Travel & Tourism, Southeast Asia and COVID-19
WTTC Membership

- 200 Members (CEOs and Chairs)
- All geographies
- All industries in Travel & Tourism
Global Performance

Travel & Tourism Economic Impact 2020 (2019 Figures)

- 2.5% Global GDP growth
- 3.5% Travel & Tourism GDP growth
- 10.3% Travel & Tourism total contribution to global GDP
- 330mn Jobs supported by Travel & Tourism
- 1/10 Jobs supported by Travel & Tourism
- 1/4 of all new jobs created came from Travel & Tourism
- 28.7% International Spend vs 71.3% Domestic Spend
- 21.4% Business Spend vs 78.6% Leisure Spend

Source: WTTC EIR 2019 Data
Southeast Asia Performance
Travel & Tourism Economic Impact 2020 (2019 Figures)

13.3%  
Total Contribution to Southeast Asia employment

42.3 mn  
Southeast Asia Jobs supported by Travel & Tourism

12.1%  
Travel & Tourism total contribution to Southeast Asia GDP

$380 mn  
Travel & Tourism total contribution to Southeast Asia GDP

50%  
International Spend

50%  
Domestic Spend

4.6%  
Travel & Tourism GDP growth
## Closer Look

<table>
<thead>
<tr>
<th>Country</th>
<th>2019 T&amp;T contribution to GDP (US$ billion)</th>
<th>2019 T&amp;T % of total economy GDP</th>
<th>2019 T&amp;T GDP growth (%)</th>
<th>Domestic spend, % of total, 2019</th>
<th>International spend, % of total, 2019</th>
<th>2019 T&amp;T employment contribution (000s)</th>
<th>2019 T&amp;T % of total employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southeast Asia</td>
<td>380.2</td>
<td>12.1</td>
<td>4.6</td>
<td>50</td>
<td>50</td>
<td>42,346</td>
<td>13.3</td>
</tr>
<tr>
<td>Brunei Darussalam</td>
<td>0.8</td>
<td>5.9</td>
<td>6.2</td>
<td>56</td>
<td>44</td>
<td>16</td>
<td>7.9</td>
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<tr>
<td>Cambodia</td>
<td>7.1</td>
<td>26.4</td>
<td>8.6</td>
<td>23</td>
<td>77</td>
<td>2,371</td>
<td>26.4</td>
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<tr>
<td>Indonesia</td>
<td>63.6</td>
<td>5.7</td>
<td>3.6</td>
<td>58</td>
<td>42</td>
<td>12,569</td>
<td>9.7</td>
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<tr>
<td>Laos</td>
<td>1.8</td>
<td>9.1</td>
<td>6.5</td>
<td>38</td>
<td>62</td>
<td>330</td>
<td>9.6</td>
</tr>
<tr>
<td>Malaysia</td>
<td>41.8</td>
<td>11.5</td>
<td>6.6</td>
<td>49</td>
<td>51</td>
<td>2,217</td>
<td>14.7</td>
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<tr>
<td>Myanmar</td>
<td>3.7</td>
<td>4.6</td>
<td>4.5</td>
<td>42</td>
<td>58</td>
<td>1,073</td>
<td>4.8</td>
</tr>
<tr>
<td>Philippines</td>
<td>90.9</td>
<td>25.3</td>
<td>8.6</td>
<td>85</td>
<td>15</td>
<td>10,238</td>
<td>24.1</td>
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<tr>
<td>Singapore</td>
<td>40.4</td>
<td>11.1</td>
<td>-2.5</td>
<td>29</td>
<td>71</td>
<td>527</td>
<td>14.1</td>
</tr>
<tr>
<td>Thailand</td>
<td>107.0</td>
<td>19.7</td>
<td>1.8</td>
<td>29</td>
<td>71</td>
<td>8,055</td>
<td>21.4</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>23.1</td>
<td>8.8</td>
<td>7.7</td>
<td>49</td>
<td>51</td>
<td>4,951</td>
<td>9.1</td>
</tr>
<tr>
<td>PR China</td>
<td>1,584.9</td>
<td>11.3</td>
<td>9.3</td>
<td>86</td>
<td>14</td>
<td>79,870</td>
<td>10.3</td>
</tr>
</tbody>
</table>
Global Recovery Scenarios & Economic Impact

**Jobs and GDP losses from COVID-19 on Travel & Tourism**

<table>
<thead>
<tr>
<th>Best Case Scenario</th>
<th>Baseline Scenario</th>
<th>Worst Case Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Current restrictions starting to ease from:</td>
<td>• Current restrictions starting to ease from:</td>
<td>• Current restrictions starting to ease from:</td>
</tr>
<tr>
<td>✓ June for domestic travel and short-haul/regional</td>
<td>✓ June for domestic travel</td>
<td>✓ September for domestic travel and short-haul/regional</td>
</tr>
<tr>
<td>✓ August for intercontinental travel</td>
<td>✓ July for short-haul/regional</td>
<td>✓ November for intercontinental travel</td>
</tr>
<tr>
<td><strong>98.2 million T&amp;T job losses (30% reduction vs 2019)</strong></td>
<td><strong>121.1 million T&amp;T job losses (37% reduction vs 2019)</strong></td>
<td><strong>197.5 million T&amp;T job losses (60% reduction vs 2019)</strong></td>
</tr>
</tbody>
</table>
## Asia-Pacific Recovery Scenarios & Economic Impact

### Jobs and GDP losses from COVID-19 on Travel & Tourism

<table>
<thead>
<tr>
<th>Best Case Scenario</th>
<th>Baseline Scenario</th>
<th>Worst Case Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>59.7 million T&amp;T job losses (33% reduction vs 2019)</td>
<td>69.3 million T&amp;T job losses (38% reduction vs 2019)</td>
<td>115.0 million T&amp;T job losses (63% reduction vs 2019)</td>
</tr>
<tr>
<td>$980 bn loss in T&amp;T GDP (33% reduction in GDP vs 2019)</td>
<td>$1,137 bn loss in T&amp;T GDP (38% reduction in GDP vs 2019)</td>
<td>$1,888 bn loss in T&amp;T GDP (64% reduction in GDP vs 2019)</td>
</tr>
<tr>
<td>Visitor arrivals drop: 40% international and 23% domestic</td>
<td>Visitor arrivals drop: 48% international and 27% domestic</td>
<td>Visitor arrivals drop: 67% international and 55% domestic</td>
</tr>
</tbody>
</table>
Learning from Past Experience

• The average recovery times for disease and outbreaks was 19.4 months to pre-crisis arrival levels

• The T&T sector is becoming increasingly resilient – the average months to recovery decreased from 26 to 10 between 2001 and 2018.
Impact on Demand

• Economic, Psychological and Regulatory Effects
• Hindered by an Economic Recession reducing disposable incomes
• Risk aversion

• The Dream of Travel remains
• Role of Government to stimulate demand will be key

Impact on Supply

• Effects is dependent on restrictions, industries, geographic scope, demand profile, financial health, etc.
• 80% of T&T Businesses are SMEs

• Support from liquidity to wage subsidies, worker protection and debt cancellation will be needed
Principles for Recovery

1. A Global Coordinated Approach

2. Enhance existing seamless traveller journey

3. Implement global protocols

4. Support the T&T sector with enabling policies
Four Critical Recovery Phases

1. Crisis Management (Underway)
   - Cycles of relax/tighten as social distance remains the only brake
   - Gradually re-open business with testing and new protocols
   - WTTC advocates for testing & tracing + cleanliness protocols to accelerate recovery

2. Re-starting of operations (12 Months - Ramp up testing)
   - Medical Breakthroughs
   - Health tools – testing/tracing/Health certificates
   - Business re-open / Travel volume increases with safety protocols
   - Ramp up vaccines

3. Reaching Recovery (Treatment, Vaccine)
   - 2&3 enables the New Normal
   - Prevalent use of vaccines
   - Vaccines become annual and/or appropriate guidelines in place

1. Crisis Management (underway)

Aim: Significant and swift measures are needed to support the T&T sector in the turbulent months ahead. Governments should implement policies that directly support sector across the following five areas:

1. Protect the livelihoods of workers
2. Ensuring fiscal support
3. Injecting liquidity & cash
4. Supporting the informal sector
5. Complying with travel bans
## Crisis Management Policies

<table>
<thead>
<tr>
<th>OVERALL MEASURES</th>
<th>SPECIFIC MEASURE</th>
<th>GOOD EXAMPLES FOR T&amp;T</th>
</tr>
</thead>
<tbody>
<tr>
<td>WORKER PROTECTION</td>
<td>Furlough schemes</td>
<td>France</td>
</tr>
<tr>
<td></td>
<td>Wage compensation schemes</td>
<td>Singapore</td>
</tr>
<tr>
<td>FISCAL</td>
<td>Special tax &amp; public fee exemptions and deferments for tourism</td>
<td>Russia, Indonesia, Malaysia, UK</td>
</tr>
<tr>
<td></td>
<td>Supporting DMOs</td>
<td>Hong Kong</td>
</tr>
<tr>
<td></td>
<td>Grant funding for tourism</td>
<td>UK</td>
</tr>
<tr>
<td>LIQUIDITY</td>
<td>Favorable credit lines for tourism</td>
<td>Portugal</td>
</tr>
<tr>
<td></td>
<td>Debt deferrals and cross border collaboration</td>
<td>Germany, France, Finland, Italy and Norway</td>
</tr>
<tr>
<td></td>
<td>Investment to upgrade infrastructure green tourism</td>
<td>Iceland</td>
</tr>
</tbody>
</table>
1. Crisis Management (underway)

Aim: Significant and swift measures are needed to support the T&T sector in the turbulent months ahead. Governments should implement policies that directly support sector across the following five areas:

1. Protect the livelihoods of workers
2. Ensuring fiscal support
3. Injecting liquidity & cash
4. Supporting the informal sector
5. Complying with travel bans
2. Re-starting of Operations

1. Coordination across the sector
2. Define new global protocols
3. Create regulatory relief for the sector & reinvesting
4. Using metrics & strategy
5. Prioritising T&T
6. Remove travel restrictions
7. Build sustainability
WTTC alongside our Members, governments, health experts (WHO and CDC guidelines) and other industry associations are working together to develop effective recovery protocols to optimise sector-wide recovery efforts.

- Launched: Hospitality, Outdoor Retail, Aviation, Airports, Tour Operators, MICE, Short-Term Rentals, Attractions and Car Rental.

- Designed to rebuild confidence among consumers & ensure alignment of private sector.
- Now calling on governments to adopt them.

The protocols are divided into four pillars:
- Operational and staff preparedness
- Delivering a safe experience
- Rebuilding trust
- Confidence & implementing enabling policies.
His Excellency, Ahmed Al-Khateeb, Saudi Arabia Minister of Tourism, said: “As Chair of this year’s G20 Tourism Track, we are putting public-private cooperation at the heart of international efforts for a swift recovery. The WTTC’s new Safe Travels global protocols are an essential step on that path to recovery, by helping to provide consistency and reassurance for travellers.”

Zurab Pololikashvili, UNWTO Secretary-General, said: “We welcome WTTC’s global safety stamp and Safe Travels protocols and its contribution to restoring confidence. This is key to build trust and we will only succeed if we work together. We are united in the common goal of tourism’s come-back to generate benefits going far beyond our sector. Trust and tourism will catalyse consumer demand, investments and jobs, thus generating opportunities for all.”

Carlos Joaquín, Governor of Quintana Roo, said: “Cancun and the Mexican Caribbean have implemented the new safety measures for travelers that WTTC has recognised and approved through the Safe Travels stamp.”

Major destinations around the world have signed up and have been recognised by the world’s first ever global safety and hygiene stamp.
2. Re-starting of Operations

Aim: Ensuring the successful resumption of Travel & Tourism through strategic coordination, the prioritisation and implementation of relief measures, removal of restrictions and the definition of new protocols and metrics.

1. Coordination across the sector
2. Define new global protocols
3. Create regulatory relief for the sector & reinvesting
4. Using metrics & strategy
5. Prioritising T&T
6. Build sustainability
7. Remove travel restrictions
3. Reaching Recovery

Aim: By rebuilding traveller confidence, re-inspiring wanderlust and implementing enabling policies, the sector can reach recovery

1. Lead with domestic travel and resilient groups
2. Re-inspire wanderlust while reassuring and re-building travellers’ confidence
3. Facilitate recovery through supportive regulation & incentives
4. Re-design for the "New Normal"

Aim: Domestic and international travel return to pre-crisis levels and the sector has successfully adapted to the shifting expectations and requirements

1. Determine new requirements & expectations
2. Collaborate on new policies
3. Embrace new technologies and their adoption
4. Communicate openly and promote both domestic and international travel to revitalise the sector
Thank you

For more details visit www.wttc.org
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