

# HOTEL CRISIS IN BUENOS AIRES: 80% OF HOTELS REMAIN CLOSED



Almost a year after the lockdowns began in Argentina, 80% of the hotel establishments in Buenos Aires remain closed and the situation does not seem to improve soon. In fact, the industry expects that in 2021 the hotel crisis will continue, and the data will be similar.

After the unsuccessful campaign to support the inbound tourism and without any certain date when the travel restrictions to enter the country could be lifted, the **Hotel, Restaurants, Bakeries & Coffee Shops Association (AHRCC) admits that the occupancy rate is to remain below 10% for some hotels in Buenos Aires.** Domestic tourism is also limited as national nature and beach destinations are overcrowded.

“This is one of the worst times the hotel industry has faced, it is a clear hotel crisis. Before, with the help of the ATP [the Emergency Assistance Program for Work and Production], it was sustained a little more, but now it is dramatic,” said Ariel Amoroso, president of AHRCC.

“80% of the hotels are still closed and it is not known which ones will reopen and which ones will not,” said Amoroso. “In fact, there are many hotels for sale, but in this situation, there are no buyers,” he explained.

The truth is that the hotel industry is currently facing an unprecedented crisis. On the one hand, there is no tourism, fewer flights, and no fairs or conferences. What this means is that there are no guests to offset the situation that the businesses are going through in Buenos Aires and the rest of the country.

“There is no demand to open the facilities, for now, it is more expensive to open with little occupancy than to remain closed,” said Roberto Amengual, president of the Tourism Hotels Association (AHT) and the American hotel chain, which is still closed in the city.

**While waiting for a possible aid from the Ministry of Tourism, the hotel managers assure that it is already too difficult for them to survive.** Restructuring and modernizing during the hotel crisis are not easy tasks. Some hotels offer the rental of workspaces and common areas, such as gyms, but everything implies an investment that is not necessarily profitable either.

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