



Impact of COVID-19 on tourism and revival strategies of South Asian countries

The travel and tourism sector which contributed over 10 of the global GDP in 2019 and provided one out of every 10 jobs, has been hit hard by the COVID-19 after witnessing impressive growth for several years. South Asia, where the sector contributes 6.6 percent of the region's GDP in 2019, has been no exception. Maldives, for instance, where tourism's share in GDP is over 30 percent and the sector is the single largest provider of jobs, saw tourist inflow fall by 60 percent in March while in Nepal, thousands of porters and tourist guides have remained unemployed, noted the speakers in a virtual meeting titled **"Impact of COVID-19 on tourism and revival strategies of South Asian countries"** organized by **South Asia Watch on Trade, Economics and Environment (SAWTEE)** in association with Biruni Institute, Afghanistan; Centre for Policy Dialogue (CPD), Bangladesh; Research and Information System for Developing Countries (RIS), India; Sustainable Development Policy Institute (SDPI), Pakistan; and Institute of Policy Studies of Sri Lanka (IPS), Colombo. The session provided country-specific as well as region-wide assessment of the impact of COVID-19 on the travel and tourism sector and deliberated potential revival strategies such as promoting domestic tourism and greater regional cooperation in developing safe corridors with mechanisms such as testing of COVID-19.

Ms. Yankila Sherpa, Former Minister of Tourism, Government of Nepal, and Advisor, Tourism Recovery Task Force, Nepal, delivering the keynote address, noted how the first six months in 2020 have seen a 60 percent fall in global tourist arrivals given the closure of major tourist hubs, airport shutdowns and country-wide lockdowns. Ms. Sherpa added that owing to the risk of spread, most, if not all, South Asian countries enforced extremely strict lockdowns which hampered even domestic travel. Countries like Maldives and Nepal, the latter having faced closure of 2600 trekking firms, are disproportionately impacted given the economic significance of the sector, Ms. Sherpa observed. Speaking of recovery, Ms. Sherpa suggested that instead of complete lockdowns, the region, which is both a source market and destination, needs to devise mechanisms where selective movement is permitted conditional upon adherence to all safety and testing protocols. Regional collaboration, for instance, on smooth movement, destination infrastructure upgrade, testing and exploiting regional tourism potential such as the Buddhist circuit, will aid in swift revitalization of tourism in South Asia, Ms. Sherpa, who is also part of Nepal's Tourism Recovery Task Force, remarked. The public-private mechanism is tasked with synergizing efforts to revive the travel and tourism sector in Nepal. The body has come up with strategies such as Dosh Darshan to promote domestic tourism in Nepal.

Prof. Rupa Chanda, a widely regarded academic from the Indian Institute of Management, Bangalore (IIMB), observed how each actor in the tourism value chain, from trekking firms, porters and guides, a significant proportion of which are in the informal sector, have been dealt a body blow by the pandemic. Prof. Chanda suggested that while identifying and developing safe zones, including corridors, in the region, is a potential revival strategy, its effectiveness will hinge on whether COVID-19 safety rules are enforced. She added that several regulations need to be developed and credibly implemented. Prof Chanda reminded the participants that since an overwhelming majority of those employed in tourism were

informal, there was a critical need to prevent deprivation among such workers. Based on deliberations in the event, it appears that the region has had minimal social protection programmes perhaps with the exception of Maldives.

Bhutan has been among the least affected countries from the COVID-19 not just in the region but also globally. Yet, since its source markets in Europe and North America have been ravaged by the pandemic, Bhutan's travel and tourism stands severely affected. Mr. Dorji Dhradhul, Director-General, Tourism Council of Bhutan, observed that while the sector has been hit hard, Bhutan's low volume-high value tourism strategy offers to be a model for other countries to follow. Low volume of high value tourists means, among other things, less chances of infection, Dhradhul added. Mr. Dhradhul observed that potential revival strategies in the sector should seriously focus on issues like personal safety and health and that tourists will travel only if they perceive that destinations are safe. On revival strategies, Mr. Dhradhul highlighted that the pandemic has offered opportunities for development and upgrade of physical as well as digital infrastructure such as contactless payment, skilling of tourism sector workers into providing better services and promotion of domestic tourism.

Mr. Thoyyib Mohamed, Managing Director, Maldives Marketing and PR Corporation, emphasized that while revival of tourism is critical for the Maldivian economy given its significance, equally important is to avoid the explosion of infection. Mr. Mohamed outlined how the island nation's unique geography has enabled it to come up with strategic concepts like "one island, one resort". The concept essentially means that each resort would be a self-contained facility which potentially minimizes physical contact with those outside the island. On self-contained and isolated destinations, speakers from Bhutan and Nepal highlighted how rural mountainous areas share the attributes of a self-contained and isolated region and that the same could be a pull for tourists.

Mr. Srilal Miththapala, Past President, Tourist Hotels Association of Sri Lanka, discussed the Sri Lankan case. While the sector has been badly hit, domestic tourism remains open in Sri Lanka, he observed. Discussing revival measures, Mr. Miththapala suggested that hotel certification schemes, wherein hotels are audited for adherence to COVID-19 safety protocols, have helped tourists as well as the government to minimize infection risks.

SAWTEE, in association with other prominent think-tanks in the region, has been hosting a series of webinars from 22 September to 16 October to deliberate on various socio-economic aspects of the COVID-19 pandemic, how they relate to South Asia and what should be the future course of action for South Asian countries. The video recording of the webinar can be accessed [here](#).

We encourage you to visit SAWTEE's work on the COVID-19 crisis by [clicking on this link](#). Likewise, please [visit the website](#) for more details about the COVID-19 webinar series hosted by SAWTEE and for the full video recordings of the meetings.