"Building Back Better in Tourism: The roles of international organizations Tourism and COVID-19"

WTO Simply Services Series - Webinar – 23 June 2020
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COVID-19 IMPACT?

850 million to 1.1 billion fewer international tourist arrivals

US$ 910 billion to US$ 1.2 trillion loss in export revenues from tourism

100 to 120 million direct tourism jobs at risk
IMPACT OF COVID-19 ON TOURISM IN JANUARY-APRIL 2020

180 MILLION FEWER INTERNATIONAL TOURIST ARRIVALS

US$ 195 BILLION LOST IN EXPORT REVENUES FROM INTERNATIONAL TOURISM

100% DESTINATIONS WITH TRAVEL RESTRICTIONS

INTERNATIONAL TOURIST ARRIVALS
JANUARY-APRIL 2020

WORLD
2019: 1.5 BILLION (+4%)
JAN-APRIL 2020: -44%

AMERICAS
2019: 220 MN (+2%)
JAN-APRIL 2020: -36%

EUROPE
2019: 745 MN (+4%)
JAN-APRIL 2020: -44%

AFRICA
2019: 73 MN (+6%)
JAN-APRIL 2020: -35%

ASIA AND THE PACIFIC
2019: 361 MN (+4%)
JAN-APRIL 2020: -51%

MIDDLE EAST
2019: 61 MN (+2%)
JAN-APRIL 2020: -40%

SOURCE: UNWTO (JUNE 2020)
INTERNATIONAL TOURISM COULD DROP 58% TO 78% IN 2020
Forward-looking scenarios depend on re-opening of borders

International tourist arrivals in 2020: three scenarios (YoY monthly change, %)

* Actual data through March includes estimates for countries which have not yet reported data.

Source: UNWTO

Note: the scenarios presented in this graph are not forecasts. They represent alternative monthly change in arrivals based on the gradual opening of national borders and lifting of travel restrictions on different dates, still subject to high uncertainty.
• After the global economic crisis, employment in accommodation and food services grew 35% from 2010 to 2018, outpacing the overall employment growth (11%).

Source: UNWTO according to data from the International Labour Organization (ILO). Includes estimates by ILO.

100 to 120 Million of Tourism jobs at risk in 2020!
Recovery estimated in 2021

Preparing recovery

39% International

15% Domestic
UNWTO Building Solutions - Cooperation with UN-System, International Finance Institutions (IFI) and Organisations (IO)

Coordinate at ALL levels
Monitor Socio-Economic Impacts
Boost Competitiveness and Financing
Enable Digitalization of the Tourism Ecosystem
Foster Sustainability and Inclusive Green Growth

Tourism Ecosystem Disruption - Intelligence, Impact, Guidelines, Collaboration
Impact of COVID-19 on Tourism - Building Recovery and Resilience for People, Prosperity and Planet

**SUPPLY SIDE SHOCK**
Existing constraints disrupt Tourism operations
- Jobs at risk
- Airlines and Businesses, SMEs survival
- Lack or Insufficient Financial packages/support
- Destinations preparedness

**DEMAND SIDE SHOCK**
Difficulty for Policy makers to adapt for unlocking demand
- Fear to travel (safety)
- Shrinking purchasing power
- Uncertainty of foreseen return to "normal"
- Dependence on source markets travel restrictions

**SQUEZZED TOURISM CAPACITY**

**TOURISM & TRAVEL ECOSYSTEM DISRUPTION**
Government’s lack of Financial Capacity, need Debt Relief, new financial package for health and socio-economic recovery

**BUILD RESILIENT AND INCLUSIVE TOURISM**
- **ECONOMIC DIPLOMACY** - Advocacy and lobby with IFI, IO, UN and Government to include Tourism in Fin recovery packages
- **BETTER POLICIES** for Jobs, SMEs Financing for safety of Tourism Value Chain and suppliers. Institutional strengthening for adapted and required policies changes
- **BUSINESS INNOVATION** and PPP for required changes in business VC operations and processes (Health/Safety)

**BUILD CONFIDENCE FOR VISITORS AND MARKET**
Adapt to changing Gov Measures, BE READY
- **ENSURE SAFETY** at all parts of the Tourism Journey, from home to the destination
- **DIVERSIFY TOURISM OFFER - SAFE TRAVEL** reinvent a new business model
- **TRUSTED INFORMATION** from destinations and Businesses about Health and Safety
- **INNOVATION** - scale up responsiveness for Market demand and uptake

Source: UNWTO/IRP
PRIORITIES FOR GLOBAL TOURISM RECOVERY

• Provide liquidity and protect jobs – new green jobs?
• Recover confidence through safety & security.
• Public private collaboration for an efficient reopening.
• Open borders with responsibility.
• Harmonize and coordinate protocols & procedures.
• Added value jobs through new technologies.
• Innovation and Sustainability as the new normal

….and Financial Resources and INVESTMENTS for building an inclusive and low carbon TOURISM sector!
The methodology includes a comprehensive set of technical assistance activities, both of longer duration with a wide scope, and of a short duration with a specific focus, aiming at providing a roadmap for recovery including all tourism stakeholders.

Based on an initial situation analysis in a country, the roadmap will help manage the crisis to mitigate impact; support recovery; and set actions and policy to accelerate recovery.

The approach is structured around three main pillars:

1. Economic Recovery (Jobs, SMEs, Financial Support)
2. Marketing and Promotion (Intelligence, New products, Digitalization, Innovation)
3. Institutional Strengthening and Resilience (Safety, Inclusive and Green Growth)
PARTNERSHIPS ARE KEY: joining forces with IFI, UN and other Institutions – Roadmap Support to Members

SUPPORTING MEMBER STATES – DEVELOPING COUNTRIES

1. EMPOWER Tourism Ministers in negotiations for IFIs support - fiscal and monetary policies (SMEs, Jobs..) with National Government - Support ALL developing countries members of UNWTO
2. TOURISM and FINANCE MINISTRIES DIALOGUE, to include tourism in National Financial Support (Recovery, new destination development, investment...)

MOBILIZING RESOURCES FOR RECOVERY - IFI and IO

3. UNWTO Monitoring/Intelligence for all IFI and IO – identify opportunities (on-going)
4. WORLD BANK allocation of funding for Tourism - support UNWTO Tech Coop for country support
5. EBRD allocation of funding for Tourism – 10 EBRD priority countries
6. WORLD TRADE ORGANIZATION- EIF Trust Fund for LDCs (49 poorest countries Africa+Asia)
7. Other regional IFI monitoring, EU funding

UN SYSTEM – EMBRACING OPPORTUNITIES AT COUNTRY LEVEL

8. UNSDG COVID19 MTFP FOR SOCIO ECONOMIC RECOVERY (2 billion USD – 2022)
   a. UNWTO/IRP Introduction/ Presentation and support to teams and Members
   b. Opportunities for Member States to lobby with UN system
9. UNITED NATIONS PACIFIC STRATEGY FUND (1 JUNE 2020)
10. BUILDING STRATEGIC PARTNERSHIPS WITH UN SYSTEM
TOURISM FUTURES?

How can tourism sector perform better to “survive” and recover, including making a positive contribution to sustainability and the advancement of the SDGs?

Is the crisis not an opportunity to review our business models for the entire tourism ecosystem? A shift from commitment to action will be required to unlock tourism full potential…

More sustainable, inclusive, low carbon and innovative!

OUR PROPOSITION

Taking recovery as an opportunity to build together an innovative tourism business model

- Explore how to integrate sustainability and digitalization during recovery / value proposition
- Empower stakeholders and stimulate dialogue
- Inspire action for the tourism sector to embrace a new sustainable development model and the Sustainable Development Goals
IF - Sustainable Investments

Therefore, policy makers and private investors have to collaborate to manage tourism growth in a sustainable way. It’s estimated that additional funding of USD 2.5 trillion is needed annually to achieve the Sustainable Development Goals (SDGs). Traditional overseas development assistance (ODA) alone cannot cover this gap. Sustainable investments are critical to set the path to co-create innovative initiatives.6

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“JOURNEY TO 2030” is a co-creation ECOSYSTEM to empower, influence and inspire the international community, governments, policymakers, tourism companies, civil society, academia and travelers to intensify their engagement for the 2030 Agenda in the United Nations Decade of Action.

UNWTO - Journey to 2030

EMPOWER, INFLUENCE AND INSPIRE TOURISM STAKEHOLDERS

POSITION TOURISM AS A POLICY PRIORITY IN VNRs

PROMOTE SAFE AND RESPONSIBLE TRAVEL

BUILD NEW BUSINESS MODELS – INCLUSIVE, SMARTER AND GREENER

INCREASE RESOURCES AND CAPACITY THROUGH PARTNERSHIPS

http://tourism4sdgs.org/
T4SDGs is a co-creation ECOSYSTEM to empower, influence and inspire the international community, governments, policymakers, tourism companies, civil society, academia and travelers to intensify their engagement for the 2030 Agenda in the United Nations Decade of Action.

http://tourism4sdgs.org/
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