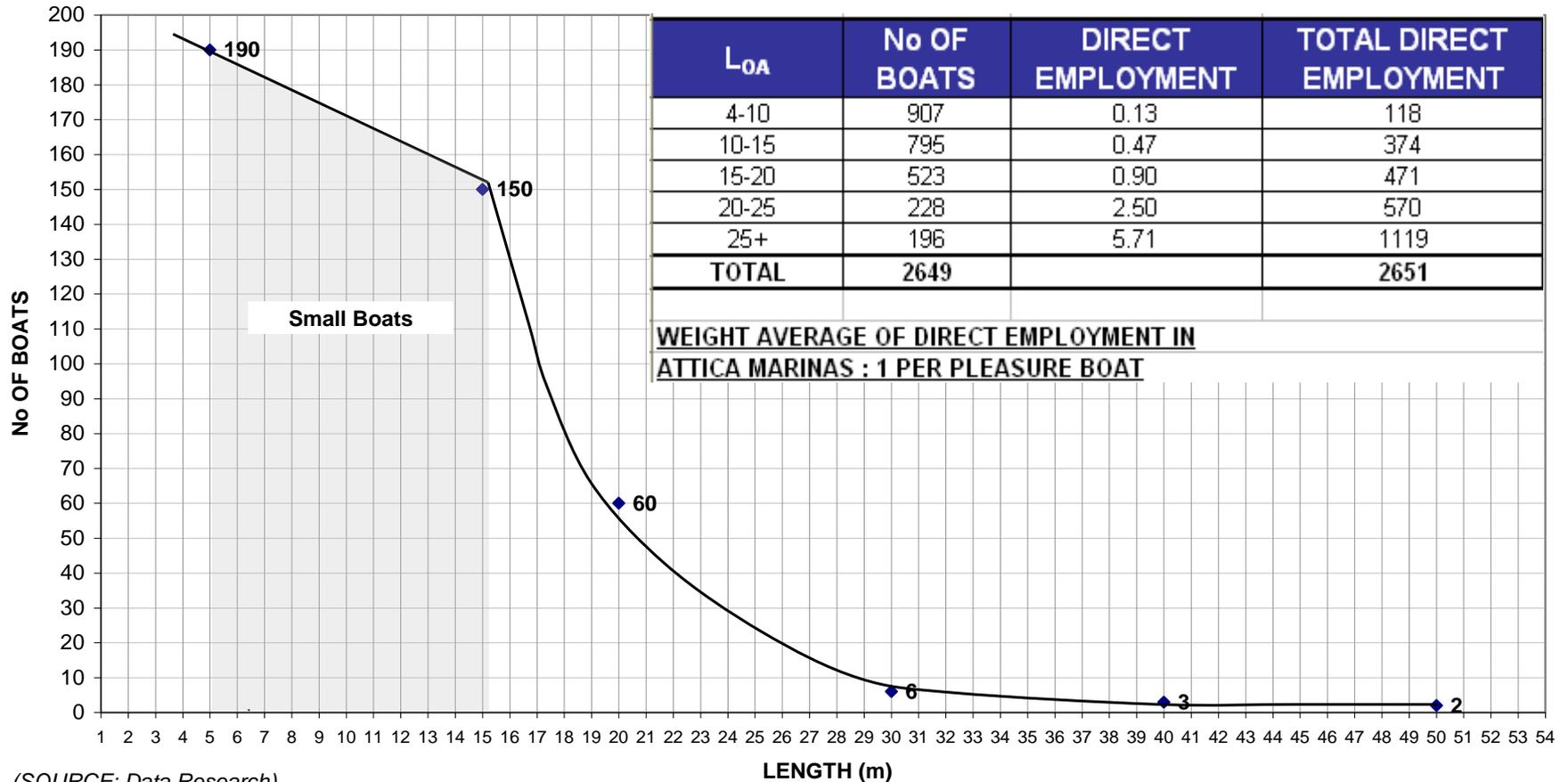
Yachts Cater to a Different Market than Villas, Hotels, Cruise Ships etc.

To maximize Greece's tourism potential, legislators and vested interest groups should understand the product differentiation and start thinking rationally. **Yachts, Villas and Hotels are not interchangeable.**

People decide their holidays based on their budget and their preferences. Those who like yachting will rent Yachts, not Villas or Hotel rooms. Those who like Villas will not go to Hotels or rent Yachts and so on.

Yachts, Villas and Hotels are not interchangeable but complementary. Yacht and Villa tourism caters to discerning individuals who like privacy and are willing to pay the higher price. **If the services they require are not provided, they will take their business elsewhere.** Others will benefit from our peculiar legislation.

PER L_{OA} DISPERSION OF PLEASURE BOATS IN ATTICA



(SOURCE: Data Research)

Bigger yachts create more direct and indirect jobs. We must attract not repel them.

UNDERUTILIZED NATIONAL RESOURCES

- Greece has about **16.000** km of coastline the biggest in European Union, has about **1.200** islands and **4.800** islets and is the best pleasure boats' destination.
- Greece from ancient years was a seafarer nation, although today:
 - Greece has only **1** pleasure boat for every **621** people whereas
 - Europe has **1** pleasure boat for every **164** people
- In Greece, with about **16.000** km of coastline, there are only **14.400** mooring places. In France, with only **6.300** km of coastline, the largest part of which is in the Atlantic, has **226.000** mooring places and the relevant pleasure boats. **Greece has 1.4 m coast line/inhabitant whereas France has only 10 cm of coast line/inhabitant!**
- All above are due to the almost hostile Greek tax system which appears only to want to tax yachts driving them away. With law **3790 of 2009 25%** of the pleasure boats which were berthed at marinas (about **2.000** boats) left for other, more friendly destinations taking with them about **6.000** jobs.

Considering the ratio direct to indirect jobs yachts create in the EU, Greece would benefit a lot more by attracting more yachts to berth and cruise in our wonderful waters, thus creating many thousands more jobs.

INTERESTING FINDINGS OF THE GREEK YACHTING STUDY

- Small pleasure boats are younger. They also create less jobs.
- Pleasure boats are mostly used for vacations. Some yachts travel more and others are used as floating homes. **Therefore their expenses and their contribution to the economy vary greatly.**
- **75%** of the pleasure boats and mostly the bigger ones, are used for the promotion of their owners' business thus increasing national wealth. **They should therefore be considered as a business promotional expense.**
- The vast majority of yachtsmen **prefer more remote destinations** providing income to less developed islands.
- Most big private yachts are registered in foreign registries.

TODAY'S TAX SYSTEM IS PUNITIVE

According to the opinion expressed by a company that invests at marinas:

“Also, as you know, **the current Greek tax code is extremely unfriendly to yacht owners**, so we will have to discuss with the Greek government the likelihood of modifying **today's punishing tax system associated with yacht ownership**, in order to justify a marina investment.”

The present government is trying to improve it. The **HCS** hopes to be able to persuade them to do it right.

Attracting more yachts and creating more jobs is very unlikely with the present unfriendly regime.

High taxes destroy jobs

LEGISLATION MUST INDUCED PRODUCTIVITY

- Without an increase in productivity the standard of living will drop.
- **Protectionism exists to protect uncompetitive jobs and industries. This increases the cost structure of an economy and destroy jobs.**
- Protectionist policies exist for Greek rental yachts.

If they are not abolished the Greek rental yacht industry will wither and be replaced by yachts of other flags.

TO CREATE JOBS WE MUST ATTRACT YACHTS INSTEAD OF REPELLING THEM

- Greece, due to her geographical position and our unique Archipelago, could be the preferred recreational center of Europe and the rest of the world. **On the other hand we compete the Dalmatian and the Turkish coasts, so we are not alone.**
- With more friendly laws and the construction of new marinas that they will accommodate **10.000** more pleasure boats, preferably bigger ones (over 15 m), at least **30.000** more jobs would be created.

It is time to abandon old practices and try to develop Greece's comparative advantages. This is the only way forward.

GREEK MARINAS, MOORING PLACES AND SAFE ANCHORAGES

Based on the numbers of the Union of Greek Marinas and EOT, there are **22** organized marinas in Greece and **55** more are already planned to be constructed. There are very many mooring spots in various local ports with few facilities as well as very many safe anchorages depending on wind direction.

NAME	CAPACITY	NAME	CAPACITY
VOULIAGMENI	115	KALAMATA	250
ZEA	620	SANI	215
FLOISVOS	303	PORTO CARRAS	315
ALIMOS	1080	THESSALONIKI	242
OLYMPIC MARINE	680	MITILINI	222
FALIRO	130	KOS	250
AGIOS KOSMAS (Alcity)	337	SAMOS	260
GLYFADA	810	LEROS	220
GOUVIA	1235	METHANA	70
CLEOPATRA	100	RODOS	600
LEFKADA	620	AGIOS NIKOLAOS	250

TOTAL	8.924
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(Source: EOT, Union of Greek Marinas)

Despite Greece's yachting potential, investment in Marinas is unlikely if the present regime does not become attractive

Everything in Greece is **marred by red tape and counterproductive legislation** which destroy the country's competitive advantages, for example:

- 15 marinas are awaiting permits blocked by red tape in order to be developed.

- Piers and facilities of other marinas in need for repairs are deteriorating because permits for their upgrading are delayed.

To expand the very promising Greek yachting sector, Greek attitudes and legislation must change.

Legislations must be simplified, become effective and promote growth.

Greece is the most wonderful seaside resort and cruising ground in the world with rich culture and history.

Unfortunately the sign on the door still says:

“The wealthy are not welcome”

This must change

THANK YOU

George A. Gratsos