IMPACT OF COVID-19 ON GLOBAL TOURISM MADE CLEAR AS UNWTO COUNTS THE COST OF STANDSTILL

Madrid, Spain, 28 July 2020 – The enormous toll of COVID-19 on international tourism has now become clear, with World Tourism Organization (UNWTO) data showing the cost up to May was already three times that of the 2009 Global Economic Crisis. As the situation continues to evolve, the United Nations specialized agency has provided the first comprehensive insight into the impact of the pandemic, both in tourist numbers and lost revenues, ahead of the upcoming release of up-to-date information on travel restrictions worldwide.

The latest edition of the UNWTO World Tourism Barometer shows that the near-complete lockdown imposed in response to the pandemic led to a 98% fall in international tourist numbers in May when compared to 2019. The Barometer also shows a 56% year-on-year drop in tourist arrivals between January and May. This translates into a fall of 300 million tourists and US$320 billion lost in international tourism receipts – more than three times the loss during the Global Economic Crisis of 2009.

Dramatic fall in tourism places millions of livelihoods at risk

UNWTO Secretary-General Zurab Pololikashvili said: “This latest data makes clear the importance of restarting tourism as soon as it is safe to do so. The dramatic fall in international tourism places many millions of livelihoods at risk, including in developing countries. Governments in every world region have a dual responsibility: to prioritize public health while also protecting jobs and businesses. They also need to maintain the spirit of cooperation and solidarity that has defined our response to this shared challenge and refrain from making unilateral decisions that may undermine the trust and confidence we have been working so hard to build.”

Restart underway but confidence low

At the same time, UNWTO also notes signs of a gradual and cautious change in trend, most notably in the Northern Hemisphere and particularly following the opening of borders across the Schengen Zone of the European Union on 1 July.

While tourism is slowly returning in some destinations, the UNWTO Confidence Index has dropped to record lows, both for the evaluation of the period January-April 2020, and the prospects for May-August. Most members of the UNWTO Panel of Tourism Experts expect international tourism to recover by the second half of 2021, followed by those who expect a rebound in the first part of next year.
The group of global experts points to a series of downside risks such as travel restrictions and border shutdowns still in place in most destinations, major outbound markets such as the United States and China being at standstill, safety concerns associated with travel, the resurgence of the virus and risks of new lockdowns or curfews. Furthermore, concerns over a lack of reliable information and a deteriorating economic environment are indicated as factors weighing on consumer confidence.

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