

PRESS RELEASE

From Record Rise to Record Decline: Impact of Crisis Measures on Prague Meetings Industry is Enormous.

14 May 2020, Prague – Prague meetings industry is an essential part of the Czech capital city's and country's tourism, as well as of their economy. Based on an analysis conducted by KPMG for the Prague Convention Bureau in 2017, the meetings industry accounts for 15% of the overall tourism industry in Prague. At the same time, it is also the sector most affected by the crisis that incurred from the COVID-19 disease outbreak. According to the latest study by the Economic Impact company, revenues in multiplication may drop by more than 20 billion crowns in 2020. This represents a decrease of 74%, when compared with expected sales in case the emergency situation had not occurred.

The meetings industry, which is characterized by its greatly international nature, came to a halt immediately after the first information about the new virus occurrence in several countries had spread. Necessary measures adopted by governments, not only in the Czech Republic, included banning mass gatherings, among them the business ones, as the first step. These restrictions are expected, at the same time, to be lifted as the last.

According to data from the International Congress and Convention Association (ICCA), the Prague meetings industry has long been generating around 80% of the entire Czech Republic's performance in the field of international association events. At the same time, it is an important sector in terms of employment, as it would, under standard circumstances, generate 8,500 full-time jobs in Prague this year. In case the restrictive measures relating to mass events continue, the loss of up to 6,200 of these jobs can be expected in 2020. At the same time, consumption in the sector would go down from the originally expected 13.5 billion to 3.5 billion crowns. For the public budget, this would represent a drop in revenues by almost 73% to only 1.5 billion crowns.

Before the crisis, the Prague meetings industry was on the rise for a long time. For several consecutive years, the Czech capital has maintained its position among the world's TOP 10 meeting destinations. In 2019, it has ranked ninth on the list, joining destinations such as Paris, Berlin, Barcelona, London, Vienna and Singapore. In addition, Prague has also recorded a steadily growing number of events. In 2019, according to data from the Czech Statistical Office, the number of conferences in collective accommodation establishments in Prague broke another record. A total of 5,668 events took place in the city, a quarter more than in 2018 and, at the same time, the highest number since 2009. The Prague meetings represent not only a key economic, but also a socio-scientific benefit for the country and its inhabitants.

About Prague Convention Bureau

Prague Convention Bureau (PCB) is a non-profit organization established in 2008. The company acts as an official representative of the Prague congress tourism and promotes the city as a one of the European leading congress destinations. Together with Czech tourism bodies, partners and members the PCB offers effective assistance in organizing conferences, meetings, seminars, exhibitions and incentive events in Prague.

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