

Russia Wants to Spark a Domestic Tourism Boom. Will It Work?

The government is telling Russians to explore their homeland, and borders remain shut.

By Jake Cordell

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Sochi has been a favorite destination among Russian holidaymakers for decades. **Dmitry Feoktistov / TASS**

The Russian government has swung into action to encourage its citizens to holiday at home this summer in a bid to kick-start the coronavirus-battered domestic tourism industry and ensure that people spend their rubles in Russia.

In a string of speeches earlier this week, the authorities announced they would start lifting tourism restrictions — with some health resorts around the Black Sea able to reopen June 1 — and advised Russians to ditch their foreign holidays and travel around Russia instead.

"We remember that the coronavirus was imported from abroad," prime minister Mikhail

Mishustin, who was <u>hospitalized</u> with Covid-19 in April, said in a televised address Monday.

"Therefore, we consider it best to refrain from tourist trips abroad. For a few days of vacation, you might pay too high a price. It is better and safer to spend your holiday in our country."

Anna Popova, the head of Rospotrebnadzor, Russia's health watchdog which is marshalling the country's response to the pandemic, spoke in stronger terms just a few minutes later in a separate press conference.

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"It is extremely undesirable to travel abroad at the moment. Right now, 100,000 new Covid-19 cases are being registered in the world every day. ... Even if you do take the risk, upon returning to Russia, you will need to spend two weeks at home in quarantine — at your own expense."

The government, which has not yet set a date for reopening the country's borders, hopes it is not too late to save the summer season and stem the losses. Russia's federal tourist agency, Rostourism, previously estimated a 300 billion ruble (\$4.3 billion) hit per quarter from travel restrictions.

Alongside warning Russians not to go abroad, the state has started promoting domestic holiday destinations in addresses usually reserved for public health updates and announcements of new mobility restrictions or government support.

Immediately after Popova's warning over the unpaid self-isolation Russians face if they head overseas, Rostourism spokesperson Zarina Doguzova reeled off 43 stay-at-home holiday ideas, from beaches in Crimea and Sochi through lakes and forests in Karelia to the wilds of Kamchatka.

"Less than a week is left until the summer. This is a special time for all of us. A time of new impressions, emotions and trips ... I hope that very soon we will be able to travel around Russia," she <u>said</u>.

Slow recovery

Tour agents are hopeful a push from the top could help revive an industry on the brink. Signs of life are creeping back. The Aviasales website reports airline ticket bookings are up 43% in May compared with April. The number of domestic flights should reach 50% of their usual level in June, industry analysts at VTB Capital forecast, and tour agents say enquiries and bookings are growing week-by-week.

"In April we were only issuing refunds for failed tours. From the beginning of May we saw interest in travel return ... Now people are more confident in making bookings, and believe that they will be able to make a trip in July or August," Yulia Grigoryeva, director of Russia Discovery told The Moscow Times.

"If the restrictions on entry and the ability to move around the country are lifted in the near future, we believe that the summer tourist season can be very successful," she added.

The recovery is slow, however. Compared with last year, data from Sberbank shows flight sales are down 85%. Hotels, tourist attractions and beaches are still closed across the country. When they open, it will be with strict rules to curb the spread of the virus, including regular tests on staff, social distancing guidelines, temperature checks and possible quarantining of guests.

Related article: <u>Putin Wants Russia to Get Back to Normal. New Outbreaks Show It May Be Too Early.</u>

"There is demand, but there are still a number of restrictions. What happens in Krasnodar will be important," AnexTour's Alena Khitrova told The Moscow Times, referencing the limited reopening of around 200 medical resorts in the Black Sea region from June 1. Beaches will remain closed, however, and guests must stay in their resorts. Hotels have been <u>instructed</u> to "control the movement of their guests."

If restrictions are further lifted, it is areas like Krasnodar — which includes Sochi — and Crimea that are in the best positions to entice more tourists this summer.

"There is every reason to believe that everything will be booked in the traditionally popular areas — Krasnodar and Crimea," an Aviasales spokesperson said.

Almost a quarter of all flight bookings for June are from Moscow or St. Petersburg to Crimea, travel agent Tutu.Ru reported.

But some locals fear a tourist influx.

Russia is still registering more than 8,000 new coronavirus cases a day, with areas outside the capital accounting for a growing portion of new infections. Krasnodar has recorded nearly 4,000 cases of coronavirus — more than Greece — with 1,000 patients still ill.

Sochi news outlet Caucasian Knot <u>reported</u> local opposition to a hasty reopening. "We are afraid of visitors," biologist Olga Parshina said, calling for the city to be closed until the coronavirus threat has completely passed. Others questioned the point of a partial reopening if strict restrictions are in place, meaning local restaurants and shops will see little benefit.

Second wave

Russia's resort towns are now facing an intense localized version of one of the biggest policy <u>dilemmas</u> caused by the coronavirus: the trade-off between containing the spread of the virus and protecting the economy.

Rostourism's Doguzova said a revival in internal tourism "could become one of the main drivers for the restoration and development of regional economies."

The head of Crimea, Sergei Aksyonov, has asked Moscow to grant the annexed peninsula sweeping exemptions from new health regulations designed to contain the coronavirus.

"It is necessary to completely abolish mandatory testing for coronavirus — both for resort staff and guests," Aksyonov wrote on his <u>Vkontakte</u> page Thursday. He also said hotels which

do find positive coronavirus cases among guests or staff should not be put under quarantine and that resorts should not have to enforce social distancing rules on beaches.

Assessing the possibility of incoming tourists sparking a new wave of infections, Vasiliy Vlassov, epidemiologist at Moscow's Higher School of Economics said internal travel was not necessarily a danger. "But because the provincial population is more infection-naive, there is some danger that increased internal tourism will bring a rise in incidence."

Russia's insistence that it is not safe to travel abroad — including to Europe, where countries have announced plans to reopen borders — while actively promoting internal tourism also harks back to the authority's earlier "xenophobic" response to the pandemic, Vlassov says.

"The Russian government has all the time behaved like the infection is beyond the border, and Russia is sterile," he said.

Outside of places already popular with Russian holidaymakers, hopes for a revival are less optimistic. Cities like St. Petersburg and Moscow are more dependent on international visitors than the Black Sea resorts, which attract mainly domestic vacationers.

Related article: <u>St. Petersburg Officials Are Encouraging a Tourism Boom. Locals Fear an</u> Invasion.

Domestic tourism is also highly sensitive to the health of the wider economy. With disposable incomes set for a sharp shock, one in three Russians have changed their summer holiday plans, state pollsters VTsIOM said this week. Yet only 11% said they planned to travel around Russia this year — in line with recent years.

That was despite numbers saying they plan to go abroad falling from 13% to 4%. Nevertheless, travel agents report that demand for foreign travel remains high, and doubt whether those who had a foreign vacation planned will swap it for a holiday at home.

"Many tourists remain hopeful that Russia will open its borders, so they are continuing to book European holidays — just for later dates, such as August," said Kamila Velibekova, owner of luxury travel agent KtoWay.

Instead of ditching overseas holidays, wealthy Russians are instead turning to private yachts or secluded European retreats, in a bid to stay isolated from virus hotspots, she told The Moscow Times. Those planning trips to exotic locations such as southeast Asia — popular in winter months — are also unlikely to opt for a summer vacation in Russia, agents said.

Olga Bortnikova, founder of YouTravel.me, a Russian platform focusing on adventure tours, said almost half the requests she receives are still for foreign travel. Iceland, which plans to open its borders on June 15, is particularly popular right now among her Russian clients.

"Interest in foreign holidays is still very high," said Velibekova. "This is the mentality of Russians — they don't give up."

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