

## CORONAVIRUS BRIEF

25 March 2020

### LATEST FIGURES

- As of 25 March, there have been 424,048 reported cases, 81,591 of which are in mainland China. There have been 18,947 deaths and 109,145 full recoveries. The [linked tracker](#) provides the latest figures.
- The fatality rate on the basis of reported cases is 4.5%.
- Over 77% of cases are in 7 countries alone, notably China, Italy, US, Spain, Germany, Iran and France.
- According to the WHO, the pandemic is accelerating. It took 67 days from the first reported case to reach the first 100,000 cases, 11 days for the second 100,000 and just 4 days for the third 100,000. Over 1 billion people have been asked to stay at home in over 50 countries/territories.
- According to the WHO most recent research, 40% of cases are mild (requiring isolation), 40% are moderate (pneumonia) 15% are severe (patients needing oxygen therapy) and 5% are critical (patients requiring mechanical ventilation). Approximately 10-15% of mild/moderate cases become severe, and approximately 15-20% of severe cases become critical. Overall, COVID-19 is less infectious than influenza but leads to more serious illness and death.
- 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%.
- The following [Travel Risk eMap from Deloitte](#) and the map from the [World Food Programme](#) both highlight Travel restrictions as well as outbreak countries in countries around the world.

### 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. To date the virus has spread to 169 countries, regions and territories.
- **The latest research from WTTC estimates that up to 75 million jobs are at immediate risk. The research reveals a potential Travel & Tourism GDP loss of up to \$2.1 trillion in 2020. WTTC also estimates that a staggering one million jobs are being lost every day in the Travel & Tourism sector due to the sweeping effect of the coronavirus pandemic. The Asia-Pacific region is expected to be most heavily impact with up to 49 million jobs at risk throughout the region, representing a loss of nearly \$800 billion to Travel & Tourism GDP. The latest figures in Europe suggest that up to 10 million jobs in Travel & Tourism are at risk, totalling a loss of nearly \$552 billion. The US, Canada and Mexico combined could lose up to \$570 billion combined with nearly 7 million jobs in Travel & Tourism at risk. Other countries expected to be heavily affected include Brazil, the UK, Italy, Germany, France, Japan, Indonesia and India.**
- 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. The expected recovery periods vary according to the type of travel. Overall, the recovery is expected to begin in the second half of this year (2020), which is consistent with prior health outbreaks, for outbound and domestic travel.
- 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 \$49 billion loss in Chinese visitor spending in 2020 (could reach \$73 billion under

downside scenario). Domestic spending is likely to fall by \$121 billion but could decrease as much as \$198 billion in 2020.

- In terms of international arrivals to China, Oxford Economics expects a decrease in international visits between 8.6 million and 24.2 million. This will translate into a fall in international spent ranging from \$25.6 billion to \$56.3 billion in 2020.
- [IATA](#) estimated 2020 global revenue losses has moved beyond its extensive spread scenario implying \$113 billion loss of passenger revenues (19%) worldwide in 2020. Before any recovery the immediate impact will be severe. IATA updated its research, estimating a 38% fall in RPKs and \$252 billion revenue loss in 2020. IATA estimates that only 30 out of 300 airlines have enough liquidity to survive for more than 3 months and most airlines only have 2 months of liquidity.
- UNWTO estimates international tourist arrivals could decline by 1% to 3% in 2020 globally, down from a 3% to 4% growth estimated in early January. This would translate into an estimated loss of \$30-\$50 billion in international visitor spending in destinations (international tourism receipts). At the moment, the Asia-Pacific is expected to be the most affected region with a decrease of 9% to 12% in international tourist arrivals in 2020, down from 5% to 6% forecasted growth in early January.

## 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](#).

## THE VIRUS & STAYING SAFE

- The WHO classified COVID-19 as a pandemic. The WHO believe that countries can contain COVID-19, and should not give up.
- COVID-19 is not SARS and it is not influenza. It is a new virus with its own characteristics.
- The COVID-19 virus is unique in its combination of high transmissibility, substantial fatal outcomes in some high-risk groups, and ability to cause huge societal and economic disruption. For planning purposes, it must be assumed that the global population is susceptible to this virus. As the animal origin of the COVID-19 virus is unknown at present, the risk of reintroduction into previously infected areas must be constantly considered.

- COVID-19 is transmitted via droplets and fomites during close unprotected contact between an infector and infectee. Airborne spread has not been reported for COVID-19 and it is not believed to be a major driver of transmission based on available evidence; however, it can be envisaged if certain aerosol-generating procedures are conducted in health care facilities.
- Early data suggests that COVID-19 may be 2-3 times as contagious as the flu. (Oliver Wyman, 19 March Update)
- Global Rescue suspects this virus may not like warm weather and humidity, given the lack of widespread transmission in South East Asia. However, there is no clarity as to whether COVID-19 is seasonal like the flu. (Oliver Wyman, 19 March Update)
- The vast majority of cases arise from close contacts of symptomatic cases; 1-5% of 38,000 close contacts develop COVID-19. Transmission in most settings is driven by family-clusters (i.e. 75-85% of clusters). WHO has found no examples of children transmitting to adults.
- [Typical signs and symptoms](#) include: fever (87.9%), dry cough (67.7%), fatigue (38.1%), sputum production (33.4%), shortness of breath (18.6%), sore throat (13.9%), headache (13.6%), myalgia or arthralgia (14.8%), chills(11.4%), nausea or vomiting (5.0%), nasal congestion (4.8%), diarrhoea (3.7%), and haemoptysis (0.9%), and conjunctival congestion (0.8%).
- Individuals at highest risk for severe disease and death include people aged over 60 years and those with underlying conditions such as hypertension, diabetes, cardiovascular disease, chronic respiratory disease and cancer.
- The disease in children appears to be relatively rare and mild with approximately 2.4% of the total reported cases reported amongst individuals aged under 19 years.
- Proactive and swift mitigation measures, including social distancing, are critical to control the spread and reduce the overall burden on the healthcare system, i.e. flattening the curve, as 15-20% of confirmed cases require hospitalisation. (Oliver Wyman, 19 March Update)
- Mortality increases with age: i. over 80: 14.8%; ii. 70-79: 8.8%, 60-69: 3.9%, iv. 50-59: 1.3%, v. 40-49: 0.4%, vi. 30-39: 0.2%, vii. 20-29: 0.2%, viii. 10-19: 0.2%, ix. 0-9: 0.0%.
- People with COVID-19 generally develop signs and symptoms, including mild respiratory symptoms and fever, on an average of 5-6 days after infection (mean incubation period 5-6 days, range 1-14 days).
- WHO recommends that if individuals feel unwell, they should self-isolate and self-monitor to avoid possible transmission.
- WHO has developed [guidance](#) for employers on COVID-19 prevention. The WHO recommends among other things to keep workplaces clean and hygienic, promote regular and thorough handwashing, promote good respiratory hygiene, advise those who are sick to stay at home; ensure surfaces are wiped with disinfectant regularly and put sanitising hand rub dispensers in prominent places around the workplace.
- 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](#). People with no respiratory symptoms, such as a cough, do not need to wear a medical mask. WHO recommends the use of masks for people who have symptoms of COVID-19 and for those caring for individuals who have symptoms. WHO advises rational use of medical masks to avoid unnecessary wastage of precious resources and mis-use of masks.

#### BEST PRACTICES FROM PREVIOUS EXPERIENCES

- **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 own experiences and strong policies 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 African continent (54 countries) was affected by Ebola while the outbreak was limited to Liberia, Guinea and Sierra Leone. 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.
- **Ensuring Business Continuity is Key-** As a result of COVID-19, millions of Travel & Tourism related businesses, including SMEs which account for 80% of the sector, are suffering from rapid and significant falls in cash flow and revenues, putting companies and their employees at risk. In Japan for instance, a number of accommodation businesses and bus operators are going into bankruptcy as a result of tour cancellations from China, Hong Kong, Taiwan, Korea as well as domestic travellers. Depending on the evolution of COVID-19, there could be a larger number of industry players and SMEs going out of business and consequently an enormous number of employees and their families who lose their income. Japan’s federal and local government has put in place emergency finance to support affected businesses, as well as providing subsidies for employment adjustment.

#### KEY TALKING POINTS

- **A Global Challenge:** This is no longer a challenge of individual countries, but rather a global issue. All countries are interconnected and need to be part of the solution. We are in uncharted territory and the Travel & Tourism sector is uniquely exposed and is in a fight for survival. We estimate that around 50 million jobs in the world are at risk.
- **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. The WHO believes that containment is possible.
- **Balancing Personal Health and Economic Health:** This is not only a global health emergency, but a global economic emergency. Measures are taking a heavy toll on societies and economies. There is a need to strike a balance between protecting health, economies and human rights.
- **WHO continues to call on countries not to impose travel restrictions-** Evidence indicates that travel restrictions directed at individual countries are unlikely to keep the virus out of a nation’s borders. Closing borders, blanket travel bans, and more extreme government policies may in fact exacerbate the epidemic’s social and economic tolls-making us less safe. According to experts a travel ban may actually discourage people from coming forward and being transparent about their systems and behaviours.
- **Do Not Stigmatize:** WTTC supports the recommendation of WHO, cautioning against actions that promote stigma and discrimination.
- **The Need for Government Support:** While the Travel & Tourism sector is resilient, it is facing an unprecedented threat requiring governments to take immediate action to help ensure the survival of this critical sector which supports the livelihoods of millions of people and their families.
- **Vital Measures:** WTTC proposes three vital measures to support Travel & Tourism in the turbulent months ahead. First, financial help must be granted to protect the incomes of the millions of workers in severe difficulty. Second, government must extend vital, unlimited interest-free loans to global Travel & Tourism companies as well as the millions of small and medium-sized businesses as a stimulus to prevent them from collapse. Third, all governments

dues and financial demands on the Travel & Tourism sector need to be waived with immediate effect for at least the next 12 months.

- As Dr. Tedros, the Director-General of the WHO stated, “This is the time for facts, not fear. This is the time for science, not rumours. This is the time for solidarity, not stigma. We are all in this together”.

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