



Tourism Recovery Gradual Amid New Variants

- Tourism activity in the Asia & Pacific region remained sluggish in Q4 2021, due partly to the emergence of new COVID variants.** Visitor arrivals were down by an estimated 93 percent in 2021Q4 from pre-pandemic levels (Figure 1). Renewed outbreaks amid new variants led to tightened international travel restrictions in 2021H2, particularly in the Pacific region (Figure 2). Travel regulations temporarily eased in 2021Q4 as cases from the Delta variant declined but concerns over Omicron variants kept tourism activities depressed. The number of inbound flights to the region has increased from last year but remains low (Figures 3 and 4).

- Some signs of recovery have been observed in several Asian tourism destinations. The Maldives' visitor arrivals** have continued to grow since its border reopening in July 2020 and reached pre-pandemic levels in 2021Q4. **Fiji** reopened its borders to fully vaccinated travelers in December 2021, and tourism arrivals have begun to recover, down by 89 percent in 2021Q4 compared to pre-pandemic levels. **Palau's** tourism activities started to pick up in 2021Q3 helped by high vaccination rates and use of a travel bubble with Taiwan Province of China (this bubble was suspended in 2022Q1 due to an outbreak of Omicron in Palau). **India** has seen its tourism numbers begin to recover gradually as the government eased international travel restrictions since October 2021. **Thailand** and **Indonesia** have started pilot programs for their popular beach destinations, including Phuket, Koh Samui, and Bali, which allow vaccinated international visitors to visit the islands with reduced quarantine requirements. As of February 1, 2022, **Thailand** further relaxed quarantine requirements for all destinations.

- A gradual resumption of tourism activities is expected in the coming months as countries in Asia & Pacific plan to reopen their borders.** The easing of travel restrictions is expected to regain momentum as more people in the region get vaccinated and Omicron waves subside. However, the path for recovery is still highly uncertain, especially for the countries currently struggling with surges in COVID-19 cases.

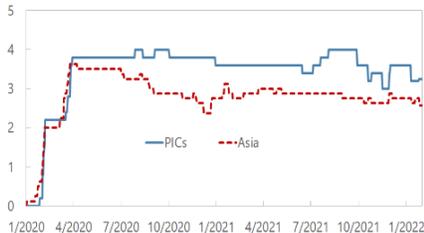
Figure 1: Visitor arrivals by destination country

(% change from same quarter in 2019; latest available official data and tracking estimates (bold). Blanks = insufficient data.)

	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Asia & Pacific Region	-30	-98	-98	-97	-96	-96	-96	-93
Pacific Island Countries:	-23	-99	-99	-99	-98	-99	-99	-89
Fiji	-19	-99	-99	-99	-98	-99	-100	-89
Micronesia	-24	-97	-95	-95	-94	-98	-98	...
Palau	-31	-100	-99	-100	-99	-98	-88	...
RMI	-21	-99	-99	-100	-97	-98	-99	...
Samoa	-36	-100	-100	-100	-100	-100	-100	...
Solomon Islands	-36	-99	-97	-99	-95	-99	-99	...
Tonga	-41	-100	-100	-100	-100	-100	-100	...
Tuvalu	-12	-100	-100	-100	-97	-98	-99	...
Vanuatu	-2	-100	-100	-100	-100	-100	-100	...
Kiribati	-35	-100	-100	-100	-100	-100	-100	...
Rest of Asia & Pacific	-30	-98	-97	-97	-96	-96	-96	-93
Cambodia	-38	-98	-96	-97	-96	-98	-98	-96
India	-22	-99	-97	-94	-90	-95	-89	-77
Indonesia	-30	-88	-89	-88	-90	-90	-91	-88
Korea	-47	-98	-96	-96	-95	-95	-94	-94
Maldives	-21	-100	-95	-66	-38	-44	-7	0
New Zealand	-20	-99	-98	-99	-99	-81	-95	...
Philippines	-37	-100	-98	-98	-99	-99
Singapore	-3	-100	-100	-99	-98	-99	-99	-97
Sri Lanka	-32	-100	-100	-100	-99	-97	-94	-71
Thailand	-38	-100	-100	-100	-100	-100	-100	-97

Figure 2: International travel controls 1/

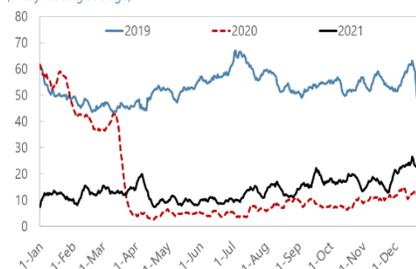
(Index, 0=no measures, 1=screening, 2=quarantine arrivals from high risk regions, 3=Ban on high risk regions, 4=total border closure)



Sources: Our World in Data

1/ PICs include Fiji, Kiribati, Solomon Islands, Tonga and Vanuatu. Asia includes Cambodia, India, Indonesia, New Zealand, Philippines, Singapore, South Korea, and Thailand.

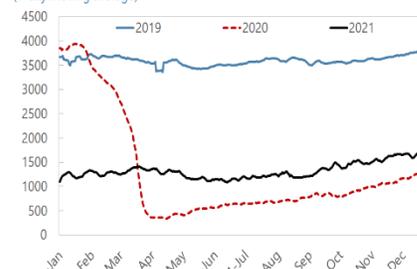
Figure 3: Inbound flights to the Pacific Island Countries 1/ (7-day moving average)



Sources: Flightradar24 and IMF staff calculations.

1/ Pacific Island Countries are defined as 10 destinations: Fiji, Micronesia, Palau, Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu, Kiribati.

Figure 4: Inbound flights to the rest of Asia & Pacific 1/ (7-day moving average)



Sources: Flightradar24 and IMF staff calculations.

1/ The rest of Asia and Pacific is defined as 10 destinations: India, Philippines, Maldives, Cambodia, Thailand, Sri Lanka, Singapore, New Zealand, Korea, Indonesia.