

## CORONAVIRUS BRIEF

### LATEST FIGURES

- As of 11 February, there have been 43,143 reported cases, 42,670 of which are in mainland China. There have been 1,018 deaths and 4,347 full recoveries. The fatality rate is 2.35%. The [linked tracker](#) provides the latest figures.
- Comparing the Coronavirus to SARS (2003). For SARS there were 8,437 cases, 813 deaths. The fatality rate was 10%. Comparing the Coronavirus to MERS (2012). For MERS, there were 2,494 cases and 858 death. The fatality rate was 34.4%.

### IMPACT

- The impact of H1N1 (2009) on the global economy was estimated between \$45-\$55 billion. The costs of H1N1 on just the Mexican Travel & Tourism sector amounted to \$5 billion.
- The impact of SARS (2003) on the global economy was estimated between \$30-\$50 billion. China had a 25% reduction of its Travel & Tourism GDP as a result and experienced a loss of 2.8 million jobs. It took China's Travel & Tourism sector 16 months to recover to pre-crisis international arrivals levels.
- Coronavirus is more widespread in China in 2020 to date than the SARS virus in 2003. While the virus has spread to over 20 other countries, it has been on a comparatively limited basis.
- Oxford Economics (OE) believes that the virus will have a high but short-lived impact on Chinese Travel & Tourism- and believes there will be a rapid recovery. They modelled three scenarios based primarily on the impact of SARS. On this basis they expect a decline in Chinese travel activity to be experienced in 2020 with recovery beginning later this year or in 2021.
- According to Oxford Economics (OE), the global impacts are expected to be greater than during SARS (2003), with significant impacts in more destinations due to a much greater reliance on Chinese Travel. The scenarios indicate that there could be 7-25 million fewer Chinese departures in 2020 as a direct result of the virus. In terms of spending, China, there is likely going to be a \$22 billion loss in Chinese visitor spending in 2020 (could reach \$73 billion under downside scenario).

### CHINA IN CONTEXT

- The growth of Chinese tourism since the 80s has been nothing short of phenomenal. According to our research, Travel & Tourism GDP in China has increased nearly 11-fold between 1995 and 2018, with growth averaging 10.9% per year during the same period. The growth of outbound spending by Chinese travellers has increased nearly 52-fold between 1995 and 2018, with an average growth of 18.7% per year during this period. Between 1995 and 2018 international arrivals in China grew from 20 million to 62 million.
- China has become the world's largest spender with 16.3% of international tourism spending globally. In effect, Outbound spending has increased over 7-fold over the last 10 years (2008-18). It has expanded on average by 21.7% pa during this time.
- In fact, by 2018, China alone contributed one quarter of global Travel & Tourism growth and accounted for 51% of Travel & Tourism GDP in the Asia-Pacific region. Of China's 62 million outbound departures, 21% went to Hong Kong, 13% to Macau, 10% to Thailand, 7% to Japan, 7% to South Korea and 42% to the rest of the world.
- The top 20 Chinese outbound destinations (in order): Hong Kong, Macao, Thailand, Japan, South Korea, Vietnam, Singapore, Taiwan, US, France, Russia, Cambodia, Malaysia, Indonesia, Germany, Australia, UAE, the Philippines, Myanmar and Switzerland.

## OUR RESEARCH

- We found that for outbreaks/disease cases, the average recovery time was 19.4 months to pre-crisis arrival levels. The range was 10 months to 34.9 months.
- The Travel & Tourism sector is becoming increasingly resilient. Our research (across the 4 types of crisis), shows that between 2001 and 2018, the months to recovery decreased from 26 months to 10 months on average.
- Here is the link to our [Crisis Readiness Report](#).

## TALKING POINTS ON THE BASIS OF BEST PRACTICES FROM OUR RESEARCH

- **No one stakeholder group can do it on its own- Public Private Collaboration is Key:** The increasing intricacy and interconnectedness of global events requires governments to work with the private sector so as to improve their preparedness to mitigate the impact of crises, their management to effectively address the crisis as well as enhance their responsiveness to ensure a speedy recovery.
- **Fear and panic-** Margaret Chan, Former Director General of the WHO, stated that 90% of economic losses during any outbreaks arise from the uncoordinated and irrational efforts of the public to avoid infection. In this context, it is essential to enhance coordination and cooperation to make sure people are safe, both from a health perspective but also an economic one.
- **Countries learn from their experience and those of others-** The SARS outbreak brought China virtually to a standstill, forcing the country to thoroughly review its infectious disease control policies. Since then, the Chinese government has implemented new and innovative strategies, strengthened the related aspects of the legal system and the disease prevention and control system, and made substantial investments to improve infrastructures, surveillance systems, and emergency preparedness and response capacity, such as the development of a real-time monitoring system that is now serving as a model for worldwide surveillance and response to infectious disease threats. The world has moved on since the SARS epidemic, but the insights gained in mainland China remain valuable, with comparable infectious disease threats presenting continuously.
- **Educate People to Reduce Fear- Understanding Geography is Important:** Misperceptions, particularly relating to geography, still occur often. For instance, one public misconception was that the entire Caribbean region was struck by hurricanes in 2017, with 91% of travellers believing the Caribbean was closed, leading to a decrease in regional arrivals. This was also an issue for California when the public believed that “California” was on fire during the wildfires of 2018 when it affected just 1% of the State’s geography.

## TALKING POINTS ON THE BASIS OF BEST PRACTICES FROM OUR RESEARCH

- China is in daily communication with WHO and is employing multisectoral approaches to prevent further spread of the virus. **The public and private sectors alike should avoid disproportional reactions** which may affect the economic health of a destination. In this context, a fact-based approach from trusted authorities such as WHO to decision-making is essential.
- **Do not Cancel Your Flights** – Postpone your Travels to China and or go somewhere else if you are travelling for leisure. Following the guidance of national authorities and the WHO is key.
- **WHO standard recommendations for travellers** and the general public to reduce exposure to and transmission of a range of illnesses including frequent hand cleaning, covering mouth and nose with flexed elbow when sneezing or coughing, avoid close contact with anyone who has a fever and cough, avoid direct unprotected contact with live animals as well as the consumption of raw or undercooked animal products. [Here is the WHO FAQ](#).
- **Do Not Stigmatize:** WTTC supports the recommendation of WHO, cautioning against actions that promote stigma and discrimination.