

Vaccines, reopening of borders driving tourism's recovery

A Monitor Report

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Madrid : International tourism enjoyed signs of rebound in June and July 2021 as some destinations eased travel restrictions and the global vaccination rollout advanced in many parts of the world.

According to the latest edition of the UNWTO World Tourism Barometer, an estimated 54 million tourists crossed international borders in July 2021, down 67 per cent from the same month in 2019, but the strongest results since April 2020. This compares to an estimated 34 million international arrivals recorded in July 2020, though well below the 164 million figure recorded in 2019.

Moderate rebound for most destinations

Most destinations reporting data for June and July 2021 saw a moderate rebound in international arrivals compared to 2020. Nevertheless, 2021 continues to be a challenging year for global tourism, with international arrivals down 80 per cent in January-July compared to 2019.

Asia and the Pacific continued to suffer the weakest results in the period January to July, with a 95 per cent drop in international arrivals compared to 2019. The Middle East (-82pc) recorded the second largest decline, followed by Europe and Africa (both -77pc). The Americas (-68pc) saw a comparatively smaller decrease, with the Caribbean showing the best performance among world sub-regions.

Meanwhile, some small islands in the Caribbean, Africa, and Asia and the Pacific, together with a few small European destinations recorded the best performance in June and July, with arrivals close to, or sometimes exceeding pre-pandemic levels. The true restart of tourism and the benefits it brings, remain on hold as inconsistent rules and regulations and uneven vaccination rates continue to affect confidence in travel

Confidence in travel slowly rising

This improvement was underpinned by the reopening of many destinations to international travel, mostly in Europe and the Americas. The relaxation of travel restrictions for vaccinated travellers, coupled with progress made in the roll-out of Covid-19 vaccines, contributed to lifting consumer confidence and gradually restoring safe mobility in Europe and other parts of the world. In contrast, most destinations in Asia remain closed to non-essential travel.

Zurab Pololikashvili, Secretary-General, UNWTO, said, "There is clearly a strong demand for international tourism, and many destinations have started welcoming visitors back safely and responsibly. However, the true restart of tourism and the benefits it brings, remain on hold as inconsistent rules and regulations and uneven vaccination rates continue to affect confidence in travel."

Tourism earnings

Although destinations continued to report weak international tourism revenues in the first seven months of 2021, several did record a modest improvement in June and July, and some even surpassed the earnings of 2019. Among the larger destinations, Mexico earned roughly the same tourism receipts in June 2021 as in 2019, and in July posted a 2 per cent increase over 2019.

The same is true for outbound travel. Among the larger markets, France (-35pc) and the United States (-49pc) saw a significant improvement in July, though tourism spending was still well below 2019 levels.

Looking ahead

Prospects for September-December 2021 remain mixed, according to the latest UNWTO Panel of Experts survey, with 53 per cent of respondents believing the period will be worse than expected. Only 31 per cent of experts expect point to better results towards the end of the year. The survey also shows that most tourism professionals continue to expect a rebound driven by unleashed pent-up demand for international travel in 2022, mostly during the second and third quarters.

Almost half of all experts (45 per cent) continue to see international tourism returning to 2019 levels in 2024 or later, while 43 per cent point to a recovery in 2023. By regions, the largest share of experts pointing to a return to 2019 levels in 2024 or later are in Asia and the Pacific (58 per cent). In Europe, half of respondents indicate this could happen in 2023. The Middle East is the most optimistic, with a full recovery expected by 2022.