



## CHTA Covid-19 Discussion Points

April 2, 2020

### Impact

- The World Travel and Tourism Council estimates that up to 75 million tourism-related jobs globally are at immediate risk and that tourism's losses from the pandemic will have a potential \$2.1 trillion reduction in the world's GDP in 2020.
- While the economic impact in the Caribbean from tourism losses is too early to accurately assess, the CHTA believes it is reasonable to estimate that the Caribbean over the past six weeks has lost over \$2 billion in earnings as a result of COVID-19.
- CHTA estimates that as of today over 95 percent of tourism-related economic activity has halted and indications are that this will continue to be the case at least for the next 6 weeks.
- This is having severe consequences to employment, business activity, and tax collections and is pervasive beyond just the direct impact on the tourism industry, but on all aspects of our economies.
- The Caribbean is the world's most tourism-dependent region. According to the World Travel and Tourism Council, 15.5 percent of the region's GDP and 13.5 percent of employment is attributed to tourism. The rates are much higher for many of the region's destinations, like Aruba, the British Virgin Islands, Antigua, Bahamas and Bermuda, where the GDP and employment impact is from over 90 percent to just under 50 percent. The impact on economies is considerable.
- The tourism industry has demonstrated great resilience in responding to crisis situations, outperforming global average time for recovery. Globally and historically tourism has taken up to four years to return to pre-crisis performance. For outbreaks/disease cases, the average recovery time to pre-crisis levels has been 19.4 months, with a range between 10 and 34.9 months according to the World Travel and Tourism Council.

### Industry Readiness

- Regionally, the tourism industry started preparing for the coronavirus back in January, working with the Caribbean Public Health Agency, commencing training for hundreds of hotels and tourism-related businesses, activating the CARPHA-led Tourism Health Information System, a confidential online monitoring program which provides real-time support, advice and intervention by regional and local health authorities in the event of a suspected situation with a visitor or employee.
- Local hotel and tourism associations, and regionally, with the Caribbean Hotel and Tourism Association, resources and essential information was made available to train, educate and prepare tourism-related businesses and employees for the pandemic. CHTA set up an online Covid-19 tourism resource center to serve as a clearinghouse for the industry ([www.caribbeanhotelandtourism.com/covid-19](http://www.caribbeanhotelandtourism.com/covid-19)).
- CHTA and National Hotel and Tourism Associations have adjusted their focus, with most working on supporting regional and local efforts aimed at:
  - Information Sharing, Education and Training directed at our members, employees, public
  - Collaboration and Coordination – with Government and other stakeholders
  - Communications – to industry, government, travel industry partners
  - Research – assessing needs, impact, interests, best practices and sharing where appropriate
- Most Caribbean hotels established flexible cancellation policies, eliminating penalties, and encouraging guests to postpone their travel plans and plan to return when the situation improved. CHTA adopted recommended cancellation guidelines which were shared with hotels in early March.

- Airlines and hotel brands changed their cancellation policies as well.
- Throughout the Caribbean, recognizing the critical impact which the pandemic is having on the industry and consequentially on the long-term viability of economies, partnerships have emerged between public and private sector stakeholders aimed at mitigating the impact of the virus on their economies and industries, and looking beyond immediate needs to policies and recovery initiatives which will help to minimize the long-term impact and get businesses back open and people back to work. Recovery policies are being discussed and beginning to be adopted.
- As part of its containment effort and efforts to mitigate the impact and duration of the crisis, most hotels (over 95 percent) in the Caribbean have suspended operations, and travel advisories are in place by most regional governments and all major tourism 'feeder' markets. The duration of suspended operations will be tied to public policies and the return of airlift.
- Industry and Government public awareness campaigns have been directed at promoting social distancing and sound sanitary practices, emphasizing the importance of a disciplined individual approach to help contain the virus and ultimately return to work and reignite our economies.
- Training and Readiness – CHTA, local associations, and industry partners are offering a range of online awareness and training sessions. The CHTA Live series provides weekly sessions to assist hoteliers, industry stakeholders, NHTAs, and others with timely, demand-based topics and professional development courses.