UNWTO World Tourism Barometer May 2020

Special focus on the Impact of COVID-19
EVOLUTION OF TRAVEL RESTRICTIONS

9 MARCH

13 MARCH

24 MARCH

20 APRIL
The impact of COVID-19 on international tourism

January-March 2020
International tourist arrivals fell sharply in March 2020

International tourist arrivals, Jan, Feb, March 2020 (% change)

World: +2
Europe: +6 +6
Asia and the Pacific: +0 +3
Americas: +4 +4
Africa: +6 +5
Middle East: -9

Data is provisional

Source: World Tourism Organization (UNWTO)
International tourist arrivals by region in Q1 2020

Source: World Tourism Organization (UNWTO)
The impact of COVID-19 on Tourism in Q1

- 67 million fewer international tourist arrivals
- 80 US$ billion lost in exports
- 100% destinations with travel restrictions
Looking Ahead
Forward-looking scenarios depend on re-opening of borders

International tourist arrivals in 2020: three scenarios (YoY monthly change, %)

* Actual data through March includes estimates for countries which have not yet reported data.

Note: the scenarios presented in this graph are not forecasts. They represent alternative monthly change in arrivals based on the gradual opening of national borders and lifting of travel restrictions on different dates, still subject to high uncertainty.
Summary of Potential Impacts in 2020

- 850 million to 1.1 billion fewer international tourist arrivals
- US$ 910 billion to US$ 1.2 trillion loss in export revenues from tourism
- 100 to 120 million direct tourism jobs at risk
The recovery of lost arrivals was the fastest after SARS (11 months)

Impact of three previous crises on world arrivals

**World** - Cumulative change in international arrivals (million), by months

- **SARS**: 11 months for recovery
- **Sept 11th attacks**: 14 months for recovery
- **Global econ. crisis**: 19 months for recovery


Source: UNWTO
Employment in accommodation and food services is at high risk, more than half workers are women

Workers in sector most at risk

Source: International Labour Organization
Tourism is a key sector in many advanced and emerging economies

Share of Tourism GDP in total GDP (%)

Note: When Tourism GDP is not available, Tourism Gross Value Added (TGVA) or Tourism internal consumption is used. Note: Countries with available Tourism Gross Domestic Product data for 2015-2018 (Tourism GDP equal or above 5% of total GDP). When Tourism GDP is not available, Tourism Gross Value Added (TGVA) or Tourism internal consumption is used.

Source: Compiled by UNWTO
Small Island Developing States are highly vulnerable

Share of international tourism revenues as of total exports (%)

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<thead>
<tr>
<th>Between 50% and 90%</th>
<th>Between 30% and 50%</th>
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<td>Macao (China)</td>
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Source: UNWTO
Destinations with high share of domestic tourism are less exposed

Guests in hotels and similar establishments (THS), Domestic and inbound tourism (% of total guests)

Source: Compiled by UNWTO

Note: Includes only countries with available data for 2018 or earlier and with share of domestic guests in total higher than 50%
Key Considerations

• Pandemic
  How long will the pandemic last and when will a treatment or vaccine become available?

• Lifting of travel restrictions and lockdown measures
  When will countries start easing restrictions and how?
  How will social distancing rules impact supply?

• Consumer & Business confidence
  How long it will take consumers to reassume travel?
  How will travel behavior change?

• Economic impact
  How deep and how long will the global recession be?
  What will be consumers’ discretionary spending decisions?

• Governments Measures
  How do government measures support tourism?
## Challenges & Opportunities

### STRENGTHS
- Proven resilience of tourism in past crises
- Domestic tourism can be a buffer
- Adaptation capacity: safety and hygiene protocols, trips closer to home, value for money, responsible consumer behavior
- Government support to the sector

### WEAKNESSES
- Segments potentially affected are also high spenders: international, long haul, business travel and events
- Major disruption in airline industry with airline failures and concentration
- Lack of references in previous downturns
- Perception of travel as a risk
- Low levels of demand when restarting tourism due to social distancing

### OPPORTUNITIES
- Re-think business model
- Innovation and digitalization
- Sustainability and sustainable-oriented segments (rural, nature, health)
- De-escalation phases initiated by several countries toward the ‘new normal’
- Progress in adaptation plans in destinations & companies

### THREATS
- Economic environment: world recession, rising unemployment and jobs at risk, closure of business mainly SMEs, disposable income, uncertainty weighing on consumer and business confidence
- Uncertain length of pandemic (including resurgence) and vaccine unavailability
- Extent of lockdowns and travel restrictions
- Unknown form of the ‘new normal’

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