



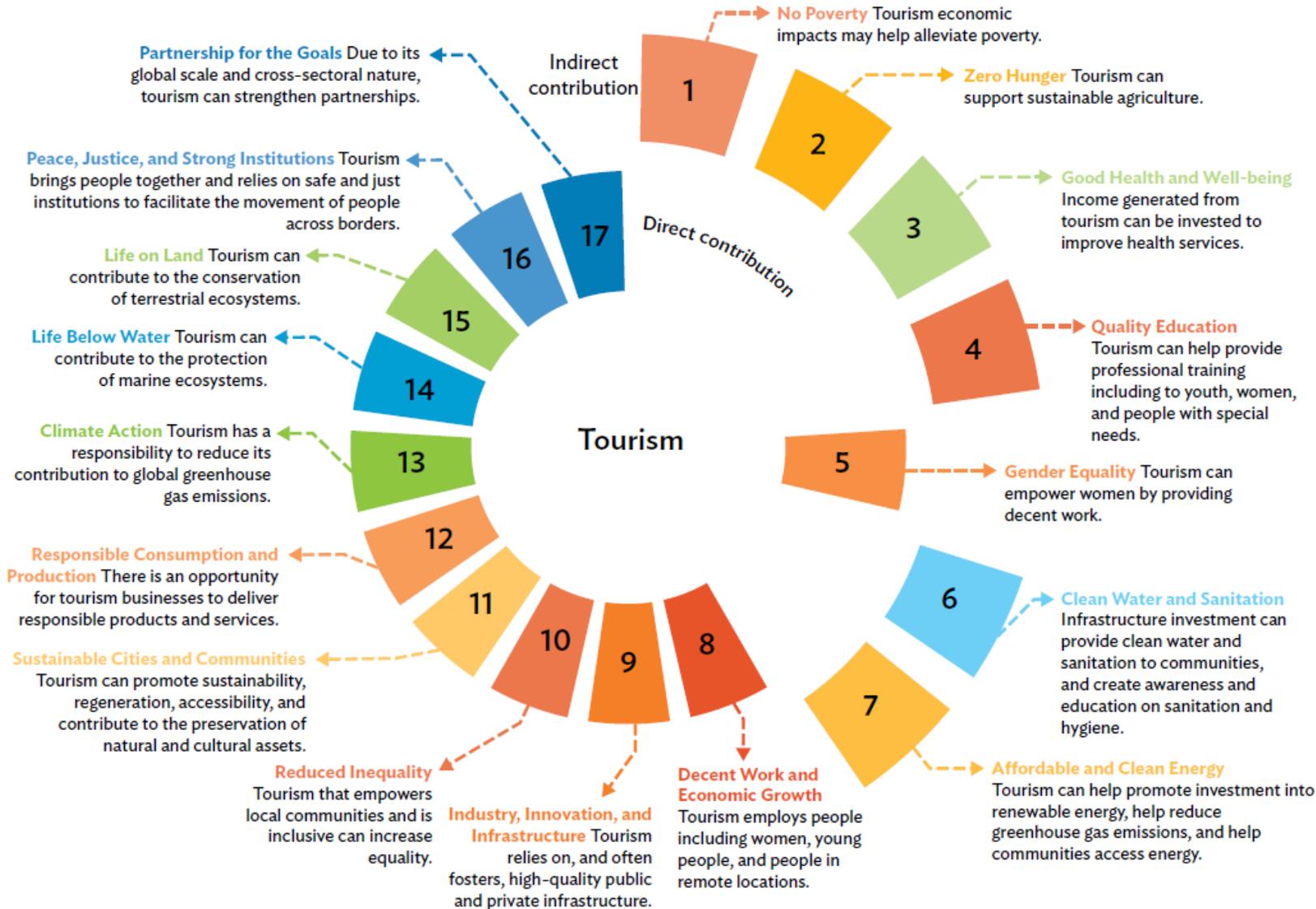
Summary of report:
Sustainable Tourism after COVID-19
Insights and Recommendations for Asia and the Pacific

4 April 2022
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Rationale

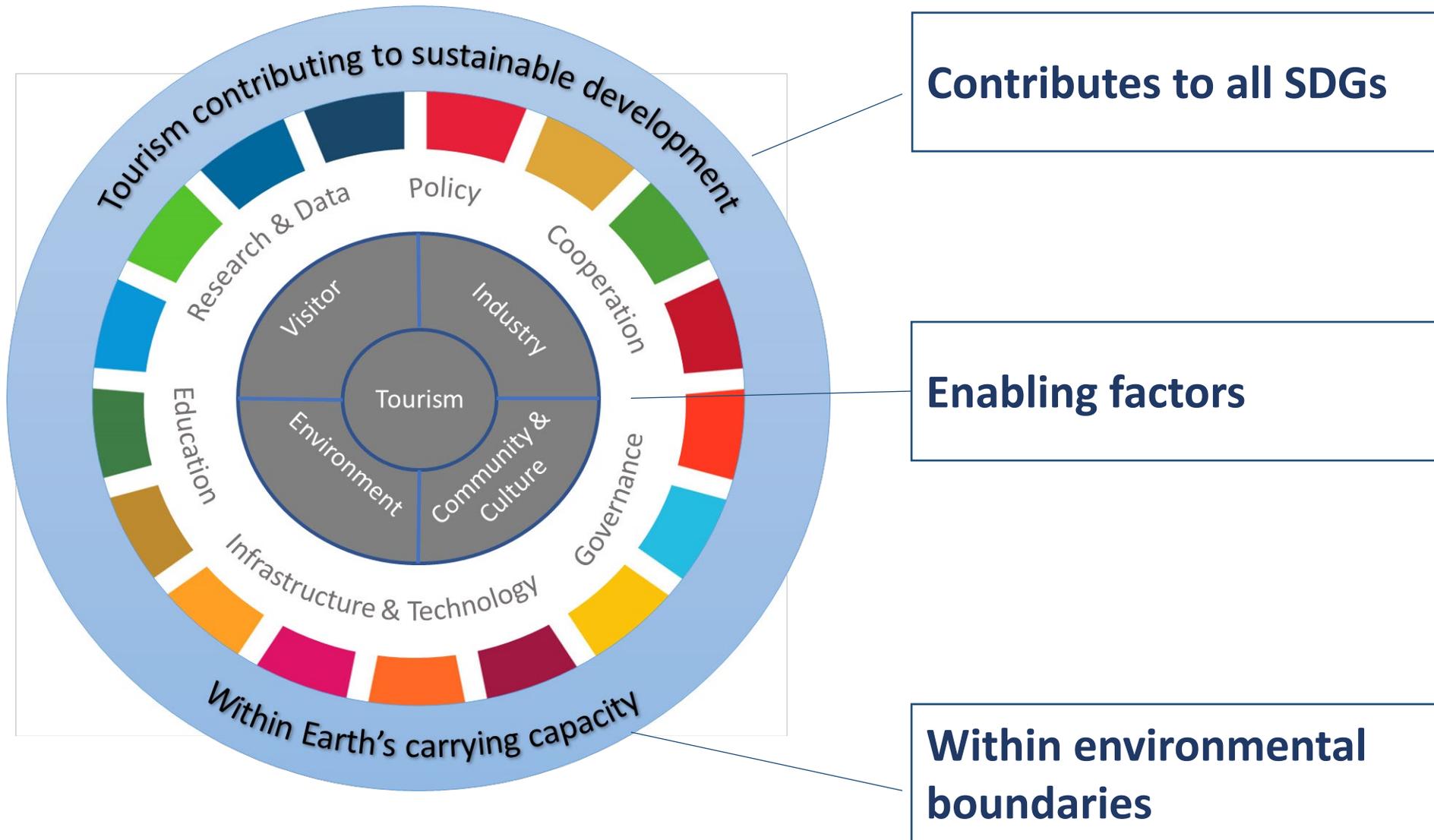
- Growing interest in the tourism sector before COVID-19
- Important and growing intra-regional services value chain
- Asia Pacific worst affected region by COVID-19 (84% drop in tourism arrivals compared to 74% worldwide in 2020)
- Drop in tourism highlighted importance (labor market, environment, etc.)
- Tourism is complex and requires better knowledge foundation
- Pandemic as opportunity: How to build forward better?

What is sustainable tourism?



Not financial sustainability nor ecotourism, but tourism which supports the sustainable development goals.

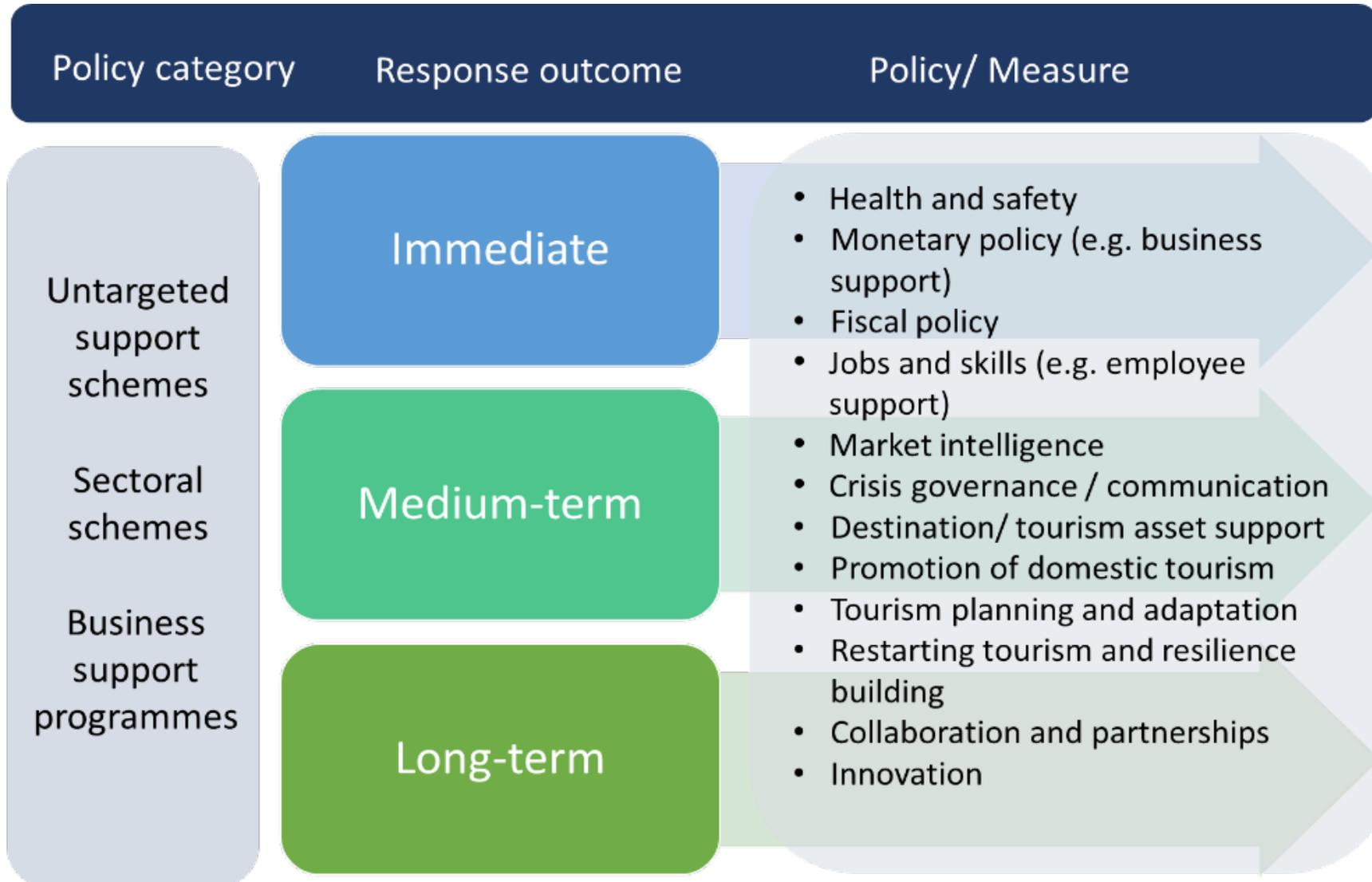
Framework



Enabling factors

- i. **Governance.** Historically, the private sector has guided tourism governance; however, *deeper public sector and community involvement* support growth in line with the SDGs.
- ii. **Policy.** Policies have traditionally focused on economic aspects of tourism. More can be done to *encourage stewardship and collaboration* while restricting harmful practices.
- iii. **Infrastructure and technology.** Investing in both *hard infrastructure* and *digital infrastructure* is a major pathway for governments to support tourism.
- iv. **Research and data.** High-quality data is essential for making sound decisions. However, limited large-scale research, and existing materials focus on economics not sustainability.
- v. **Education and training.** There is a need for *more training programs*, and to integrate sustainability considerations into hospitality and similar curricula.

COVID-19 Policy Responses



COVID-19 presents high uncertainty: Four scenarios

Discipline – the age of technology

The goal in this future is to maintain economic growth models and globalisation, including allowing international travel to resume. This is achieved through increased control through technology and a focus on maintaining public health and safety.

Unsettled – crisis as the new normal

This future is defined by ongoing impact of crisis and uncertainty. Such a volatile world will make travel and 'business' very difficult, thus particularly impacting the *Visitor, Industry* and *Community* dimensions. Targeted action towards the SDGs will become challenging. Success will be determined by the adaptive capacity of tourism businesses.

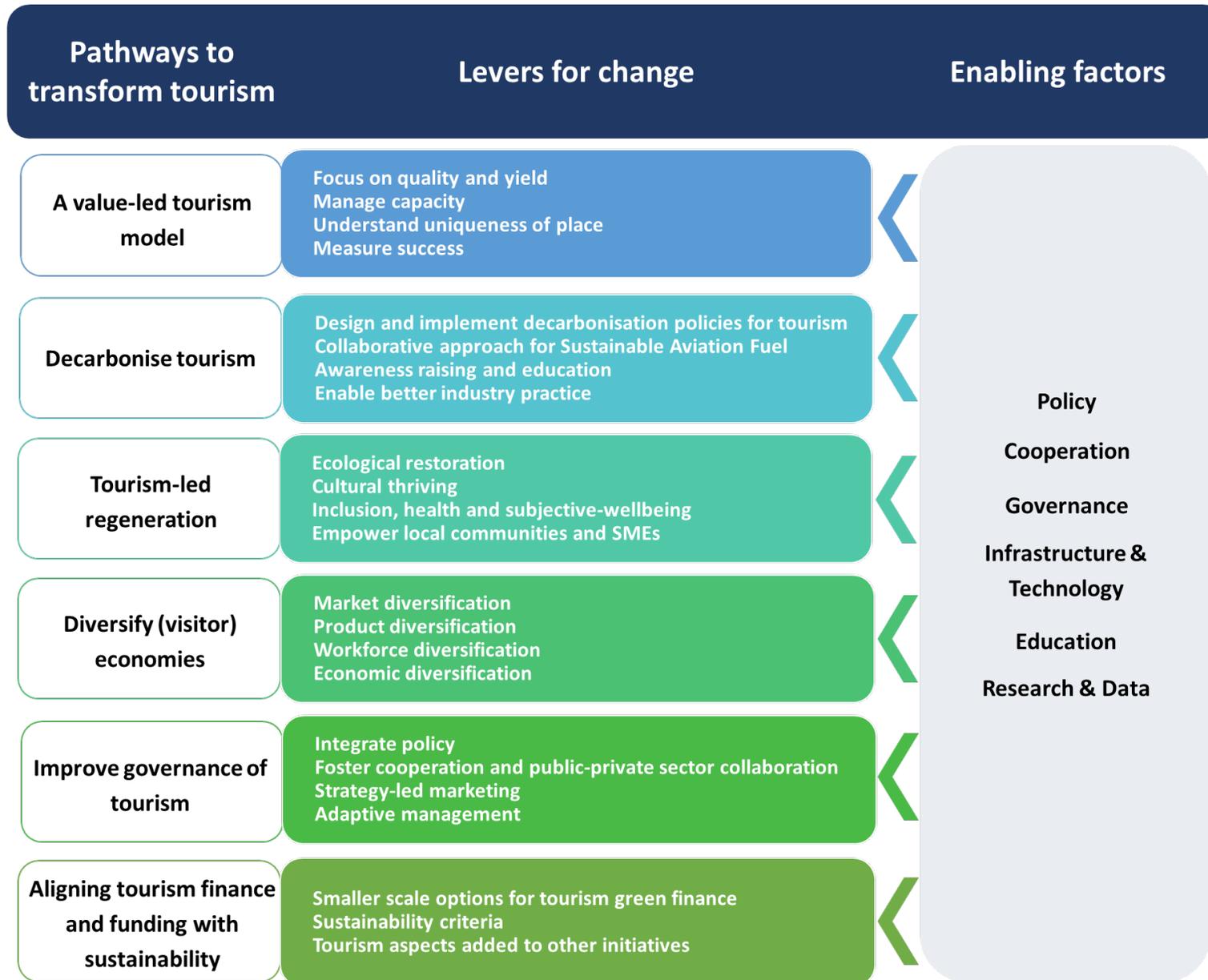
Compete and Retreat – the end of globalisation?

The mindset is that resources are scarce, there is not enough for everyone. Nationalism is strengthened while global approaches decline. Borders remain controlled tightly and domestic travel will be the main form of tourism. All VICE elements of the tourism system will change substantially.

Transform – a shift in mindset

The Transform future requires the largest shift in mindset and across all elements of the tourism system. Focus lies on progressing action towards a more sustainable, low carbon, and equitable world. This requires transformational changes away from exploitative practices to regenerative ones, encompassing collective actions across all types of actors.

Six pathways for change



Pathways to transform tourism

Levers for change

A value-led tourism model

- Focus on quality and yield
- Manage capacity
- Understand uniqueness of place
- Measure success

Decarbonise tourism

- Design and implement decarbonisation policies for tourism
- Collaborative approach for Sustainable Aviation Fuel
- Awareness raising and education
- Enable better industry practice

Tourism-led regeneration

- Ecological restoration
- Cultural thriving
- Inclusion, health and subjective-wellbeing
- Empower local communities and SMEs

Pathways to transform tourism

Levers for change

Diversify (visitor) economies

Market diversification
Product diversification
Workforce diversification
Economic diversification

Improve governance of tourism

Integrate policy
Foster cooperation and public-private sector collaboration
Strategy-led marketing
Adaptive management

Aligning tourism finance and funding with sustainability

Smaller scale options for tourism green finance
Sustainability criteria
Tourism aspects added to other initiatives

Key Messages

- ‘Sustainable tourism’ is tourism which supports achievement of the Sustainable Development Goals.
- Resilience is enabled through diversification.
- Sustainability is enabled through greater focus on quality over quantity and partnerships/stronger governance structures between government, communities, businesses and tourists.
- Implementation of transformations in tourism will require funding and financing.

Annex

Extending traditional approaches to tourism policy to integrate sustainability

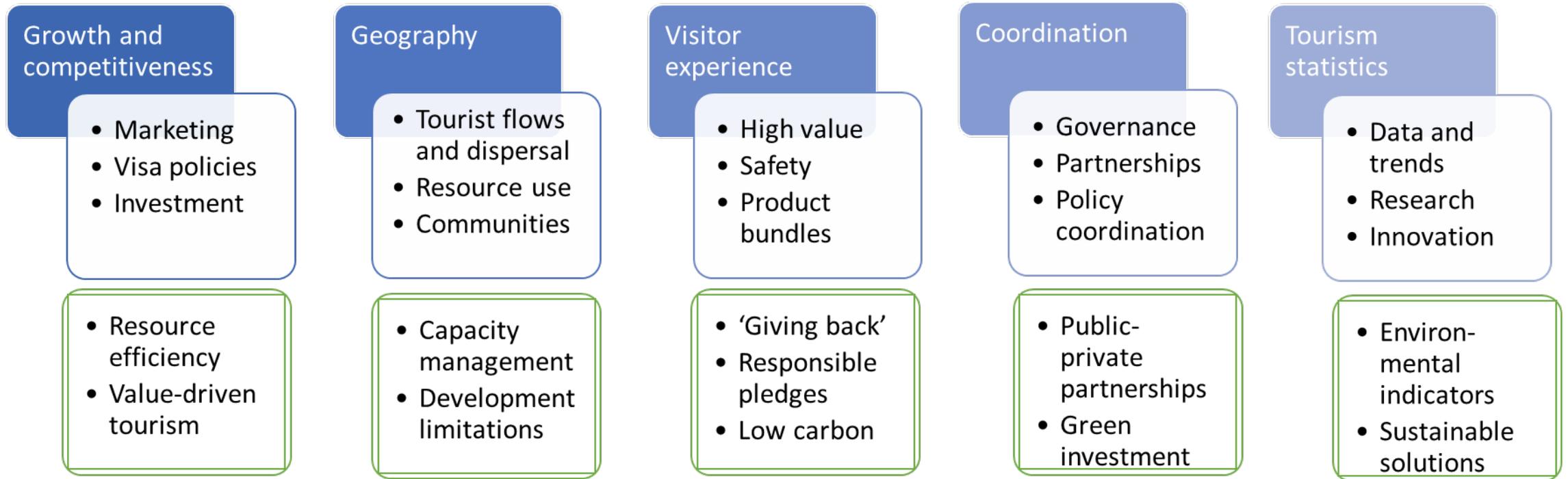
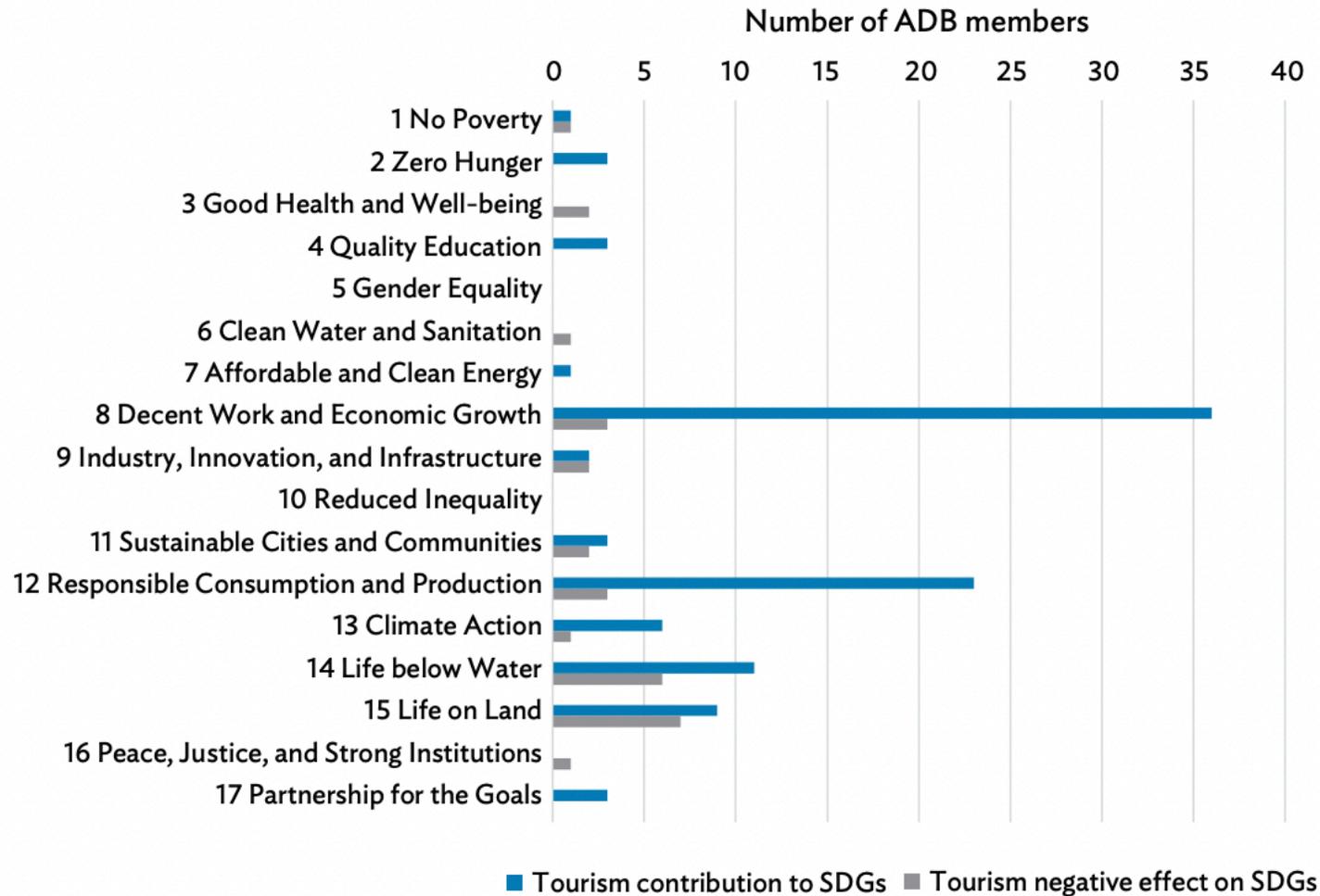


Figure 8: Reference to Tourism in Voluntary National Reviews



ADB = Asian Development Bank, SDG = Sustainable Development Goal.

Source: United Nations. 2020. *Sustainable Development Knowledge Platform—Voluntary National Reviews Database*.

COVID-19 Impact

Figure 10: Global COVID-19 Tourism Index and Subindexes

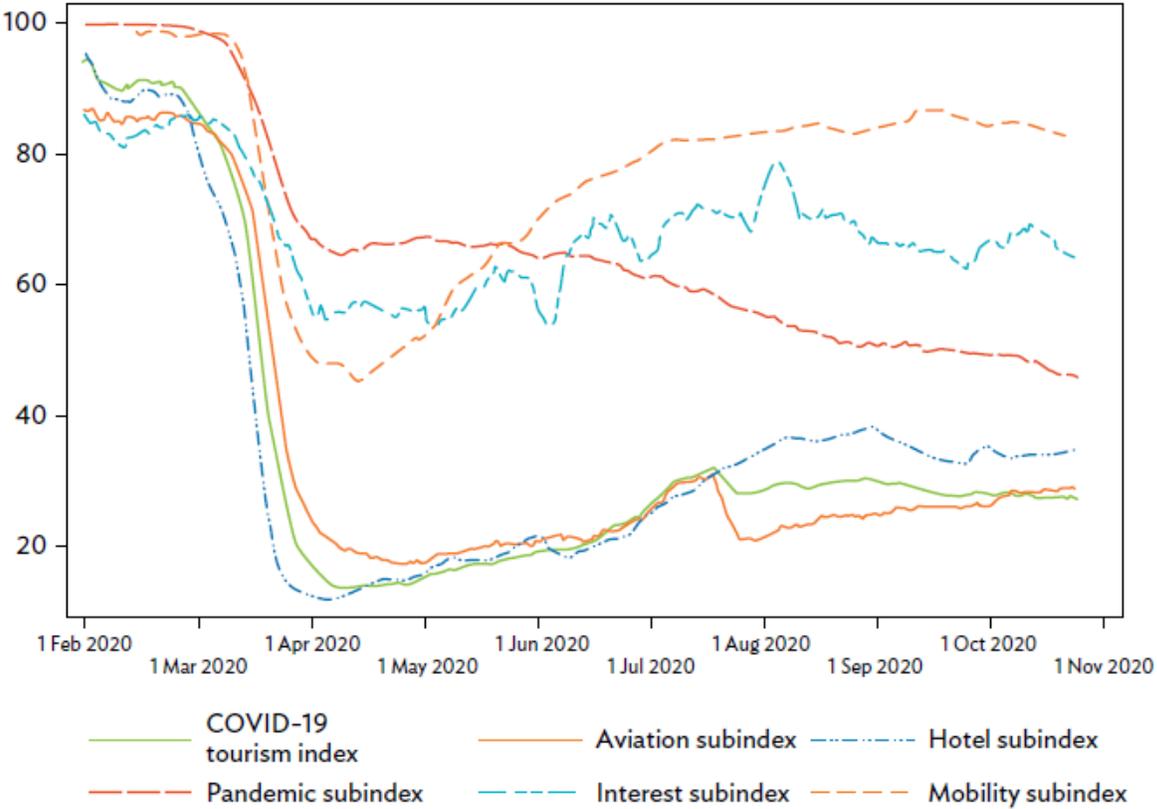


Figure 11: Perceived Timeframe of Potential Business Failure Among Small and Medium-Sized Enterprises in Cambodia (%)

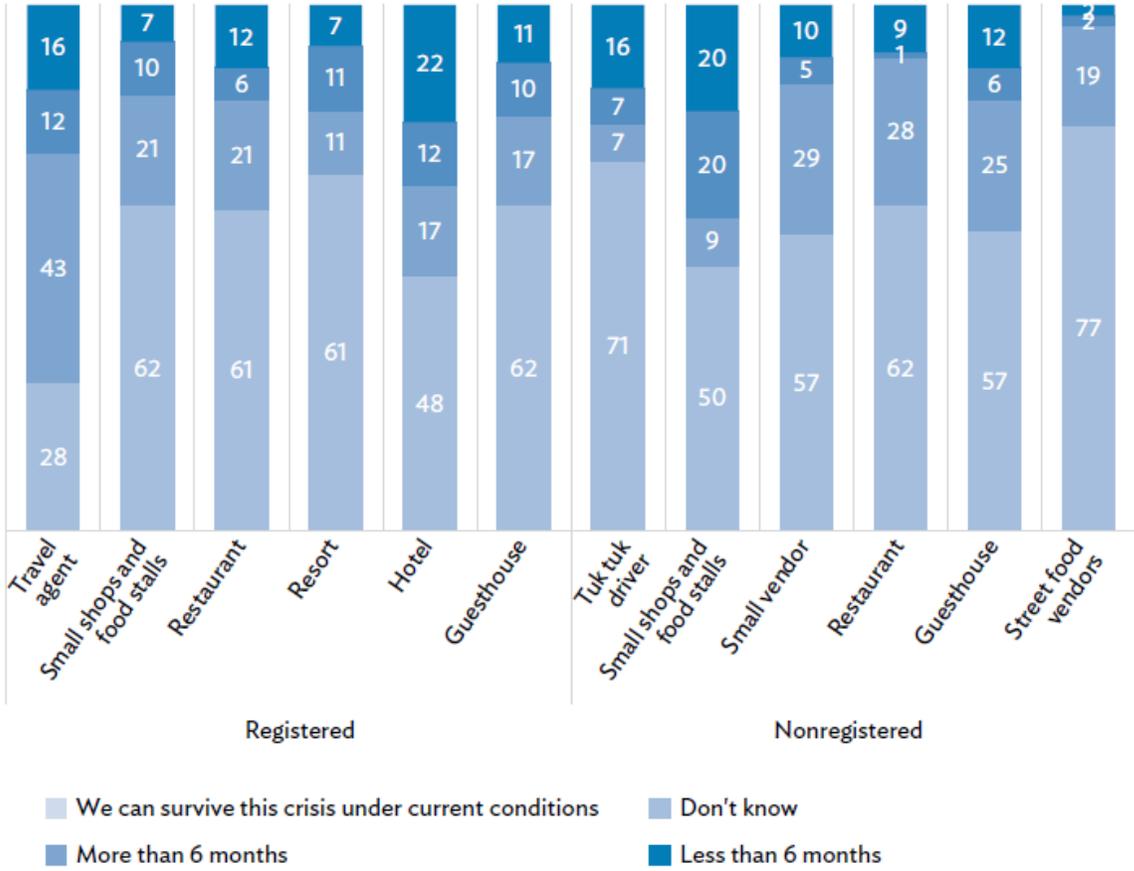


Table 3: Economic Impacts of COVID-19 to Date

Country	Impact	Description and Time of Publication
Samoa ^a	10.6% drop	Estimated loss to GDP from tourism receipts for FY2020 (April 2020)
Cook Islands, Niue, Samoa, Solomon Islands, Tonga, Vanuatu ^b	\$2.3 billion	Estimated loss in tourism revenue for a 12-month period (May 2020)
Bangladesh ^c	\$2.03 billion drop 420,000 impacted	Potential loss to GDP from travel and tourism earnings (June 2020) Estimated jobs at risk
Bhutan ^c	\$2.2 million drop 50,000 (150,000) impacted	Loss in travel and tourism earnings (June 2020) Jobs at risk (with flow on impacts)
India ^c	\$43.4 billion drop 9 million impacted 60% drop Complete shutdown	Potential loss to GDP from travel and tourism earnings (June 2020) Jobs at risk Closure of hotels MICE market
Maldives ^c	\$700 million drop 35,000 impacted	Potential loss to GDP from travel and tourism earnings (June 2020) Jobs at risk
Nepal ^c	\$460 million drop 230,000 impacted 20,000 impacted 2,600 impacted	Potential loss to GDP from travel and tourism earnings (June 2020) Jobs at risk Tour and trekking guides unemployed Trekking agencies closed
Pakistan ^c	\$3.64 billion drop 880,000 impacted	Potential loss to GDP from travel and tourism earnings (June 2020) Jobs at risk
Sri Lanka ^c	\$1.99 billion drop 200,000 impacted	Potential loss to GDP from travel and tourism earnings (June 2020) Jobs at risk
Fiji ^d	84.8% drop in 2020 vs 2019	Decline in international tourism revenue (March 2021)
Cambodia ^e	> 90% of registered and nonregistered MSMEs	Reduction in sales since lockdown, the majority lost over 50% (October 2020)
Thailand, Sri Lanka, Viet Nam, Cambodia, Nepal ^f	80% drop	Estimated loss of revenue from tourism activity (November 2020)
CAREC countries ^g	1 million jobs at risk	Due to loss in aviation activity, estimated loss of jobs (February 2021)

CAREC = Central Asia Regional Economic Cooperation; FY = fiscal year; GDP = gross domestic product; MICE = meetings, incentives, conferences, and exhibitions; MSME = micro, small, and medium enterprises.

^a International Monetary Fund. *Samoa: Request for Disbursement Under the Rapid Credit Facility—Press Release; Staff Report; and Statement by the Executive Director for Samoa.*

^b MFAT and SPTO. 2020. *Pacific Tourism: Covid 19 Impact and Recovery. Sector Status Report: Phase 1B.*

^c L. Twining Ward and J. F. McComb. 2020. *COVID-19 and Tourism in South Asia: Opportunities for Sustainable Regional Outcomes.* Washington, DC: World Bank.

^d Fiji Bureau of Statistics. 2021. *Fiji's Earnings from Tourism—December Quarter and Annual 2020. FBoS Release No: 07, 2021.*

^e The Asia Foundation. *Enduring the Pandemic: Rapid Survey in the Impact of COVID-19 on MSMEs in the Tourism Sector and Households in Cambodia.*

^f PATA. 2020. *COVID-19 and The Tourism Sector: A Comparison of Policy Response in Asia Pacific.*

^g ADB. 2021. *Impact of COVID-19 on CAREC Aviation and Tourism.* Manila.

Source: Authors' compilation.