

APPEAL BY THE EUROPEAN WATERPARK ASSOCIATION E.V. TO THE GOVERNMENTS OF THE EUROPEAN STATES

The European Waterpark Association is an association of water parks and spas in Europe. We welcome and support the activities of the European governments and authorities in tackling COVID-19 infections and reducing the spread of the Coronavirus in Europe. The health and safety of our guests and employees is our top priority.

Today, we are appealing to the governments of the European states for help. Normally, the annual number of our visitors across Europe exceeds one billion, and the number of people directly employed in leisure pools, spas and water parks in Europe is in the upper six-digit range (estimated at around 700 – 800,000).

Today, due to the Corona crisis, our spas are empty, and employees are threatened with short-time work (this is already the case in most companies) and redundancies.

We urgently need aid packages for our businesses in all EU countries. Without state support that exceeds the current amount, not only are many of our spas facing closure, so too are countless SMEs (small and medium-sized enterprises) who, as suppliers and service providers, depend on the success of the spa companies. We, therefore, ask for the following measures to be implemented with immediate effect:

Appropriate reopening of spas under controlled conditions

Many people in Europe will not be able to afford a holiday this year. Spas are a convenient alternative for health and exercise-oriented leisure activities for families, close to home. A timely reopening of spas under controlled conditions is, therefore, a priority measure on the path to normality. We have shown that this is possible in our two-stage plan for the reopening of water parks and spas, which is being used throughout Europe as the basis for discussing the reopening of spas. In the plan, we intentionally incorporate all public spas, including outdoor pools, indoor pools, etc. If we create the broadest possible range of alternatives for visitors, we can relieve the expected pressure on the individual facilities by reducing the number of bathers present simultaneously. At the same time, we can achieve that guests primarily visit spas that permanently treat their pool water, in which the Coronavirus has no chance of survival¹, and in the absence of this, they do not visit bathing sites by rivers and lakes, where the stream of visitors is not manageable and there are often no sanitary facilities and no supervision.

An “aid package for spas” in the EU countries, with direct, non-repayable subsidies for the spa companies

According to a survey conducted by our association of private operators, 70% of whom receive no municipal subsidies at all and a further 30% only receive a maximum of 25% subsidy of the annual costs, 40% of these companies are at risk of liquidation in the next two to three months. This number will rise to 80% by September if real support measures are not taken. Many municipal spas are also at risk because cities and municipalities lack the budget to compensate for the deficit increased by the Corona crisis. Bridging loans

¹ German Environment Agency 2020: Coronavirus SARS-CoV-2 and visits to swimming or leisure pools and/or swimming and bathing lakes; under: https://www.umweltbundesamt.de/sites/default/files/medien/374/dokumente/stellungnahme_uba_sars-co2_badebecken.pdf

are not enough here, because they only postpone the problem. After a successful reopening, guests will not visit our spas more often than they did previously. Therefore, the current revenue losses cannot be compensated. Spas that are now improving their liquidity with bridging loans to avert bankruptcy will still have to take this step tomorrow because they are threatened with excessive indebtedness. We, therefore, need direct, non-repayable grants that ensure the survival of the spas until they can generate sufficient revenue on their own – an “aid package” from the governments.

An “investment programme for spas” to support suppliers and service providers

As the duration of the spa closures runs on, not only are the direct jobs in the spas at risk but also numerous jobs at the manufacturers and service providers. Without their own revenues and effective subsidies, the spas will not be able to make the necessary investments, on which these subcontractors depend. We, therefore, call for a long-term investment programme for renovating, modernising and increasing the appeal of the spas, from which not only they will benefit, but, above all, also the companies from the manufacturing and service industries that depend on spas. Again, these are mainly SMEs.

A temporary reduction of VAT

A reopening of the water parks and spas under controlled conditions initially also means limiting the number of visitors and, thus, sales. Also, it is not clear how many families will be able to afford to visit spas in the future due to the restrictions on their income. However, the cost of maintaining a business is almost as high as during normal operation, even with low visitor numbers. For this reason, we are calling for the VAT rate to be reduced to 0% for one year on admission fees, and for ancillary income (catering, shop sales, massages, and wellness treatments) set to the respective reduced VAT rate of the states. This will allow spa companies to generate much-needed additional revenue while maintaining the gross prices or to generate additional demand by passing on the relief to the visitors through reduced admission prices.

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On average, in each water park/spa, there are 104 full-time employees, a considerable proportion of whom are low-skilled, who have found safe employment close to home. For particularly large facilities, this number can be as high as 1,200 employees or even more. Insolvency and thus the closure of spas would have a significant negative impact on the affected regions, as it would mean the loss of low-threshold health-oriented leisure activities and direct and indirect jobs (including indirect profitability through local secondary sales). The abovementioned measures will make it possible to prevent this, to give the whole water park industry an optimistic view of the future again, and to make an effective contribution to strengthening the health of the people and to social stability in our society.