

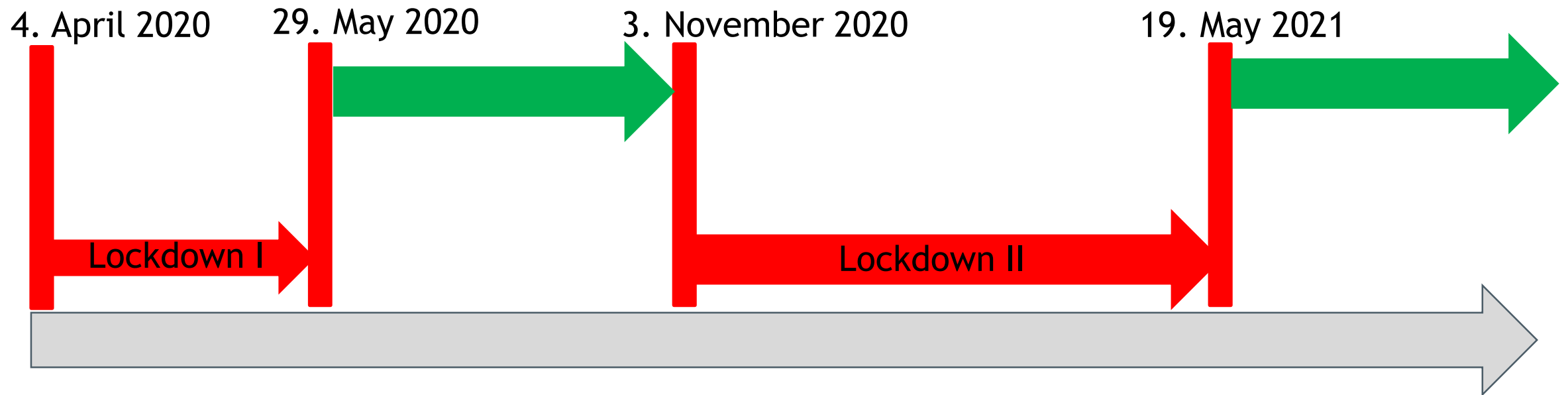
AUSTRIAN NATIONAL COVID RECOVERY PLAN

Speaker: Susanne Kraus-Winkler

*President Austrian Professional Hotel Association
Austrian Federal Chamber of Economics*

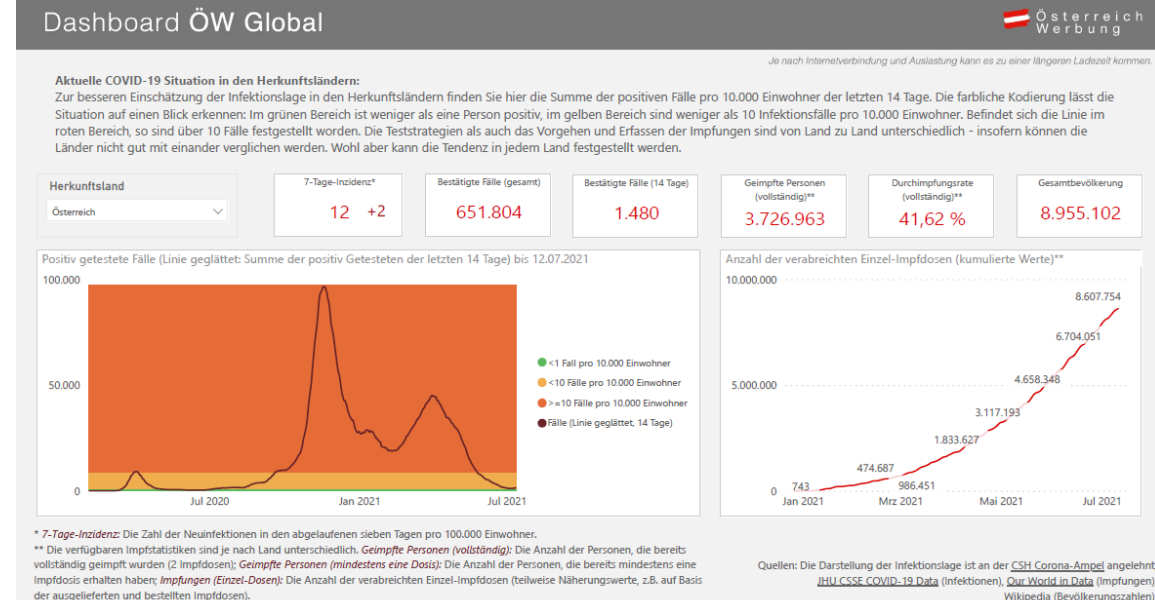
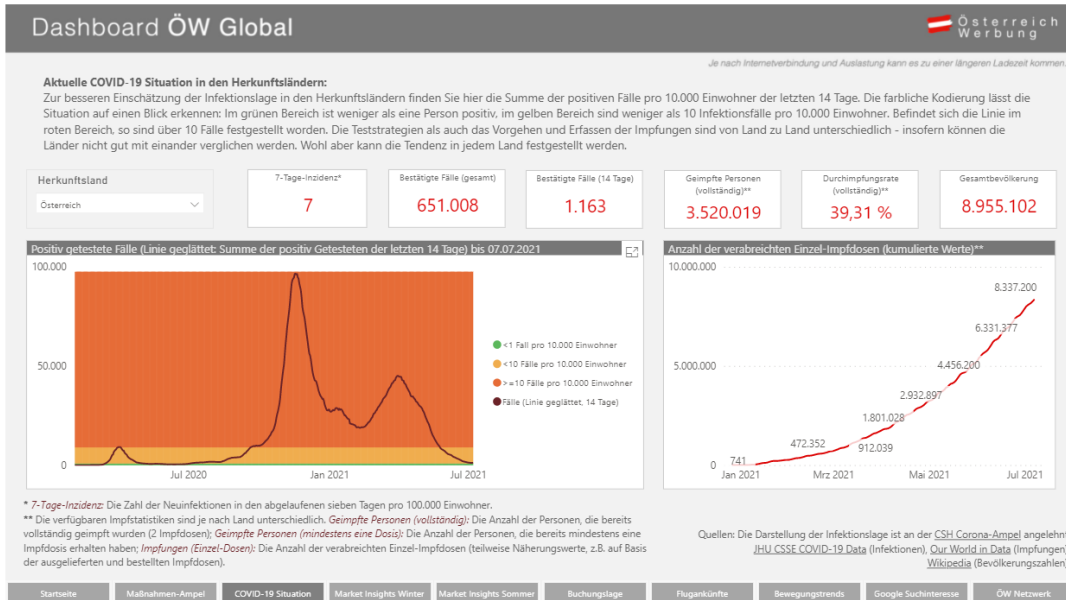


Lockdown of tourism in 2020 and 2021

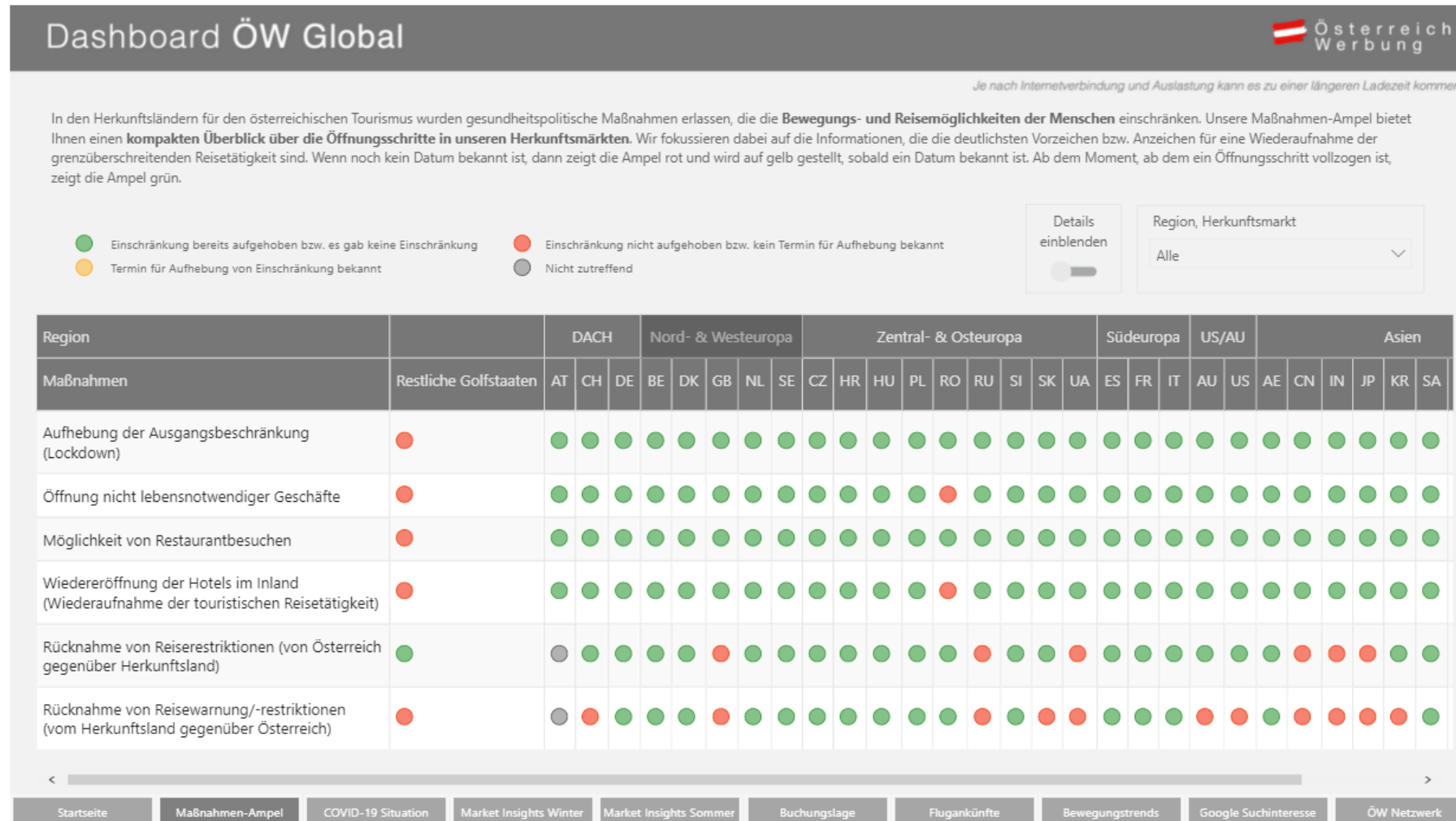


Current COVID-19 situation in Austria 8th and 13th of July 2021

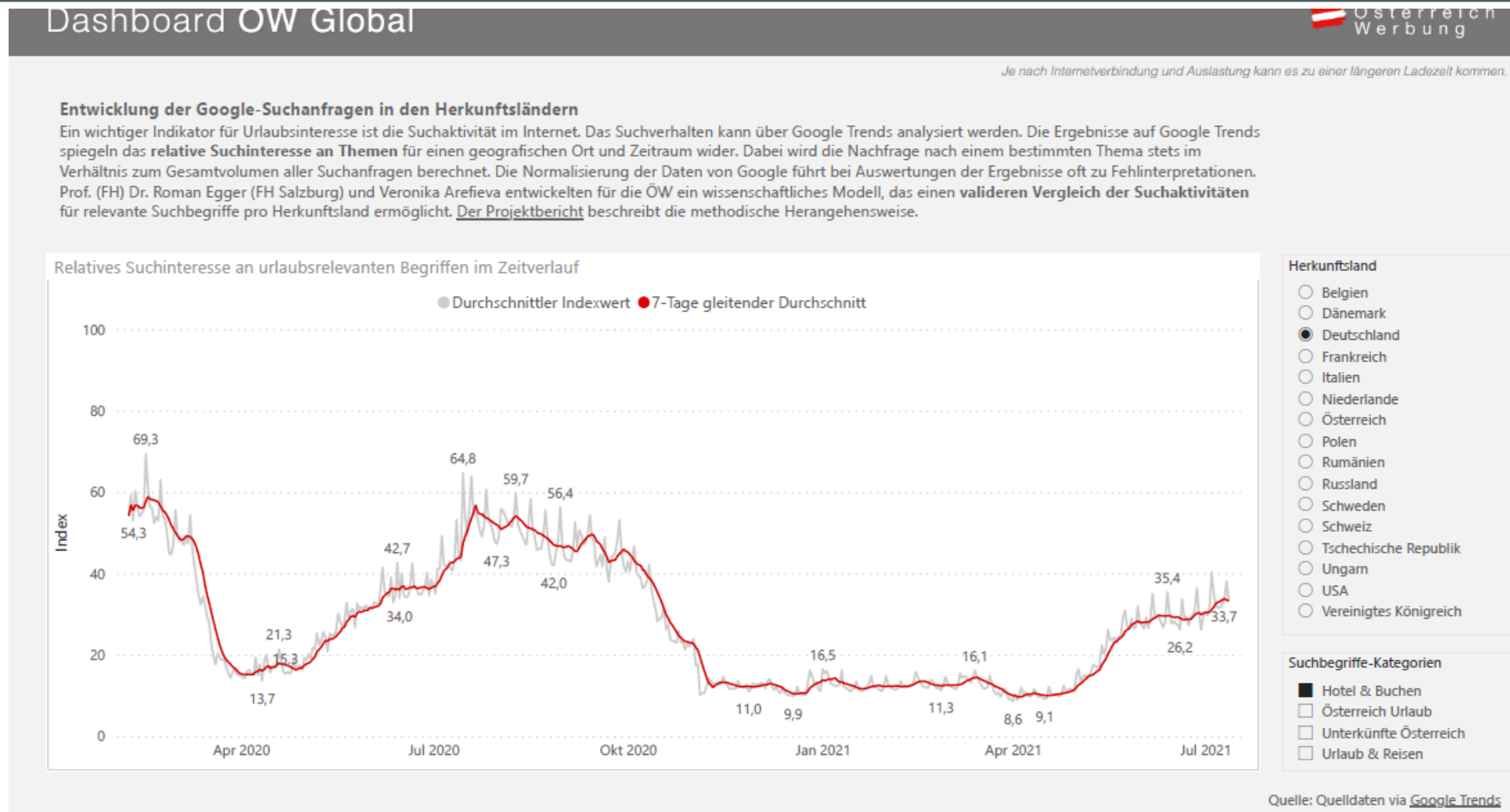
<https://www.austriatourism.com/oew-global/oew-global-dashboard/>



COVID-19 lockdown measures by country



Development of google search queries by origin of tourists



Easybooking - Booking trends

Dashboard ÖW Global



Je nach Internetverbindung und Auslastung kann es zu einer längeren Ladezeit kommen.

easybooking Buchungsentwicklung:

Das erste Zeichen einer Besserung in der Tourismuswirtschaft ist das Interesse an Urlaub - messbar durch die eingehenden Anfragen und Buchungen bei Unterkunftsbetrieben.

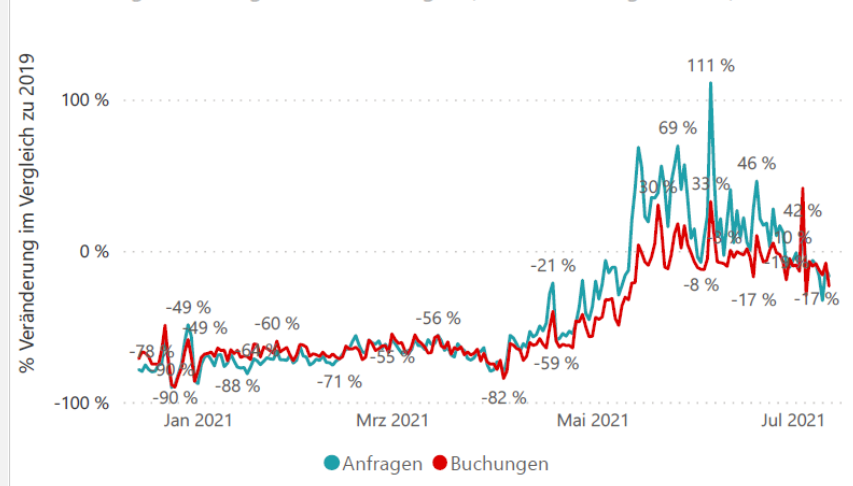
Die linke Grafik stellt dar, wie sich die Anzahl der Anfragen und Buchungen über die easybooking Hotelsoftware im Vergleich zum gleichen Zeitraum in 2019 verhält. Die rechte Grafik zeigt für welchen Zeitraum (Monat) die Anfragen und Buchungen der letzten 7 Tage getätigt wurden.

Mehr Informationen zur easybooking Buchungsentwicklung unter [easybooking.eu/de/stornierung](https://www.easybooking.eu/de/stornierung).

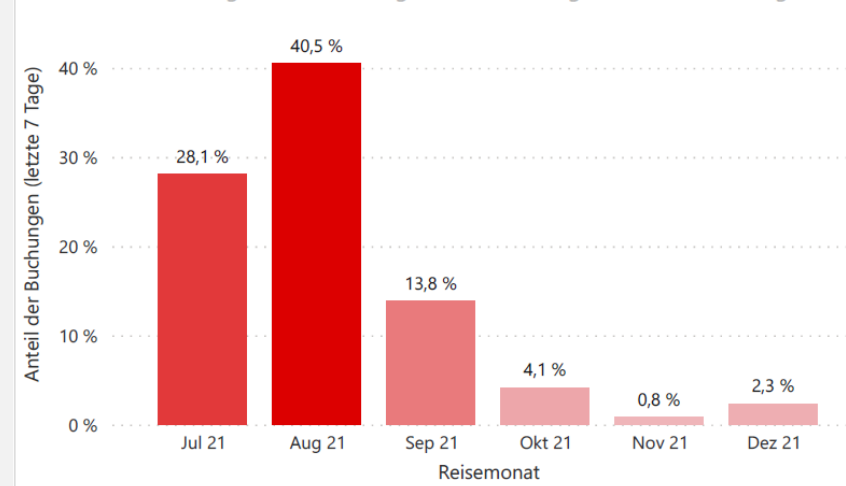
Letzter 7 Monate

14.12.2020 - 13.07.2021

Entwicklung der Anfragen und Buchungen (%-Veränderung zu 2019)



Reisemonat der eingehenden Anfragen und Buchungen der letzten 7 Tage*



Quelle: www.easybooking.eu/de/stornierung

Reopening & Restart for tourism

The European Union's target for tourism included a coordinated approach:

- EU-wide uniform (entry) travel regulations with clear rules, incidence rates cannot be the sole determining factor;
- Quarantines on entry must be prevented through testing and vaccination.
- Vaccinated travelers: common entry requirements needed
- EU digital Covid certificate as a common and digital system for cross-border verification plus easy access to all Covid tests
- Increase vaccination rates across the EU.

Reopening & Restart of tourism in 2021

We created *specific sector papers for the reopening* rules & regulations to get a step by step reopening perspective from government:

- 19.5.2021: opening of hotels and restaurants
- Tests as a key for freedom strategy since January 2021 with **free Antigentests** for Austrians as well as **all Austrian tourists (test centers)**
- Strict measures at the beginning which were loosened step by step:
 - Antigen or PCR Tests for guests and employees, FFP2 masks for guests and employees, detailed prevention & hygiene concepts in hotels and restaurants, restrictions on event size or size of guest group, guest registration, distancing,...
- At the moment still in effect:
 - „3G“ → in order to enter hotel or restaurant you have to be testet, vaccinated or recovered
 - prevention concept
 - guest registration (on paper or digital)

Existing support measures by the Austrian Government

tax relief

- VAT rate reduction: 5% for restaurant services and hotel (till end of 2021)
- deferral of tax payment and health insurance payment (till June 2021, then payment by installments)
- tax loss carry back
- accelerated depreciation

Short time work models with an up to 100 % labor cost repayment by the government
bridging guarantees for loans

financial subsidies

- hardship fund for micro enterprises (< 10 employees - beginning of first lockdown till June 2021)
- revenue compensation (November 2020 - 80 % and December 2020 -50%)
- fixed cost subsidy (beginning of first lockdown till June 2021) refund of fixed costs
- Various means of loss compensation (for particularly affected industries extended until end of year)
- Loss of revenue bonus if loss was higher than 40 % in comparison to 2019, max. € 30.000.--
- protective shield for event organizers (compensation for cancelled events - cancellation guarantee)
- investment premium (7 % for normal investments and 14 % for green and digital investments)

Now we require new and adapted support measures

- **VAT rate reduction: 5% VAT extend to 2023**
- **" Marshall Plan" for Tourism**
 - New Covid related debts lead to massive rating deterioration, forbearance problem, etc.
Long-term clean-up of the **dramatically** increased debt burden by **replacing all short-term bridging assistance** (Covid related bridge loans, tax and levy deferrals, loan deferrals). **Maximum annual financial relief: Term 20 years, interest rate 1% p.a.**
Implementation:
 - Via stabilization loans, which are classified as subordinated debt and thus strengthen equity on the balance sheet
- **Labor related cost reduction in the hospitality sector (account for 44.6 percent of total labor costs)**
- **specific tax relief for permanent business closures**

New initiative of our Ministry of Tourism



Tourism Comeback process with 3 focal points:

- *Modernization of the tourism labor market*
- *Strengthening equity and financing for tourism companies*
- *Future Travel market developments and new cooperation between tourism and regions* (e.g. additional budget of 40 Mio Euro for marketing in source and domestic market)

www.sichere-gastfreundschaft.at

www.greenpass.gv.at

www.greencheck.gv.at

Lessons learned - third evaluation

- problems with the implementation of state aids - time span and **bureaucracy** - government and tax authorities versus needs of enterprises
- Problems with **EU approval for support programs** - delays and uncertainty, EU aid limits were raised too late!
- Many **legal uncertainties** - e.g. hotel operating companies versus landlords - (rent exemptions and voluntary reductions, etc.)
- Demotivation of **short time employees** - less demand for our hotel schools, rapid escape of our skilled work force from our industry! Interrupted apprenticeship training, etc.
- **Covid will stay** - not enough scientific & political knowledge how to deal with it

Current biggest Challenges for Hospitality Industry

- Immense shortage in hospitality *labor market*
- often unclear and permanently changing *travel restrictions* and travel regulations
- further developments of the *pandemic not predictable*
- *Digitization* challenge
- Face changes in the *travel behavior of guests*
- Covid indebtedness - rating problems with banks, financing in tourism even more difficult, forbearance problems, etc.
- Rising *prices* in some areas
- *Planning* future occupancy rates and sales (revenue management programs ?)
- who will survive, who is fit for the future ?

**We will survive,
the question is only when and how 😊**

Thank you for your attention !