



**Minutes of UNWTO Webinar:
The Deep Impact of COVID-19 on Tourism
from a Statistical Perspective
Monday, 24 August 2020 (12.00 – 13.30 CET)**

Agenda:

- Welcome by **Ms. Basmah Al-Mayman**, Regional Director for the Middle East, UNWTO
- Presentation and Moderation by **Mr. Hernán Epstein**, Chief of Statistics, UNWTO
- Panelists Presentations:
 - **Ms. Suad Al Izki**, Director of Geographical, Environmental, Tourism and Energy Statistics Department, GCC-Stat
 - **Mr. Faisal Al-Saleemi**, Planning Department at Ministry of Tourism of Saudi Arabia.
- Panel debate and Q&A

Main points from UNWTO :

Ms. Basmah Al-Mayman, -The Regional Director for the Middle East Department- welcomed the panelists and all the attendees of the Webinar from the public and private tourism sector in the Middle East region and other regions. She expressed the readiness of the Regional Department to fulfill and reply to all their requests through the email: rdme@unwto.org. She pointed out that :

- The enormous impact 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.
- 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 per cent 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.
- 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.
- 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.”
- Questioning; Do we really know the effects that this situation is having on tourism in all its dimensions? Do we understand the effects that the reduction of tourism activity is having on economies, societies and the environment?



- And affirming, there is data, data everywhere, but not all of it is equally well placed to answer these questions—especially not when we wish to benchmark or gain trust.
- Covid-19 has also shown just how important sustainability is. In a world where our economies, our societies, and our environment were more narrowly intertwined than ever, the spread and the effects of the virus rapidly became pervasive. Tourism is by definition embedded in our economies and in our societies, it relies on our environment which it can help protect or degrade.
- Today our High level experts will discuss the impacts of the global pandemic not only on tourism activity, but also on the nature of the statistical activities that are necessary to properly measure the main aspects of tourism at the national and international levels, in the short, medium and long-term.

Ms, Basmah, once more welcomed the panelists and gave the virtual floor to **Hernán Epstein**, Chief of Statistics, UNWTO, mentioning that a poll of questions will be launched during the webinar.

Mr. Hernán Epstein, Chief of Statistics, UNWTO, welcomed panelists and presented the following:

- His presentation will focus on the impact on tourism activity, the value of statistics, the effects of COVID-19 on tourism statistics and the MST as a framework.
- As for the impact on tourism activity; **Hernan** mentioned that around April 2020 all countries took restrictions affected by Covid-19, and as of 19th July; 40% of destinations have eased restrictions, 115 (53%) continue to have completely closed borders, 88 have had this for at least 12 weeks, four destinations have lifted all COVID-19 related restrictions. Further, he referred to the regional breakdown of travel restrictions as of 19th July 2020, explaining that the Middle East has been one of the first ones to react as 77% of its destinations have complete closure of borders and 15% with partial closure of borders.
- **Hernan** moved to talk about the impact on tourism activities, that between Jan-May 2020 there is a decrease in the global tourist arrivals of 56% compared to the same period of 2019, in the Middle East the decrease was 52% in the same period though in some countries there has been an increase in January and February as shown in their statistics.
- **Hernan** later discussed the Value of statistics: it Collects data that serves a specific purpose, provide a framework for compilation and analysis of indicators so it provides clear definitions which is extremely important, it ensures spatial and temporal comparability in sense of measuring in a standard way and makes sense of alternative sources of data. Value of statistics also provide trust and objectivity to the indicatore and provides evidence for policy making.
- **Hernan** focused on the effects of the pandemic and the first point to focus on the need for short term data and statistics as there has been a huge need to update the real time data for this there needs to be close collaboration between users and producers clear what is possible, Some traditional sources of data heavily affected, the need to incorporate alternative sources (e.g., big data) through innovation. Some countries Use statistics to make sense of data; for example the use of TSA.
- **Hernan** moved on to mention that the pandemic has affected the collection of tourism surveys and administrative resources for the affected countries. Aministrative data was not affected so much that is collection was done on an automatic manner from mobile data, road transport, flights supply, search trends, bank cards.
- The second point mentioned by **Hernan** was the stronger need for measuring the sustainability of tourism, cases from the media on the internet one from academia, sustainability is the core for restart, There has been discussions on false dicotomy: focus on economic growth, or on sustainability or both, both can happen at the same time. Also, crises are a sustainability issue. The need to measure different dimensions



of sustainability: economic, environmental and social, assess impact of crises not only from an economic perspective. Aims to become third international standard on tourism (IRTS and TSA). Recognized by UN to measure contribution of Tourism to SDG Agenda. Measurement down to the subnational (destination) level. To assess the impact of crises on three dimensions; economic, environmental and social. The TSA measures tourism from the economic dimension.

- Examples of indicators and areas of measurement of the SF-MST on three dimensions: economic, environmental and social.
- As for the Governance of MST, the UNWTO Committee on Statistics; there is a MST Working Group of Experts: 24 experts, 3 from the Middle East region (Egypt, Oman and Saudi Arabia) is in charge of developing the framework. On the Implementation roadmap side; there's the experience of Saudi Arabia (pilot studies)

Mr. Hernan introduced the 2 panelist experts as follows:

1) Ms. Suad Al Izki sharing her presentation:

- **She** noted that it will cover "Case of GCC Region", the direct Impact on Global & GCC Economy and the GCC status according to international organizations including International tourists arrivals, travel and tourism contribution to GDP, travel and tourism jobs in GCC, international visitors impact and the average daily number of departure flights in GCC. As well as general impacts of pandemic measures on tourism in GCC countries, the direct impacts of the pandemic on tourism statistics in GCC and facing the pandemic: initiatives taken by GCC countries during the crisis.
- **Al Izki** referred also to the Global recession in 2020 explaining that is according to IMF forecasts, the Coronavirus could lead to a global recession in 2020, which may be worse than the recession caused by the global financial crisis in 2008-2009.
- And according to the data of the report issued on June 26, 2020, the global economy will contract by -4.9% in 2020 due to the impact of the Coronavirus on economic activity.
- Expectations indicate that economic activities related to travel and tourism will be among the most affected sectors, as borders closed, aircraft carrying passengers stopped flying, hotels closed and travel restrictions imposed around the world in almost all countries. It was also expected that the recovery will begin gradually in 2021, and that global economic growth will reach 5.4% in 2021 (assuming the pandemic fades by the end of the third quarter of the year 2020).
- **Suad** mentioned that the sectors most likely to be affected by the pandemic are the hotels and restaurants sector, followed by the transport and storage sector, and then the wholesale and retail trade sector.
- The period of social isolation and the closure of international borders will dampen tourism and movement. 16% decrease in accommodation and food services, 12% decrease in transportation and storage, and so on.
- **She** provided an idea of the overview about the expected growth rate at constant prices for selected economic sectors for the year 2020. Previewing that according to WTTC data, Total travel and tourism GDP in GCC countries is about **US\$ 158 billion (9.7% of total economy)** in 2019.
- It is expected that the contribution of the travel and tourism to GDP in Middle East & GCC will decrease in 2020, depending on 3 scenarios: Contribution of travel and tourism to Employment in GCC Countries in 2019 is about **2.9 million jobs (10.6% of total employment)** It is expected that the travel and tourism jobs in Middle East will decrease in 2020, depending on the following scenarios: best scenario it will decrease by 40% equals 99 billion \$ and worst scenario it will decrease by 73% equals 179 billion \$, while

for the GCC, the best scenario witness a decrease of 40% that equals 63 billion \$ and the worst scenario with a decrease of 73% equals 115 billion \$.

- **Al Izki** referred to the International Visitors Impact as the International visitors spend in 2019 in GCC countries was about US\$ 90.4 Billion (9.6% of total exports). And It is expected that the number of International and domestic visitors arrivals in Middle East will decrease in 2020 as following: A decrease in the Average Daily Number of Departure Flights in GCC by 93.1% in Q2 2020. While the average daily Number of Departure flights in GCC in Q1 2020 was about 1,457 flight compared with 101 flight in Q2 2020, decreased by 93.1%.
- **Suad** also explained also the two levels of measures taken of the General Impacts of Pandemic measures on Tourism in GCC Countries. First, the Precautionary measures where Countries went into: Full lockdown, shutting down airports, imposing travel restrictions, and completely sealing the borders leading to Closure of tourism activities (closure of majority of hotels) and Changing the activity of some hotels to health activities (Quarantine).
- And the other leve is the Recovery measures that included Facilitating the travelling and movement (internal and international) with special protocols, by Opening airports and borders gradually, some tourism activities (hotels and restaurants) and supportive and tourism services establishments that helped to Activating the data production cycle.
- **She** noted as well that the direct impacts of the pandemic on tourism statistics in GCC and as outcome of this pandemic the following are the direct outcomes: a Lack of statistical data flow from original data sources to NSOs. Delay in data cycle (collection, processing and dissemination) compared with 2019 rounds, statistical quality of current tourism data needs further efforts due to the impact of the crisis, and due to crisis some hotels stop working partially or completely, other provide quarantine services, which makes data in consistent overtime.
- **Suad** started to mention Initiatives taken by GCC countries during the crisis among which; the activation of the electronic system for hotels, generating monthly data and preparing a recovery plan, while the GCC Stat Center's Role focused on Providing technical support and Preparing some statistical reports on the impact of the pandemic on the tourism sector.

2) **Mr. Faisal Al-Saleemi**, went through his presentation and mentioned the experience Saudi Arabia had, and started with the COVID-19 impact:

- 1) The tourism sector is one of the most affected by COVID-19 pandemic, and when this pandemic began, researchers searched for data that would help leaders and decision-makers in their decisions, but survey field operations are restricted or on hold.
- 2) The dramatic decrease in the number of tourists and mobile workers in the city due to the quarantine and the restriction of the movement of people has also improved the air quality in tourist destinations.
- 3) Also, the decrease in the number of tourists using commercial accommodation facilities led to a decrease in the consumption of water, energy, and fuel and wastewater disposal.
- 4) So Saudi Arabia started considerable work undertaken to evaluate a range of non-traditional data sources and review these studies to see if some of these new data sources could be accessed for measuring the tourism picture.
- 5) Therefore, a decision was issued by His Royal Crown Prince to create a semi-live dashboard that displays data and adopts big data outputs to provide more timely information and that was done by Ministry of Tourism on March 2020.



- **Faisal** pointed out to another study from the University of Sydney showed the Socio-economic, environmental impacts of COVID-19 quantified as: on Consumption: US\$3.8 trillion. On Jobs: 147m (4.2 % of the global workforce). On Income from wages and salaries: \$2.1 trillion (6 %). On Greenhouse gas emissions: 2.5Gt fall (4.6 %) -- larger than any drop in human history.
- Other atmospheric emissions -- PM2.5: Dangerously fine Particulate Matter emissions fall 0.6 Mt(Metric Ton) (3.8 %); sulfur dioxide (SO₂) & nitrogen oxides (NO_x) emissions from burning fossil fuels -- which has been linked to asthma and chest tightness -- and emissions from nitrogen oxide -- from fuel combustion, for example, driving cars -- fall 5.1 Mt (2.9 %).
- **Faisal** also explained Saudi Arabia Initiative on Measuring Environmental Pressures of Tourism; considering the recognized pressures of tourism on the natural environment, it is important to quantify and understand those pressures. The Ministry of Tourism puts efforts into adoption of analytical method based on the TSA approach in order to provide estimates on the environmental effects of tourism activity in the Kingdom of Saudi Arabia. This method enables Ministry of Tourism to partially examine some environmental consequences of tourism, e.g. energy & water consumption and CO₂ attributed to tourism demand.
- **Al-Saleemi** referred to both the Tourism Satellite Account and the system of environmental and economic accounts (SEEA) allows a country where both international recommendations are being developed to estimate the links between tourism and the environment at the level of the national economy. This could be done in two ways:
- **Faisal** moved to present the first Pilot of 2007 study for Environmental Measures for Tourism Commercial Accommodation Services; that is based on 3 levels including accommodation survey, tourism establishments survey, inbound and domestic tourism surveys, secondary data, with a methodology depends on identifying two main types of commercial accommodation at that time in 2007 in the Saudi Arabia (Hotels & Apartments); determining guest numbers as well as guest night sold; and determining intermediate consumption on fuel, electricity and water.
- Then converting the monetary intermediate consumption (energy & water) into quantities/flows; and calculating the consumption of Energy & Water by Domestic and Inbound Tourists in the Commercial Accommodation Services. This study on the UNWTO website
- As for the second Pilot study was done in 2018 about Environmental Measures for Domestic Tourism Land Transportation. The data sources were: the domestic tourism surveys, from the GaStat and secondary data (from the Ministry of Transport, Saudi standards, metrology and quality organization).
- The methodology used was determining approximate distances between provinces in Saudi Arabia, calculating number of travel parties by land (tourist trips + day trips) from the DOTs survey; from defining the conversion factor for converting distance (km) to fuel quantities (liter); and estimating domestic tourism consumption of fuel in land transportation.
- **Faisal** explained In simple words, the general idea of investigating the sustainability of tourism is to provide indicators about the economic, social, environmental aspects of tourism, and through this previously mentioned method, Saudi Arabia has managed to provide few environmental measure (Works



is underway to provide such measures for other industries that serve visitors directly), so, through the TSA and this pilot environmental measures, Saudi Arabia is already covering around 60% of the Key statistical domains of the MST

- **Al-Saleemi** concluded with recommendations stating that the approach adopted in the Saudi Arabia case allows to partially examine some environmental impacts of tourism, while environmental accounts are not available, adding that TSA is still the cornerstone on the comprehensive statistical measurement of tourism, Countries that have A TSA are already covering around 50% of the Key statistical domains of the MST (e.g. data on Visitor movements, tourism activity and expenditure, tourism characteristic industries, Tourism employment); Ministry of tourism pilot studies has synergies with the UN SDGs 2030. In particular, the outcome of this pilot study could help partially on providing relevant indicators for the Goals 8, 12 and 14, and the main lesson learnt from this pilot project is that the TSA is essential for developing any other tourism accounting framework.
- At the end, **Faisal** mentioned the “Break Free” Saudi Summer that comes as an opportunity to discover multiple tourist destinations in KSA, alongside its historical, natural and cultural treasures. The campaign also contributes to enhancing efforts by the Ministry of Tourism to revive the tourism sector, which was most affected by the repercussions of the Covid-19 crisis,” started from 25 June and running until 30 September 2020. “Break Free” summer season, introduces first leisure cruise offering on Saudi Red Sea.

Mr. Hernan then raised a question by Mr. Taleb Al-Rifaai, former UNWTO Secretary-General, as a participant in the webinar, asking how statistics can be so low on reliability and the overall administrative data be so reliable?

- **Hernan** answered that sources such as surveys are heavily affected by the pandemic and related measures such as social distancing, especially for surveys that are conducted face-to-face. The closure of borders has also heavily affected border surveys obviously. Administrative sources, on the other hand, have not been affected as heavily, since the data can be reported automatically and electronically.

Hernan raised one of the Poll questions to all participants which is how has Covid-19 influenced the level of priority given to developing tourism data for more sustainable tourism policy? 84% said it is more important now, 5 % said less important now and 15% said level did not change.

- This question also was for all pilot countries (the countries that did MST pilots) and responses were 8; 2 said it is less important now, 3 said it was not changed and 3 said it is most important.
- **Ms. Suad** commented with agreeing that it is more important now as the tourism sector is not an independent sector and is a cross to all economic activities and contributing to the country’s economy and it is a good time now to transform from the current method to the modern method.
- **Mr. Faisal** also agreed and added the importance of what is called changing the policy for the current situation, referring to the Saudi Arabia different financial initiatives to support the private sector.
- **Mr. Faisal** confirmed on the importance of the coordination in the mean time between all stakeholders and producers of statistical data to get information understand the big picture and if there is a change in the policy to cope with this pandemic, one of the efforts done by the Saudi Ministry of Tourism that was in



March 2020 to utilize the big data by establishing a Tourism Statistical Data Committee for measuring the sustainable of tourism for this kind of data.

Mr. Hernan asked both panelists a question: What do you think are the main challenges for tourism policy makers to provide them with up-to-date near real time data on both regional and national level?

- **Ms. Suad** answered that on the regional level the main challenge is the lack of data, and there is also lack of approved methodology for tourism forecasting data and add the different time lags between administrative time sets for tourism measurement.
- **Mr. Faisal** replied the importance of cooperation and to start a committee between the producers of the data which is not an impossible thing, as Saudi's experience in gathering 13 involved entities in one committee. **Hernan** added the need to have statistical expertise to process this data and to analyze it in a way that does not have any biases.

Also **Mr. Hernan** asked the panelists what are the main challenges in measuring the sustainability?

- **Mr. Faisal** answered that the most challenge is the data quality for example the gas emission is very challenging but with using data and scientists to analyze the data is very important.
- **Ms. Suad** commented on the regional level the main challenge that limitation of data related and measuring sustainability is a bit high cost compared to the limited budget for that, also, there is limited number on the successful best practices on measuring sustainability. **Hernan** commented that within the MST there is 12 countries that have measured the sustainability at some level.

Ms. Basmah Al-Mayman, concluded by thanking all the panelists and participants in this webinar. She stressed out that important point raised by Mr. Faisal which is the quality of data and figures shared with the world, and paid also special thanks to Ms. Suad and the GCC Statistics Centre as being very good partner in the region and highly appreciating their integral part as they are aligned with UNWTO work.

Al-Mayman also said as Saudi Arabia presented its pilot study, I would like to re-invite all member states in the Middle East to join the MST as Hernan and his team are ready to answer all raised questions on how to start with it.