



## Affordable energy prices are needed to allow companies in the hospitality sector to remain open

**Brussels, 28 September 2022: HOTREC, the European Association of Hotels, Restaurants and Cafés in Europe, calls on Energy Council Ministers to cut down the energy prices and save thousands of hospitality businesses from bankruptcy.**

The hospitality sector is a strong contributor to the EU economy, representing 2 million companies (90% of them being micro-enterprises), and employing 12 million people. Despite this track record, the sector has lately been facing numerous challenges, namely high food prices; labour shortages; high inflation levels, while still being in recovery after COVID-19. Companies in the sector report **an increase in energy consumption price of between 200%-600%**. Bankruptcies are a reality in some cases, whereas other companies are carefully analysing their business models to consider whether they can remain open, or if they need to close. Our sector heavily depends on energy (e.g. heating and cooling) to provide guests with the service they expect.

HOTREC welcomes the Commission proposal for a Council Regulation ([COM\(2022\)473 final](#)), proposed on 12 September 2022, as the situation is of extreme gravity and **calls on Member States to approve it**. Energy prices need to be cut down, and companies need to be ensured access to energy to survive.

In addition, the sector calls on the Council to take into consideration that **2020 and 2021 should not be included** in the reference period of the Regulation, at least in the case of the hospitality sector, as most companies in the sector were completely closed during long periods. The reference period should instead cover **the average 3 highest consuming years from the last five years**.

We continue calling businesses to be energy efficient; save energy as much as possible and follow the transition to renewables. But it is to bear in mind that companies need affordable energy and food prices to operate.

Finally, we call on the Member States who have not yet applied for the State Aid Temporary Crisis Framework to activate it.

For further information: [www.hotrec.eu](http://www.hotrec.eu)

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### What is HOTREC?

HOTREC is the umbrella association of Hotels, Restaurants, Bars and Cafés and similar establishments in Europe, which brings together 47 National associations in 36 countries, and is the voice of European hospitality. HOTREC's mission is to represent and champion its interests towards the EU and international institutions, foster knowledge sharing and best practices among its members to further promote innovation, and act as a platform of expertise for the hospitality sector.