



CARIBBEAN
HOTEL & TOURISM
ASSOCIATION

For Immediate Release

Source: Caribbean Hotel and Tourism Association (CHTA)

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CHTA URGES MAJOR TOUR OPERATOR TO SETTLE ITS DEBTS TO CARIBBEAN HOTELS

MIAMI (June 8, 2020) – The Caribbean Hotel and Tourism Association (CHTA) is calling on one of the world’s largest leisure, travel and tourism companies, TUI Group (Touristik Union International), to reimburse Caribbean hotels and resorts for services received.

Last April, CHTA appealed for a response from those tour operators which had failed to reimburse hotels for first quarter (Q1) stays by travelers who had made their payments to the tour operators well in advance of their travel.

“Most tour operators honored their obligations, and we’ve been pleased to see that a number of those who had delayed reimbursements have settled since our appeal in April,” said Frank Comito, CHTA’s CEO and Director General. “But millions of dollars in reimbursements remain obligated and are jeopardizing the hoteliers’ survival and ability to meet obligations, like taxes and labor expenses, because of the holdout by TUI and several other tour operators.”

In a letter to Andrew Flintham, Managing Director of TUI’s United Kingdom and Ireland operations, Comito said he wanted the company to join its competitors in settling debts to Caribbean hotels whose survival is under threat.

The CHTA chief executive also described efforts by TUI to advance amendments to payment terms for future contracts – which are even more onerous for hoteliers – and would be tied to receiving the Q1 payments that are contractually owed, as “unreasonable and untenable”.

By failing to pay, TUI appears to be in breach of existing contractual obligations, Comito said, noting that these distressed hotels have been longstanding loyal partners, directly contributing to the build of TUI’s Caribbean book of business.

The Caribbean private sector leader noted with great interest the public statement of apology that Flintham recently made to travelers who are also awaiting cancellation reimbursements. “While a similar sentiment would be appropriate to your loyal and longstanding partner hotels in the Caribbean ... we urge your support in expediting the reimbursement of these obligations.”



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In April, CHTA wrote trade associations representing tour operators in Canada, Europe, the United Kingdom and the United States, to address the delays in paying hotels for services already delivered.

Comito said that despite numerous requests to publicly identify tour operators that were withholding reimbursements, the association had refrained from doing so in the interest of long-standing, mutually beneficial relationships. However, Comito charged that the failure to act expediently left CHTA with no choice but to shine further light on the matter. He advised that in addition to TUI, the Canada-based tour operator Sunwing has also been cited by Caribbean hoteliers as still withholding payments.

“We have acted in good faith, as have those impacted hotels, in seeking and awaiting a timely resolution,” Comito stated. “This has become a matter of survival for many small- to medium-sized hotel operators in the Caribbean, many of which are independent and locally owned and have been loyal clients for many years to TUI and Sunwing. While we understand that the pandemic is impacting the tour operators in a significant way as well, their financial obligations for services already rendered should take urgent priority.”

Comito reported that on Friday he received a response from TUI which, regrettably, provided no immediate redress for financially impacted Caribbean hotels.

TUI Group is listed on the Frankfurt Stock Exchange and the London Stock Exchange.

About the Caribbean Hotel and Tourism Association (CHTA)

The Caribbean Hotel and Tourism Association (CHTA) is the Caribbean’s leading association representing the interests of national hotel and tourism associations. For more than 55 years, CHTA has been the backbone of the Caribbean hospitality industry. Working with some 1,000 hotel and allied members, and 33 National Hotel Associations, CHTA is shaping the Caribbean’s future and helping members to grow their businesses. Whether helping to navigate critical issues in sales and marketing, sustainability, legislative issues, emerging technologies, climate change, data and intelligence or, looking for avenues and ideas to better market and manage businesses, CHTA is helping members on issues which matter most.

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