

### **Executive summary**

Tourism suffered the greatest crisis on record in 2020. International tourist arrivals plunged 73% leading to:

- 1 billion fewer arrivals and bringing total numbers back to levels of 30 years ago;
- a loss in worldwide exports from tourism (including passenger transport) of nearly US\$ 1.1 trillion - ten times the loss of 2009 economic crisis – representing 42% of the total decline in global exports;
- a loss of about US\$ 2 trillion in direct tourism GDP, more than 2% of the world's GDP; and
- 100 to 120 million direct tourism jobs at risk.

Arrivals were down 85% in the first five months of 2021 yet confidence is slowly recovering according to the UNWTO Panel of Experts and May marked a slight upward trend. UNWTO 2021 scenarios were revised downwards due to the weaker than expected results. Scenario 1 indicates a rebound in July with a 40% increase in arrivals compared to 2020, though still 63% below 2019 while the second scenario considers a rebound in September, meaning a 10% increase in arrivals compared to 2020, but still 75% below 2019.

### **Action by the General Assembly**

---

#### **DRAFT RESOLUTION<sup>1</sup>**

*The General Assembly,*

*Having examined* the report,

1. *Welcomes* the comprehensive and updated information provided in the report as well as in the *UNWTO World Tourism Barometer* and the various online data dashboards created by the Secretariat to provide data and knowledge on current trends during the pandemic; and
2. *Requests* the Secretary General to continue monitoring the impact of the crisis as well as its recovery providing global guidance to the Member States and the sector at large, considering the key relevance of market intelligence to support an effective evidence-based recovery.

---

<sup>1</sup> This is a draft resolution. For the final decision adopted by the Assembly, please refer to the Resolutions document issued at the end of the session.

## I. International Tourism 2020: the worst year on record

---

1. Tourism suffered the greatest crisis on record in 2020 following an unprecedented health, social and economic emergency amid the outbreak of the COVID-19 pandemic.
2. International tourist arrivals plunged by 73% in 2020 over the previous year due to widespread travel restrictions and a massive drop in demand.
3. By regions, Asia and the Pacific suffered the largest decline in international tourism arrivals in 2020 (-84%). Africa and the Middle East both recorded a 74% decrease, followed by Europe (-68%) and the Americas (-68%).
4. The overall impact on international tourism translated into:
  - 1 billion fewer international tourist arrivals worldwide, bringing the number of travellers around the world in 2020 back to levels of 30 years ago;
  - a drop of over US\$ 900 billion in international tourism receipts (-64% in real terms), cutting the overall worldwide exports value by over 4% in 2020. The loss in total export revenues from international tourism (including passenger transport) amounted to nearly US\$ 1.1 trillion or ten times the value lost in 2009 amid the global economic crisis. This represents 42% of the total decline in global exports in 2020 (US\$ 2.6 trillion). It also accounts for practically the entire drop in services exports (93%).
  - a loss of about US\$ 2 trillion in direct tourism Gross Domestic Product (GDP), more than 2% of the world's GDP; and
  - 100 to 120 million direct tourism jobs at risk.
5. Asia and the Pacific and the Middle East suffered the largest drops in tourism receipts in 2020, with declines of 70% and 69% respectively in real terms, followed by Africa (-64%), Europe and the Americas (both -60%).
6. This is by far the largest decrease in tourism revenues in recorded history, impacting millions of jobs, small businesses and livelihoods all over world, particularly in emerging economy destinations such as Small Island Developing States (SIDS) where tourism is more labour intensive and a major part of the balance of payments.

## II. International Tourism 2021: Slight improvement in confidence amid significant uncertainty

---

7. International tourist arrivals (overnight visitors) dropped by 85% in the period January-May 2021 compared to 2020, as travel restrictions remained high and consumer confidence low according to the July 2021 issue of the [UNWTO World Tourism Barometer](#).
8. This sharp decline represents a loss of some 147 million international arrivals compared to the same period of 2020, or 460 million compared to pre-pandemic year 2019. International travel volumes are still 88% below the first quarter of 2019.
9. In January-May 2021, Asia and the Pacific continued to show the highest impact with a 95% drop in international arrivals as compared to the same period in 2020. Europe recorded a decline of 85%, followed by the Middle East (-83%), Africa (-81%), and the Americas (-72%).
10. Several world subregions continued to see drops of 90% to nearly 100% in arrivals, mostly in Asia and the Pacific. Only three subregions and all in the Americas recorded decreases below 80% - North America, the Caribbean and Central America. The Caribbean (-60%) saw the lowest decline among subregions in the first five months of 2021.

11. Only a small number of destinations saw decreases below 50% as compared to 2019 in the period January-May 2021, among which Aruba, Mexico, , Puerto Rico, Maldives, Albania, Luxembourg and Ethiopia .
12. While demand for international tourism dropped sharply and still remains subdued, domestic tourism continued to grow in several large markets such as China and the Russian Federation, where domestic air travel has returned to pre-COVID levels. Chinese travellers made 256 million domestic tourism trips during China's week-long Spring Festival holiday ending on 17 February, a 75% increase over the same period in 2019, according to the Ministry of Culture and Tourism of China
13. Industry confidence is slowly rising for the period May-August 2021 according to the latest survey of the UNWTO Panel of Experts. The pace of the vaccination rollout in some key source markets as well as policies to restart tourism safely, most notably the EU Digital COVID Certificate, have boosted hopes for a rebound in some markets. However, uncertainty remains high due to the surge of new variants, the travel restrictions still in place and the uneven rollout of vaccines.
14. Due to weaker-than-expected results in 2021, scenarios for the year were revised downward in May.
  - Scenario 1 points to a rebound in July and would result in a 40% increase in international arrivals in 2021 compared to 2020, though still a 63% decline versus the pre-pandemic levels of 2019; and
  - Scenario 2 considers a rebound in the month of September and a 10% increase in arrivals compared to 2020, though a 75% decrease compared to 2019.
15. The scenarios are based on a gradual re-opening of borders and improvement in traveller confidence in the months of July and September 2021 respectively, in line with the increase in vaccination and expected improvement in coordination of travel requirements, though projected results are somewhat lower.
16. As per the UNWTO Panel of Experts, 60% of respondents expect a rebound only in 2022, up from 50% in January 2021. The remaining 40% still see a potential rebound in 2021, mostly during the second half of the year, though below the expectations shown in the January 2020 survey (50% expected recovery in 2021). Experts in Middle East and Europe are more optimistic as compared to the ones in Africa, the Americas and Asia Pacific.
17. Looking ahead, nearly half of the experts do not to see a return to pre-pandemic levels happening before 2024. Prospects for recovery in 2024 or later are stronger compared to what experts expressed in January (41%). The share of respondents who point to a return to pre-pandemic levels in 2023 has somewhat decreased (37%), when compared to the January survey. By regions, the largest share of experts pointing to a return to 2019 levels in 2024 or later are in the Americas and Asia and the Pacific (both 56%), as well as in Europe (46%).
18. Industry indicators as included in the [UNWTO Recovery Tracker](#) confirm a slow rebound, namely:
  - International seat capacity is still 71% below levels of 2019 with significant improvements in Africa (-53%), Americas (-56%) and the Middle East (-60%) while domestic routes performed much better at only minus 21% as compared to 2019 (data as July 2021 from the International Civil Aviation Organization - ICAO).
  - Air travel bookings are also still much below 2019 levels (worldwide at -88%) but again with Middle East, Africa and Americas doing slightly better (data as of July 2021 from ForwardKeys).
  - Hotel bookings are 33% behind 2019 with better results in the Americas (-14%) and the Middle East (-29%) while Europe is lagging much behind (-70%) (data as of July 2021 from Sojern).

- Overall hotel occupancy rates in June 2021 were at 53% as compared to 37% for the whole of 2020, with significant improvement in the last months. The Middle East, Americas and Asia-Pacific show the best results, the latter two mostly due to important domestic markets (data as of June 2021 from STR).
  - On the other hand, short-term rentals seem to be recovering faster with global levels only at -8% as compared to 2019 (data as of June 2021 from AirDNA).
  - Indicators on the travel sentiment as measured in web social conversations which showed some improvement in June have gone down in July showing the volatility of the markets (data as of July 2021 from TCI Research).
  - Finally, data on travel searches (flights and accommodation) from Google have slowed down in June after a significant increase in April and May.
19. Considering that this document was prepared in August 2021, an update will be provided on the occasion of the General Assembly.

\* \* \*