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# Drop in Russian Tourists Hits Kiev's Hotels Hard

By The Moscow Times

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Kiev's hotel occupancy rate has fallen 42 percent year-to-date as Russian tourists keep their distance from Ukraine's crisis-struck capital city, said a report by JLL Hotel & Hospitality Group.

For the first nine months of this year, Kiev managed only a 29 percent occupancy rate for its key branded hotels, down from a stable 50 percent before the crisis, last week's report said.

Russian clients, who had created the most demand for Kiev's hotels, are almost entirely gone, said David Jenkins, head of JLL Hotels & Hospitality Group in the CIS. But despite lower demand, hotels are unwilling to lower their rates because they fear that doing so would kill the market entirely, Jenkins said.

In November 2013 pro-European Union protests erupted in Kiev, eventually leading to the ouster of Ukraine's pro-Russian President Viktor Yanukovych in February. Relations between

Russia and Ukraine have since soured, especially following Russia's annexation of Ukraine's Crimea peninsula.

A number of hotels are still planning to enter Kiev's market, including Park Inn, Renaissance Hotels and Ibis. Most began their plans in 2012 as part of a "football rush" when Kiev hosted the UEFA championship, Jenkins said.

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