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Ukraine Crisis Hits St. Petersburg's Hotels as Foreign Tourists Stay Away

By The Moscow Times

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Hotel occupancy rates in St. Petersburg are down 20 percent on last year, as the clash between Russia and the West over Ukraine has prompted foreign tourists to avoid Russia's northern capital, a local newspaper reported.

As the high tourist season comes to an end, the five-star Grand Hotel Europe told St. Petersburg-based newspaper Delovoi Peterburg that its occupancy was down 10 percent year-on-year.

Three-star hotels in the suburbs, meanwhile, saw occupancy fall 40 percent, Vladimir Vasiliyev, head of the city's association of small hotels told the paper.

Low-cost hostels are also struggling to fill beds. The head of one hostel chain in the city said occupancy was down 10 percent.

As a result, revenues in the hotel sector overall are down 20 percent, the paper said.

The regional branch of Russia's tourism industry union laid the blame at the door of foreign visitors. This year "20 percent fewer foreign visitors came to St. Petersburg than last year," the union estimated.

According to the paper, a rush of cancellations came at the beginning of spring, when Russia provoked uproar in the West by annexing Crimea from Ukraine.

"We expected the situation to bounce back, but in August when new sanctions were imposed it just got worse. English-speaking tourists from the U.S. and Australia have disappeared," said Yunis Teimurkhanly, who co-owns the four-star Helvetia hotel in St. Petersburg.

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