

Tourism industry back 20 years

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Dhaka : The tourism industry was one of the world's greatest markets; until the world met a pandemic in 2020. The tourism sector has been devastated by the pandemic--COVID-19. UN Secretary-General Antonio Guterres released a new report that draws on UNWTO data to quantify the devastating impact that the coronavirus pandemic has had on global tourism. It warns that up to 120 million tourism jobs are at risk, with the economic damage likely to exceed USD 1 trillion in 2020 alone.

"It is imperative that we rebuild the tourism sector," Guterres said, in order for it to "regain its position as a provider of decent jobs, stable incomes and the protection of our cultural and natural heritage." The UN Secretary-General stressed tourism's role as one of the most important economic sectors, providing livelihoods to hundreds of millions of people while "boosting economies and enabling countries to thrive".

Due to restrictions imposed in March when the coronavirus started spreading rapidly around the world, international travel came to a screeching halt in April and May, resulting in international tourist arrivals that trailed last year's total by almost 60 per cent through the first five months of 2020. Depending on when travel

restrictions will be fully lifted, the World Tourism Organisation expects international tourism receipts (ie spending by international tourists) to drop between USD 910 billion and USD 1.2 trillion this year, which would set the global tourism industry back by 20 years.

The importance

In a policy briefing and video address, Secretary-General Antonio Guterres said that tourism is the third-largest export sector of the global economy, behind fuels and chemicals, and in 2019 it accounted for seven per cent of global trade. "It employs one in every 10 people on earth and provides livelihoods to hundreds of millions more," he said.

But the UN chief said that in the first five months of 2020, because of the pandemic, international tourist arrivals decreased by more than half and earnings plummeted. Guterres said this has been a "major shock" for richer developed nations "but for developing countries, it is an emergency, particularly for many small island developing states and African countries." Tourism for some of those countries represents more than 20 per cent of their GDP, he explained.

Sandra Carvao, the UN World Tourism Organisation's chief of market intelligence and competitiveness, said the USD 320 billion in lost exports from January through May is three times what was lost during the year 2009 at the height of the last global financial crisis.

And according to the policy briefing, "export revenues from tourism could fall by USD 910 billion to USD 1.2 trillion in 2020" and that "could reduce global GDP by 1.5 per cent to 2.8 per cent."

In addition to tourism jobs that are at risk, the policy paper said jobs in associated sectors, including food service, that provide employment for 144 million workers worldwide are also at risk. It stressed that small businesses, "are particularly vulnerable."

Guterres said tourism "is also a key pillar for the conservation of natural and cultural heritage". According to the briefing, some 7 per cent of world tourism relates to wildlife, "a segment growing by 3 per cent annually."

Noting that travel restrictions and border closures still remain though some have been lifted, Carvao said, "the recovery will be very much dependent on the evolution of the pandemic and the economic situation."

The United Nations World Tourism Organisation estimated that global international tourist arrivals might decrease by 58 per cent to 78 per cent in 2020, leading to a potential loss of USD 0.9-1.2 trillion in international tourism receipts.

In many of the world's cities, planned travel went down by 80-90 per cent. Conflicting and unilateral travel restrictions occurred regionally and many tourist attractions around the world, such as museums, amusement parks, and sports venues closed. UNWTO reported a 65 per cent drop in international tourist arrivals in the first six months of 2020. Air passenger travel showed a similar decline.

The industry

In the past decades, tourism has experienced continued growth and became one of the fastest growing economic sectors globally. The sector witnessed a 59 per cent growth over the decade in international tourists' arrivals from 1.5 billion in 2009 compared to 880 million in 2019. Tourism is also a key driver for socio-economic progress, with tourism specific developments in an increasing number of national and international destinations.

Globally, the tourism industry contributed to USD 8.9 trillion to the global GDP in 2019 equaling a contribution of 10.3 per cent. It is also to note that 1 in 10 jobs around the world is in tourism, equaling 330 million jobs.

However, the strong historical growth has been halted in 2020 amid the global Covid-19 pandemic. With airplanes on the ground, hotels closed and travel restrictions implemented, travel and tourism became one of the most affected sectors since the very start of the virus spread. The pandemic has cut international tourist arrivals in the first quarter of 2020 to a fraction of what they were a year ago.

Closing borders and travel ban

Countries all over the world applied travel restrictions to limit the coronavirus spread. Airport closures, the suspension of incoming and outgoing flights, and nationwide lockdowns are just some of the measures that countries are implementing in an effort to help contain the pandemic.

After the spread of the pandemic in the first two quarters of 2020, at least 93 per cent of the global population lived in countries with coronavirus-related travel restrictions, with approximately 3 billion people residing in countries enforcing complete border closures to foreigners.

The decline

The number of international tourist arrivals has been growing remarkably in the last decade and still sustained growth throughout the last years; in 2017 arrivals reached a total of 1.3 billion globally, 2018 reaching 1.4 billion and 1.5 billion in 2019.

In 2020, and with the severe impact of the COVID-19 pandemic, international tourism went down by 22 per cent in Q1 and by 65 per cent in the first half of 2020 when compared with 2019 figures.

In March 2020, the UNWTO proposed 3 scenarios for possible declines in arrivals of 58 per cent to 78 per cent for 2020 depending on the start point of gradual opening of borders and lifting travel restrictions.

According to the UNWTO's March forecast and its September update, the recovery for the industry might be in 2021 and domestic demand is expected to recover faster than international.

Badly hit hospitality sector

The lockdown due to the pandemic has affected the tourism industry across the globe, and the hotel sector is among the hardest hit. Global hospitality data company STR compared 2020's first quarter status to 2019 figures, hotel occupancy rates dropped as much as 96 per cent in Italy, 68 per cent in China, 67 per cent in UK, 59 per cent in USA and 48 per cent in Singapore.

There is no doubt that the hotel industry has witnessed a severe impact by the pandemic and the lockdown status.

Safe Tourism

Enabling tourism once again would require measures ensuring that people are and feel safe towards travelling. Global safety and hygiene stamps are awarded by the World Travel and Tourism Council (WTTC) to allow tourists to recognise governments and companies around the world which have adopted health and hygiene global standardised protocols - so consumers can experience 'Safe Travels'. As of September 2020, the 'Safe Travels' List included 100 destinations with Saudi Arabia, Spain, Portugal and Mexico among the first destinations to adopt the stamp and the Philippines as 100th destination.

Return of tourism globally

With lockdowns ending around the world, many countries have started to ease border restrictions and reopen for international tourists. Although many governments are still advising against "nonessential" international travel, a host of popular destinations have eased their Covid-19 border restrictions and are readily

welcoming tourists back.

While tourism is slowly returning in some destinations, most members of the UNWTO Panel of Tourism Experts expect international tourism to recover only by the second half of 2021, followed by those who expect a rebound in the first part of next year.

However, there are still concerns over the lack of reliable information and deteriorating economic environment which are indicated as factors weighing on consumer confidence, especially with the potential new limits on travel as world comes to grips with second Covid-19 wave. The concerns over the "second wave" of coronavirus brought on by returning vacationers are wreaking havoc on the world's tourism industry.

Bangladesh scene

Similar to other countries, in the first few months following detection of COVID-19 infection, travel in all form suffered badly. Gradually travel and tourism sector started showing signs of life.

In Bangladesh, with the opening of different modes of transports-air, road, rail and river-as well as popular tourist spots, domestic tourism doing some business. Some resorts of the country are doing business in the midst of the pandemic--exceptionally well.