

BRITISH TOURISTS WILL POSTPONE THEIR SUMMER RESERVATIONS DUE TO BREXIT



British tourists will postpone their reservations for the 2019 summer holidays, confronted with the uncertainty about the UK's exit from the European Union (EU). This is the estimated of a recent Portuguese study.

"There are some question marks from UK tour operators, who are currently facing the uncertainty and consequences of Brexit. **This may postpone British reservations until the situation is clarified**, as people want to know what will happen down the road and what impact the whole conundrum will have on the British pound," Ana Mendes Godinho, Portuguese Secretary of State for Tourism, said.

The outcome is a "standstill", something that may force the summer reservations to happen at the beginning of next year, and not in December as usual, a period when the conditions of the leaving process may be clearer. "Evidently, January and February will be strong months in the UK demand-wise, we will surely invest a lot in digital promotion during those months," Ms. Godinho said.

Tourism is one of the areas that may be significantly impacted by the Brexit, according to the study "Brexit - The consequences for the Portuguese economy and companies", promoted by CIP - Confederação Empresarial de Portugal, released last week. The Portuguese analysis was presented during the World Travel Market in London.

Other European countries expect the negative impact of Brexit as well. According to estimates of Fáilte Ireland, the Irish tourism board, the no-deal Brexit crisis could cost the Irish tourism industry as much as €390m. Thousands of people may lose jobs as well. However, this is only the worst-case scenario but still the possibility is there according to the chief executive of the board, Paul Kelly:

"They are only scenarios and of course it will depend on what happens, and of course it will depend on aviation and open sky [in relation to Brexit]. But there's no doubt again it would be a very significant impact."

Possible reduction in air traffic due to Brexit could negatively impact the EU's GDP by up to 210 billion euros, while the ensuing decline in trade, investments and tourism could impact up to 1.8 million in the EU.

In 2017, most UK tourists traveled to Spain (14.3 million), France (7.2 million) and Italy (3.1 million), followed by Portugal, Netherlands and Germany. British tourists account for more than one-fifth of overnight stays in the EU, with British travelers spending 58 billion euros every year in Southern member states alone.

The plummet of the British pound against the euro after Brexit, which has already lost about 14% between the referendum and the beginning of last September, is the main source of concern overall, as it may end up discouraging British tourists from traveling to countries that use the currency.

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