

Proposed budget to strengthen recovery process of hospitality industry

A Monitor Report

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Dhaka: The proposed national budget for fiscal year 2022-23 allocated BDT 1,000 crore for tourism and hospitality sectors. This should give them that extra push to steer ahead on the path to recovery following the Covid-19 pandemic.

According to reports, Shahidus Sadeque, Director for Marketing and Business Promotion of InterContinental Dhaka, said that their hotel's restaurant business was already running well and reached the pre-pandemic revenue figures already. However, the hotel occupancy was slightly slow, compared to the pre-pandemic period, he said.

With the gradual increase of international travel, hotel occupancy should rise in the days ahead, added Sadeque.

The hotel and tourism sector in Bangladesh incurred losses worth BDT 6,000 crore in 2020 following the spread of Covid-19, as per a study by Bangladesh Institute of Development Studies (BIDS).

The study noted that even though the government initially allocated BDT 121,400 crore as fiscal stimulus and liquidity support, the hospitality sector was deprived of such support.

Another senior official of the InterContinental Dhaka opined that the country needed international standard hotel management institutions to produce and

groom skilled personnel required in the sector.

Nishan Moonesinghe, General Manager of Royal Park Residence Hotel in the capital, said, "Firstly, I feel that the industry should get more support from the government to reduce the red tape and bureaucracy involved in getting licences and revise taxation to help optimise on all revenue generating streams to help rebuild the industry which struggled in the last two years due to the pandemic."

"Also, as hospitality professionals we should create a synergy among fellow hoteliers and work together sharing information and follow best practices from the corporate entities, like sharing market segment information which all are very tight lipped about, this will help us manage the pricing elasticity in the city which will help stabilise the room rates which are currently unstable," he concluded.