

Tour Agency Bankruptcy Leaves 25,000 Russians Stranded Overseas

By The Moscow Times

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Some hotels have already begun evicting Labirint travel agency clients.

A major Russian travel operator has suspended operations, citing a "negative political and economic situation" and leaving an estimated 25,000 clients stranded overseas, after Western nations tightened sanctions on Moscow for its meddling in the Ukrainian crisis.

Labirint travel agency said in a statement it could not withstand the combined effect of sluggish booking on foreign travel, provoked in part by the deepening rift between Moscow and the West and the erosion of Russians' purchasing power caused by a sharp weakening of the Russian ruble, and a government recommendation to ban foreign travel for military servicemen and law enforcement employees.

Some hotels in Spain and Greece have already begun evicting Labirint clients, a spokeswoman for Russia's state travel watchdog Rosturism, Irina Schegolkova, told Interfax.

An association of Russian tourism agencies set up to provide emergency travel assistance, Turpomosch — which translates as "Tour Help" — said it would try to "evacuate" all of Labirint's clients who are stranded abroad, but it remained unclear if the association could raise enough funds to bring home an estimated 25,000 people, Irina Tyurina, a spokeswoman for the Russian Travel Industry Union, was quoted as saying by Itar-Tass.

Scores of other customers have paid Labirint for booking future tours and will now have to seek refunds. But Tyurina said it was not yet clear how many people may be affected.

Labirint said that it was also forced out of business by an "unresolvable conflict" with Orenburg Airlines — which on Friday cut ties with another travel operator with which Labirint is affiliated, Ideal Tour, Itar-Tass reported.

Orenburg Airlines is also the company that was to take over some routes of Russia's low-cost carried Dobrolyot, which suspended operations this weekend after the European Union slapped sanctions on it in late July in connection with the Ukraine crisis.

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