



Uniting to Restore International Mobility & Reshape Travel & Tourism

WORLD
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INTRODUCTION

As of 1 September 2021, there were over 217 million confirmed COVID-19 cases globally and 4.5 million deaths¹. This global pandemic has caused immeasurable tragedy, impacting people's wellbeing, lives, and livelihoods. The closure of borders, suspension of flights and pause of international travel, has been devastating for the Travel & Tourism sector, and the 334 million individuals it employed in 2019 across the globe. Effectively, COVID-19 has been the most devastating crisis for the Travel & Tourism sector, with over 62 million jobs lost in 2020 and global GDP losses amounting to nearly US\$ 4.5 trillion². What is more, developing nations which tend to have a higher reliance on Travel & Tourism have been disproportionately impacted by COVID-19.

In 2019, Travel & Tourism was one of the largest sectors globally, accounting for 10.4% of global GDP (US\$ 9.2 trillion) and was responsible for creating 1 in 4 of all new jobs across the world. In fact, **in 2011 and 2019, Travel & Tourism had grown faster than the global economy and was projected to create 100 million new jobs over the next decade – which are now at risk.** COVID-19 also highlighted the important social impact of Travel & Tourism, with the sector being an enabler of socio-economic development, job creation, poverty reduction and driver of prosperity. In effect, it provides unique opportunities to women, minorities, rural communities, and youth, as well as upward career mobility.

According to WTTC's latest economic projections from October 2021, the sector's recovery is set to be slower than expected this year, largely linked to continued border closures and challenges linked to international mobility. In effect, the Travel & Tourism sector's contribution to GDP is expected to rise by a modest 30.7% year-on-year in 2021, representing only US\$ 1.4 trillion increase. At the current rate of recovery, Travel & Tourism's contribution to GDP could see a similar year-on-year rise of 31.7% in 2022. Meanwhile, the sector's jobs are set to rise by a mere 0.7% this year, representing only 2 million jobs, followed by 18% increase next year.

In the 18 months since the World Health Organization has declared COVID-19 as a pandemic³, it has become clear that COVID-19 will become endemic, thus requiring continued commitment and collective action. This paper highlights pain points to the recovery of international mobility and outlines recommendations to drive the swift recovery of the Travel & Tourism sector and enhance its resilience to ultimately support the millions of livelihoods that depend on it.



PAIN POINTS

While time and time again Travel & Tourism has successfully bounced back from crises, the average time for the sector's recovery from pandemics has taken 19.4 months⁴, with the longest recovery amounting to 34.9 months or nearly 3 years. This crisis, however, is unlike anything the sector has ever experienced, **showcasing intrinsic weaknesses, and highlighting the need to proactively address these and redesign for a more sustainable, inclusive, and resilient future.** Given Travel & Tourism's inherent reliance on the ability of people to travel, border closures and barriers to international mobility have effectively halted travel and stopped travellers from reaching their desired destinations. The following Pain Points address the urgent challenge to restore international mobility.

1 Border Closures

Since early 2020, travel restrictions have hindered international travel, causing a devastating impact on the Travel & Tourism sector with international spending dropping by an unprecedented 69.4% in 2020 alone. The change in international openness has been stark. Indeed, huge strides were made in visa facilitation between 2008 and 2018, with the percentage of travellers required to obtain a traditional visa decreasing from 77% to 53% and reciprocal traditional visa restrictions falling from 57% to 22% in the same period⁵. These strides have effectively been reversed with the closure of international borders. Indeed, as of 15 June 2020, there were no countries without travel restrictions and only 18 with some conditions of entry but no partial or full border closures⁶. More recently, as of 1 June 2021, there were only three countries with no restrictions and a further 78 destinations, 36% of all global destinations, with some conditions of entry but no partial or full border closures⁷. **The closure of international borders and different entry/exit rules by country have hindered the recovery of the sector.** Such approaches continue to hamper collaboration and coordination both within and between countries as well as with the private sector, therefore affecting the re-opening of borders to support international mobility and economic recovery.

2 Uncertainty Due To Changing Rules

While the pent-up demand for travel is significant, constantly changing restrictions and rules have continued to significantly affect consumer confidence to book travel. A critical challenge for travellers since the beginning of the pandemic has been the ever-changing and patchwork approach to travel policies and specifically testing requirements, quarantines, and vaccination standards. This alongside the traffic light systems, which differ by country, has led to significant confusion for travellers who feel lost in a sea of information and misinformation. According to Oliver Wyman's latest global traveller sentiment survey, 66% of respondents plan to travel domestically within the next 6 months, but only 9% have already booked their next trip, indicating continued uncertainty regarding COVID-19 policies. In fact, YouGov data reveals that the top three barriers to travel globally are health risks (48%), safety (37%) and travel restrictions (35%).

3 Prohibitive Cost Of Testing

International mobility and the free movement of people are compromised by the failure to harmonise and standardise COVID-19 entry/exit regulations and provide clear and aligned roadmaps to open international borders. This includes varying approaches by country with regards to testing requirements, quarantine rules, vaccination standards and digital health passes and portals, in part due to limited international collaboration and coordination. What is more, many of the mandatory tests such as Polymerase Chain Reaction (PCR) tests, are cost prohibitive and time consuming for travellers. This in turn is having a detrimental impact on the sector as it tries to recover from the COVID-19 pandemic. In fact, according to IATA's most recent traveller survey, 86% of respondents are willing to get tested, however 70% also believe that the cost of testing is a significant barrier to travel⁸. In effect, according to IATA even the cheapest PCR test would significantly increase the cost of flying based on average airfares. Indeed, an average one-way airline ticket which cost US\$ 200 prior to COVID-19 would increase to US\$ 290 with the addition of the PCR test, an increase in 45%. Should a second test on arrival be required, this cost would reach US\$ 380, a 90% increase. The requirement of two tests in each direction, would result in an individual return-trip amounting to about US\$ 760⁹. **This high and prohibitive cost of testing, in combination with travel restrictions, is already hindering the accessibility of travel, in turn creating further inequalities. This is effectively reversing the progress made in the last decades to enable freer and more affordable travel for all and creating an elitist system.** Indeed in 1979, a basic domestic US round-trip airfare averaged \$615.82 in today's money, a figure which dropped to \$344.22 by 2016¹⁰.

4 Lack Of Reciprocity & Uneven Vaccination Rollout

Travel & Tourism is a key economic sector across the world, including for many developing and emerging economies. **Without a swift and equitable vaccination rollout, the re-opening of international borders remains at risk with a consequent negative impact on the resumption of economic activity.** As of 21 September 2021, 2.52 billion people, or 32%, of the world population of 7.9 billion are fully vaccinated against COVID-19¹¹. Nevertheless, large differences across countries and regions remain. While some countries in Europe and the Americas have successfully vaccinated a large share of their populations, some low-income countries, particularly in Africa and Asia-Pacific, lag. In fact, only 1.9% of people in low-income countries have received at least one dose¹², which is not only creating health, economic and social challenges but is preventing people from being able to travel internationally. Global mobility is further hindered by the fact that while there 19 vaccines in use¹³, only seven of these vaccines are approved by WHO, and not of all these seven are recognised by countries. To bring this pandemic to an end and facilitate the swift recovery of Travel & Tourism, a large share of the world needs to be immune to the virus and vaccine recognition is essential. No-one is safe until everyone is safe.





RECOMMENDATIONS

1 International Coordination To Reopen Borders

Given the complexity and interconnectedness of our global ecosystem and the widespread impact of COVID-19, reopening the sector to save millions of jobs and recover billions lost in GDP, requires continued and enhanced international collaboration and coordination both within and between governments as well as with the private sector. Indeed, leveraging international relationships, at the multilateral and bilateral levels, is not only key to sharing effective practices and insights but in the development of common solutions. In this new context, it will be critical to include the voice of both developed and developing nations in dialogue and decision-making to ensure no-one is left behind. In effect, **frugal innovation should be integrated as a key principle in the design of solutions to enable widespread accessibility and equity**. Similarly, public-private collaboration enables real-time data flow which helps inform decision-making. In this new context, the proactive role of international organisations is more critical than ever before in facilitating the multi-stakeholder collaboration and cooperation. As global leaders continue to navigate this crisis, **meaningful collaboration remains essential in the creation of clear and aligned roadmaps as well as the development of harmonised rules, standards, and mobility protocols**.

2 Restoring Trust & Confidence

Rebuilding consumer confidence and regaining trust will be essential in this new era, with health & hygiene and flexibility becoming as important a criterion in the travellers' decision-making process as price and location. To support the sector's recovery, there is a need for a coordinated, consistent, and transparent approach to enable safe travel. In this context, WTTC, together with governments, health experts and other industry associations, worked together to develop harmonised and effective Safe Travels protocols for 11 industries across the Travel & Tourism sector. Moreover, travellers will increasingly turn to authorities they trust for timely and accurate information ahead and during their travels. In this context **it is important for governments to continue advocating for the continued implementation of strong health and safety standards and protocols across the Travel & Tourism sector and recommend the continued wearing of masks on all forms of public transport and crowded areas** so as to enhance safety and minimise risk.

3 Accessibility & Affordability Of Testing

COVID-19 testing has emerged as a key pathway to reopen borders to international travel, yet **it is essential that testing not only be reliable, but easily accessible, affordable, and appropriate to the risk level.** To ensure that Travel & Tourism remains accessible, there is a pressing need to address the high cost of COVID-19 tests in many jurisdictions. Alternatives to more expensive PCR tests should be considered, such as permitting the use of more cost-effective antigen tests. A risk-based approach should also be considered in relation to testing in line with the threat level. These new solutions present new risks, in turn requiring governments to proactively address any fraud related to COVID-19 testing and travel certificates.

4 Recognition, Reciprocity & Digital Adoption For Travel Facilitation

Given the significant and growing body of evidence that vaccination results in very high levels of reduction in infection and transmission of COVID-19 by vaccinated individuals, the importation risk of associated vaccinated travellers is very significantly reduced. As such, **protocols should be appropriately reduced for vaccinated travellers, including the removal of self-isolation or quarantine as well as waived or modified testing requirements, in line with WHO's guidance** to “consider a risk-based approach to the facilitation of international travel by lifting measures, such as testing and/or quarantine requirements”.¹⁴ Such an approach should also include **a global recognition for international travel of all vaccines which have been authorised for use and deemed safe and effective by the WHO** or by the WHO recognised Stringent Regulatory Authorities (SRA). Simultaneously, global leaders should continue prioritising and supporting the global vaccination rollout to enable vaccine equity across the world.

What is more, to promote the safe and swift reopening of borders, **the support for the continued development and proliferation of digital health passes and digital portals will be key.** Digital health passes and portals have the ability to enhance safety and security whilst creating a more seamless traveller experience by enabling travellers to easily obtain and verify their vaccination status, negative COVID-19 test result or natural immunity from a previous infection. **The interoperability and recognition of these passes and portals across countries will be important to the recovery of the sector and the global economy**¹⁵. More broadly, large-scale digital adoption, including digital identity and biometrics, needs to continue being prioritised to enable the Travel & Tourism sector to create a safer and more seamless traveller journey, strengthen security, improve connectivity, and support sustainable growth¹⁶.

5 Social Impact And Sustainability Front & Centre

The COVID-19 pandemic has not only resulted in a dramatic loss of human life worldwide, but has presented an unprecedented challenge to public health, food systems and the world of work¹⁷. Tens of millions of people are at risk of falling into extreme poverty, 3.3 billion are at risk of losing their livelihoods, while many have simultaneously struggled with their mental wellbeing. As a labour-intensive and people-focused sector, which employed 334 million individuals in 2019 and indirectly supported the livelihoods of millions more, this is particularly important for the Travel & Tourism sector. While 62 million job losses were felt across the entire Travel & Tourism ecosystem, women, youth, and minorities, were particularly affected, highlighting the sector's importance in creating meaningful social impact. Small and Medium Sized Enterprises (SMEs), which make up 80% all global businesses in the sector, were also disproportionately affected. In the United States for instance, it is estimated that 75% of independent restaurants that were temporarily closed during the crisis did not survive¹⁸. Similarly, in China, 20% of SMEs stated in February 2020 that their cash flow would not allow them to survive more than one month, and 64% said they could not survive for more than three months¹⁹. **The lack of Travel & Tourism during COVID-19 has also led to less obvious social impacts including the rise of illegal poaching and fishing as funds for conservation have decreased dramatically.** Looking ahead, it is essential that the recovery of the Travel & Tourism sector also be sustainable, with a focus on environmental conservation and climate friendly policies to enable the planet to thrive. In effect, sustainability should be at the core of all future Travel & Tourism planning. There is now an opportunity to accelerate the movement toward these targets and commitments in how Travel & Tourism recovers through a holistic and collective approach to global sustainability. Moreover, as Travel & Tourism continues to learn from the previous and current crises including COVID-19, the sector has an opportunity to enhance its preparedness and boost its resilience to weather future shocks. Having continued people-centric governmental support will be key, with flexibility and creativity at the core of policymaking to enable a response which addresses health, economic and human needs. **While governments often understand the economic impact of Travel & Tourism, the critical social impact of the sector needs to be highlighted and a key focus for investment and policymaking to preserve and protect both people and planet.**



CONCLUSION

In the past 18 months significant and meaningful actions have been taken by leaders across the world, as they dealt with the worst crisis in our sector's history and worked to integrate lessons learned and adapt their strategies as COVID-19 evolved. Yet, more remains to be done to enable the communities, businesses and destinations which rely on the Travel & Tourism sector to fully recover and prosper once again, **whilst learning how to live and adapting to a world where COVID-19 is endemic**. Recovering international mobility requires an understanding of the key pain points and the prioritisation of solutions, all of which demand international coordination and collaboration, to effectively mobilise and create a movement to enable the inclusive and sustainable recovery of the Travel & Tourism sector.

Proactively addressing the sector's recovery and restoring international mobility is particularly critical as new challenges continue to emerge, such as vaccination equity to the ending of support measures, including furlough schemes which support millions of jobs. In the UK for instance, the ending of furlough scheme at the end of September 2021 will have a significant impact on struggling businesses and could lead to losses of GBP 59.4 billion if travel remains curtailed over the final quarter of 2021.

In these unprecedented times, we call on governments to join forces to restore international mobility. The recovery of the 62 million jobs lost, the millions more jobs at risk, including the projected 100 million jobs to be created over the next decade, and the livelihoods of the individuals and local communities who depend on the sector will require meaningful multilateral collaboration. Indeed, failure to swiftly act will likely lead to increased unemployment and poverty, with a risk of a rise in illegal migration over the coming decade.

Endnotes

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Acknowledgements

EDITORS:

Tiffany Misrahi

Vice-President of Policy & Research
World Travel & Tourism Council

Nejc Jus

Head of Research
World Travel & Tourism Council

DESIGN:

World Travel & Tourism Council

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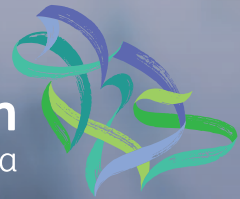
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