



Travel & Tourism | Cities

COVID-19: pandemic impacts in Asia Pacific

Economists

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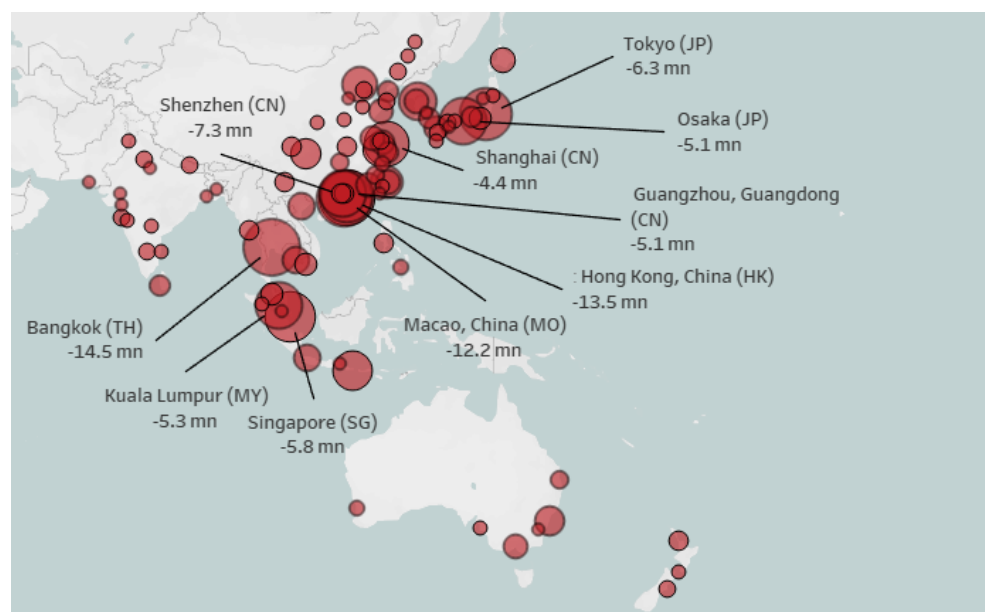
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Almost 90% of Asia Pacific cities are forecast to see international visitor arrivals return to 2019 levels by 2024.

Key points

- The COVID-19 outbreak has devastated city tourism, with global city arrivals forecast to decline 58% in 2020, equivalent to the loss of 373mn visitor arrivals for the 309 cities covered in our GCT service.
- Asia Pacific inbound arrivals are expected to decline 57% in 2020, with a loss of almost 203mn visitors compared to 2019.
- Collectively, international visitor arrivals to Asia Pacific cities are forecast to decline 56% in 2020; a loss of 143mn visitors for the 92 cities included in our GCT service.
- The recovery of international arrivals to Asia Pacific cities will be helped by their lower dependence on long-haul markets. Lingering travel restrictions and a fragile travel demand is expected to have the greatest negative impact on long-haul travel, while short-haul and medium-haul travel are set to enjoy a quicker return to pre-crisis levels.
- A swifter return to 2019 international visitor arrivals is forecast for Asia Pacific cities, with 89% of cities returning to pre-coronavirus levels by 2024. A return to pre-coronavirus growth patterns, with a growing number of middle-income households within the region will facilitate this quicker rebound.
- Domestic city visitor arrivals are forecast to decline 35% in 2020, a loss of 411 million visitors. Since the easing of lockdown measures, an upward trend has been evident in domestic travel across the region, with strict international travel restrictions and an enduring fear of the virus increasing the appeal of staycations.

Decline in international Asia Pacific city tourist arrivals (mn), 2019-2020



To access the full report, please follow this [LINK](#).

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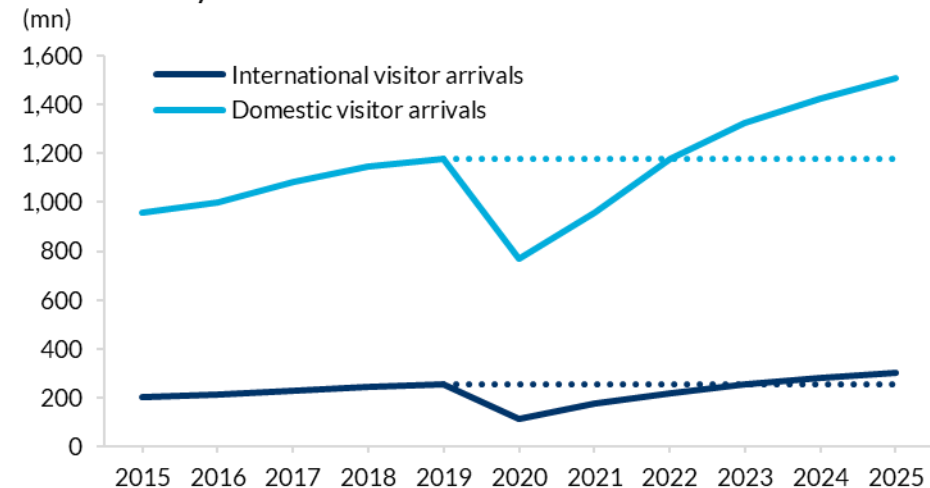
Impact on city inbound travel

While countries worldwide have begun to ease international travel restrictions, many in Asia Pacific has remained hesitant to do so and instead largely maintained strict limitations on cross-border travel. For example, stringent restrictions on international arrivals remain in Thailand. This has severely damaged the tourism-dependent economy and led to the flag carrier, Thai Airways suffering major losses. Unsurprisingly, Bangkok is set to be the worst affected Asia Pacific city, with a loss of 14.5mn visitor arrivals forecast in 2020. Hong Kong's travel demand continues to reel from the effects of the enduring civil unrest on top of the global pandemic, with visitor arrivals forecast to decline 13.5mn in 2020. Macao is also set to experience a significant decline in international arrivals at 12.2mn, with Chinese tourists accounting for over 70% of this decline.

Recovery of city travel

Restarting domestic tourism has been a prominent objective across Asia Pacific, with most countries easing internal travel restrictions much quicker than cross-border travel limits. Hence, a swifter rebound in domestic travel is foreseen with 2019 levels of activity being regained by 2022. However, international visitor arrivals face a prolonged recovery, remaining below 2019 levels until 2023.

Asia Pacific city international vs domestic visitor arrivals



Source: Tourism Economics

Domestic visitor arrivals to Asia Pacific cities will enjoy a quicker recovery than international visitor arrivals, returning to 2019 levels by 2022.