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Localized Travel Bubble v2 to Reopen Tourism Sector



8 DECENT WORK AND
ECONOMIC GROWTH



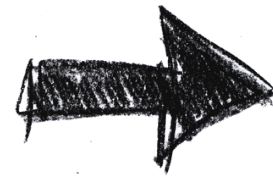
TEAM TOKIO

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ASEAN Member is nowhere near Sustainable Development Goals (SDGs) 8 in the last 5 years

Based on SDGs 8 and ASEAN Tourism Strategic Plan (2016-2025)

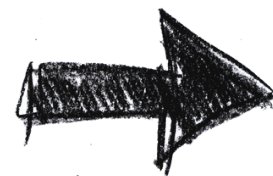
Target 8.1



0 out of 10

countries sustain at least 7% annual GDP growth

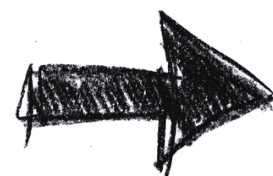
Target 8.9.1



1 out of 10

countries surpass the target of tourism contribution to GDP

Target 8.9.2

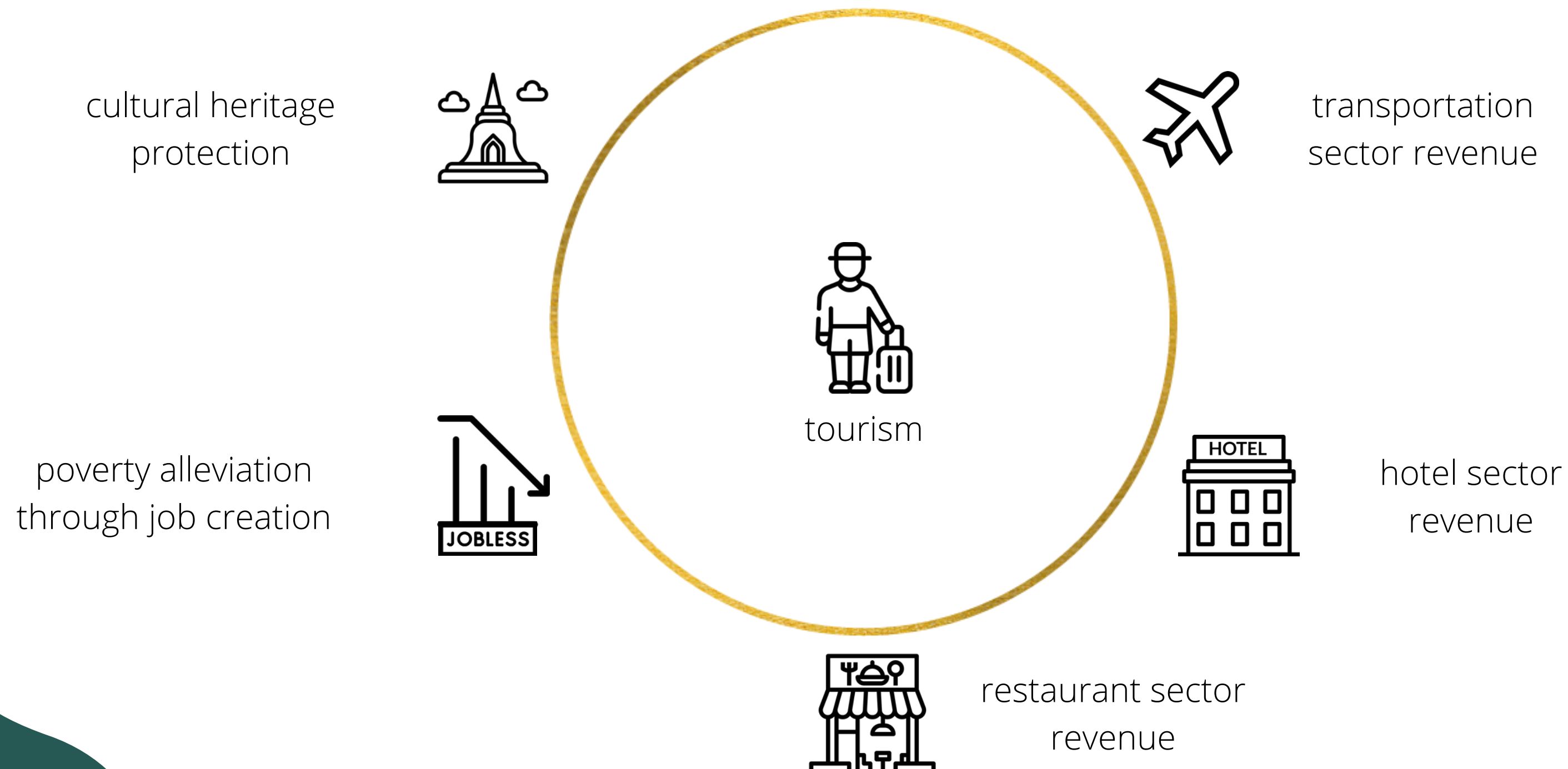


7 out of 10

countries exceed the target of tourism contribution to employment

Why Choose Tourism?

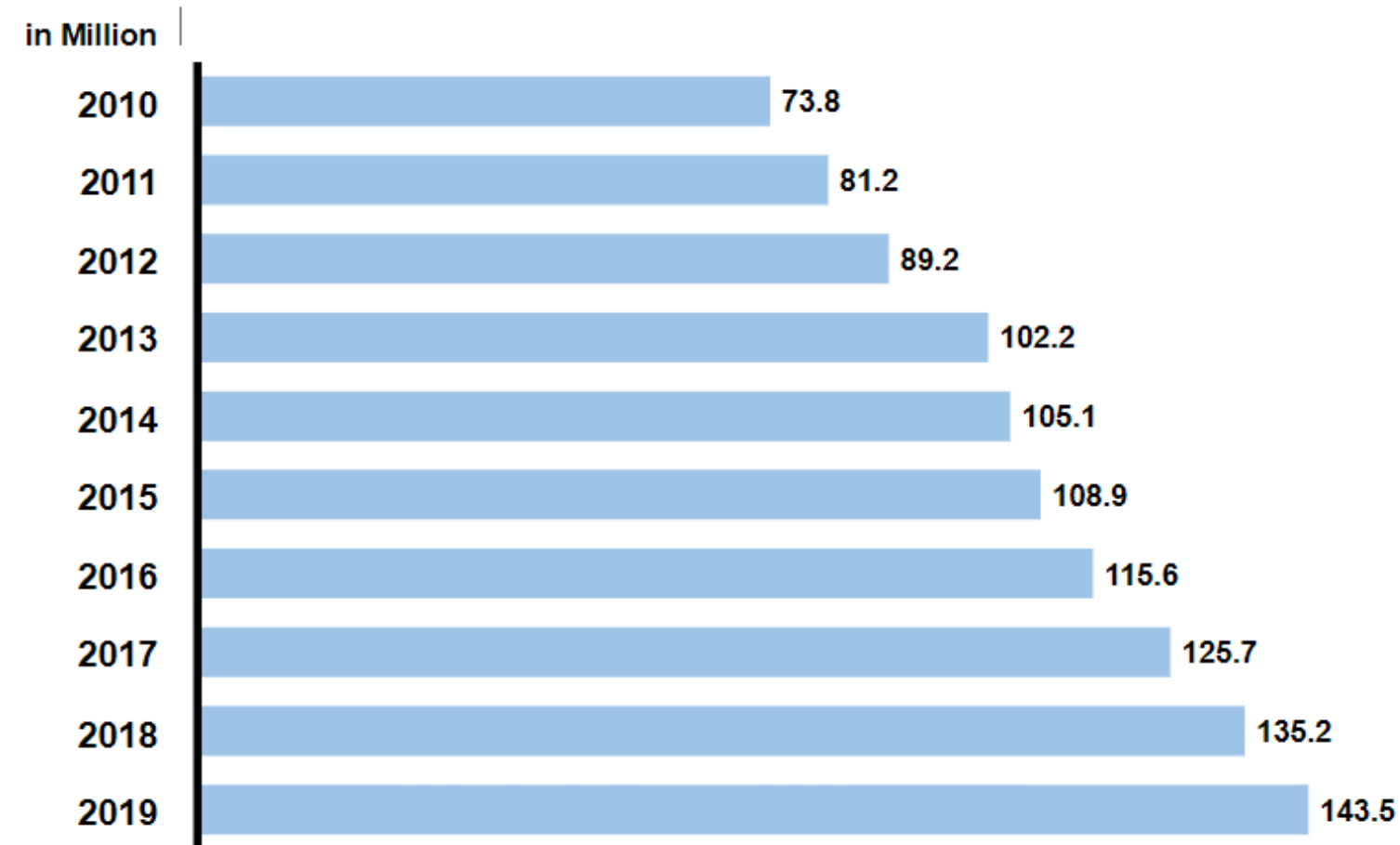
Tourism is the most important indigenous labour intensive sector and generates very substantial export earnings and tax revenues.



Source: Mustafa Öztürk, et al (2019)

International Tourist Interest in ASEAN Increase Continuously Every Year

International Tourist Arrivals to ASEAN 2010-2019



Source: ASEAN Stats Data Portal

7.7%

average increase
in visitors



consistently better compared
to world growth

Source: The World Bank Data



results in increments
of GDP earned

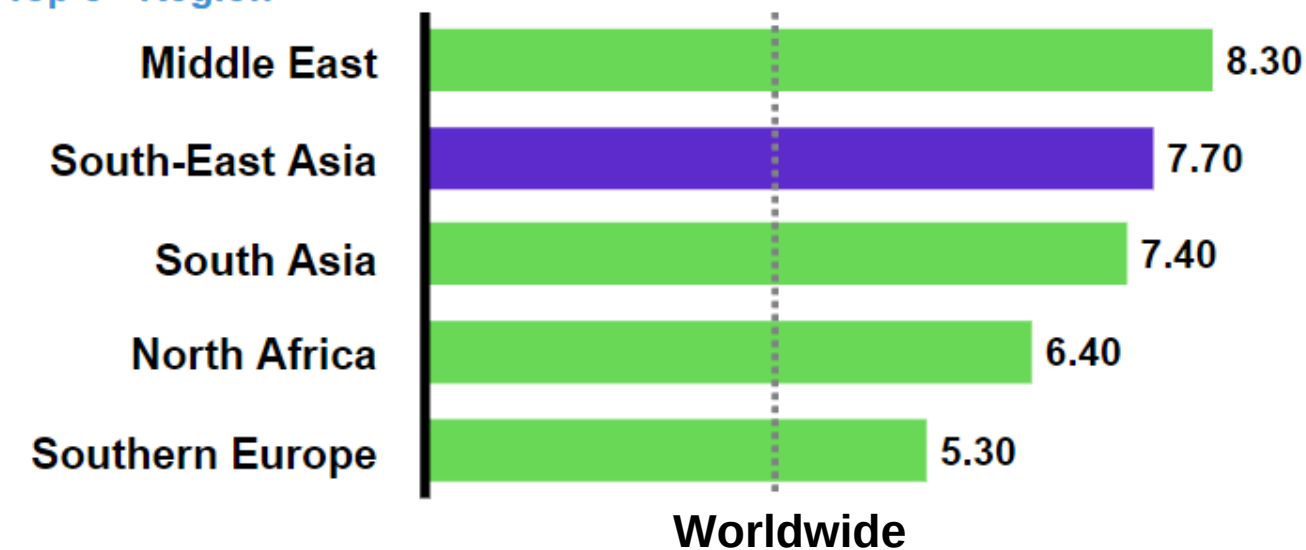


reduce unemployment

Last ASEAN Growth Before Pandemic (in 2019)

Change (%) Tourist Arrivals 2018-2019

Top 5 - Region



Source: International Tourism Highlights 2020, UNWTO



highest on the
Asia continent



second best growth
in the world

2x

twice as big as the
average world growth

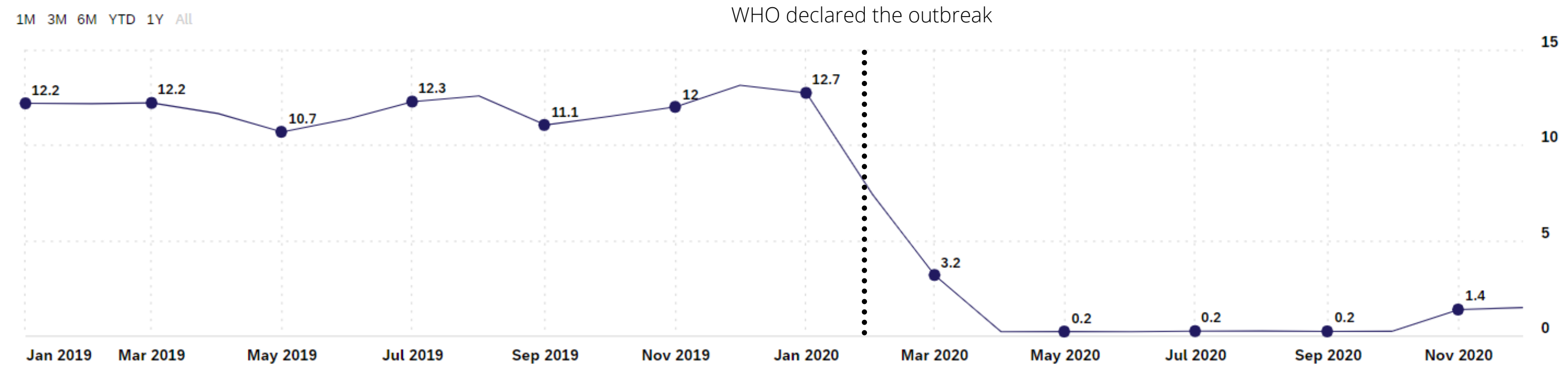
due to the always-increasing trend in the last decade,
this is a potential sector which must be utilized properly

The Impact of COVID-19 to ASEAN Tourism

Tourist Arrivals to ASEAN 2019-2020

in Million

1M 3M 6M YTD 1Y All



Source: summed up from each statistical ASEAN agency

-82%

impact on tourist
visits in 2020

7.2 M

workers lost their jobs in
tourism sector

Source: SEA 2021 Annual Research , WTTC

\$ 124.2 B

loss from international
visitors

Source: SEA 2021 Annual Research , WTTC



the second worst
crisis worldwide

Source: International Tourism and
COVID-19, UNWTO

even worse in January 2021 plunged by 98%.
Hence, re-opening strategy is urgently needed

What is Travel Bubble?

Notion

Two or more countries agrees to impose a bubble under circumstances:



successfully
curtailed COVID-19



strict testing well
before boarding



have spent 14 days
in either zone



better vaccinated
already

Source: Sharun Khan, et al (2020); New Zealand Safe Travel Zone

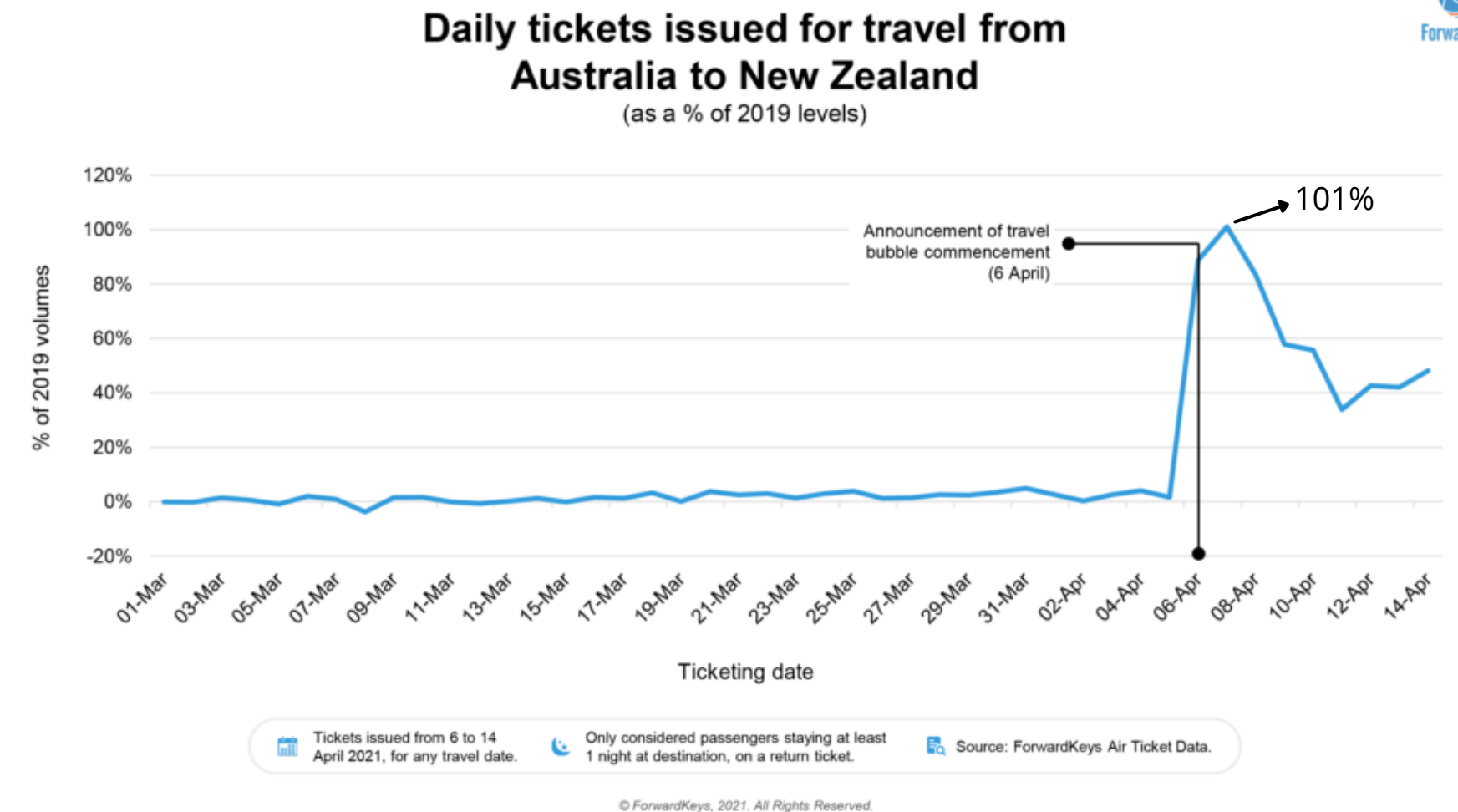
ASEAN implementation challenge:

ASEAN cases are still high reported by WHO. In order to cope with this, we define **Localized Travel Bubble (LTB)**.

the notion is to apply travel bubble to chosen district of a country.



Application Example



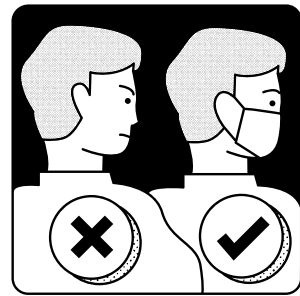
Source: Australia-New Zealand 'travel bubble' announcement sends flight bookings soaring, reports ForwardKeys.

What is Safe Travels Stamp?



Notion

World's first-ever global safety and hygiene stamp
by WTTC with purpose:



No mask, no entry.

to recognize destinations
which have adopted
standardized protocols



to help restore tourists
confidence and revive the global
travel & tourism sector

How to get the stamp?



sending the report about health protocols that have
been implemented in tourist destination to WTTC
according to the procedures by **WHO** and **CDC**



3_{out of} 10

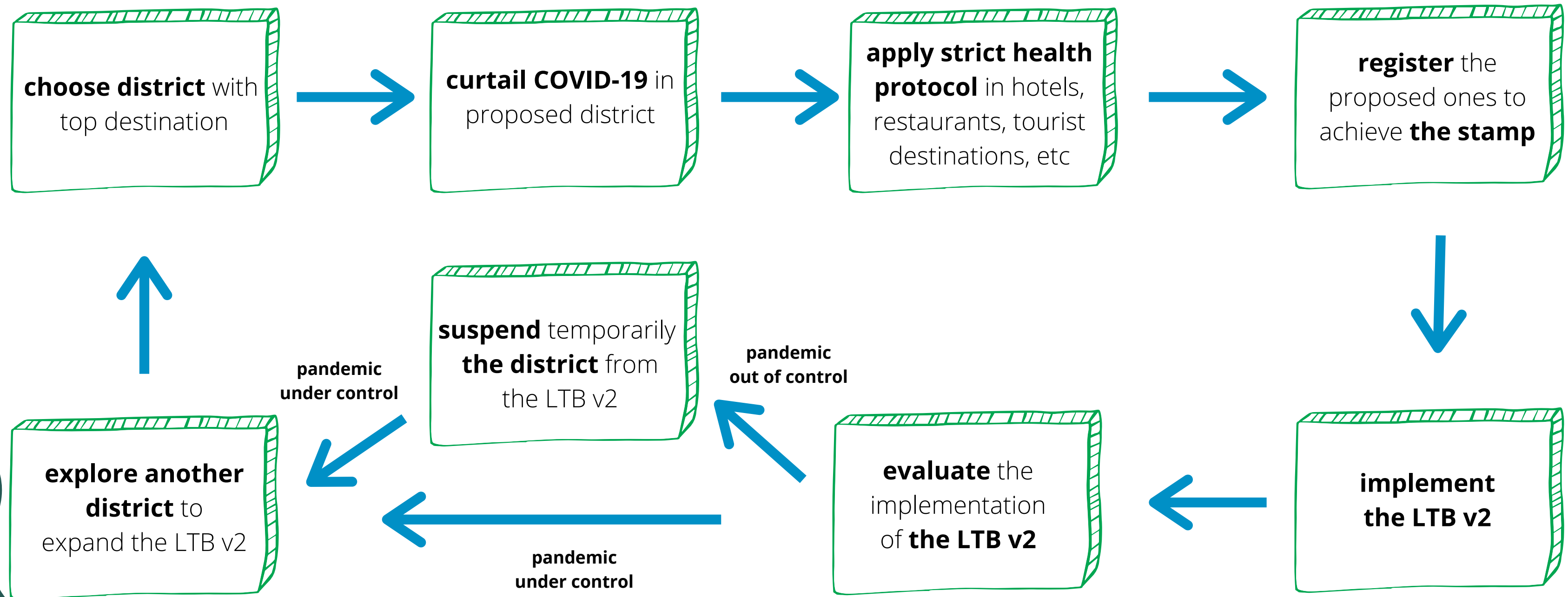
ASEAN Countries that already have the stamp



LTB v2 as a Strategy to Reopen Tourism in ASEAN

We propose a combination of the LTB and Safe Travels Stamp named **Localized Travel Bubble (LTB) v2**.

Steps to implement the LTB v2 are:



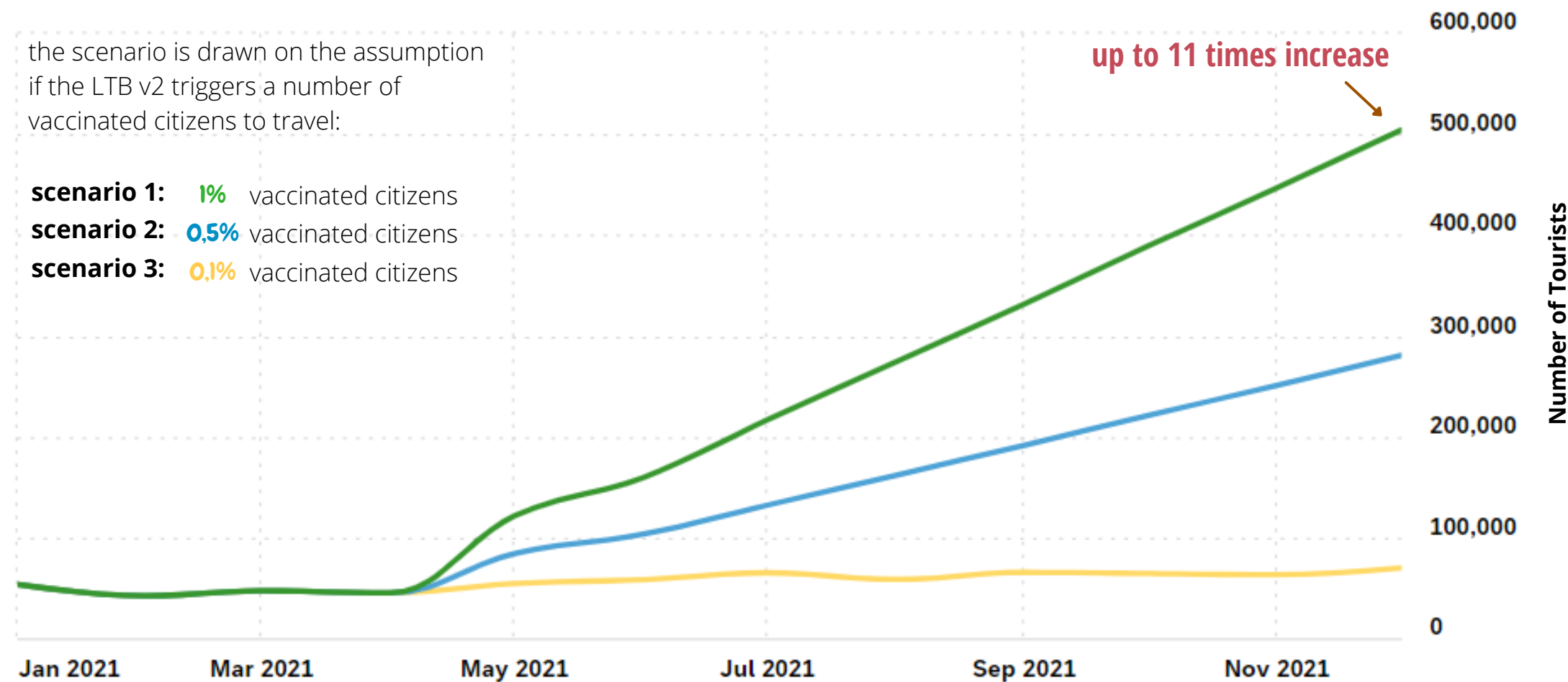
Projection and (Dis)advantage of The LTB v2 in Indonesia

Projection of ASEAN Arrivals to Indonesia due to the LTB v2 Implementation on May - Des 2021

1M 3M 6M YTD 1Y All

the scenario is drawn on the assumption if the LTB v2 triggers a number of vaccinated citizens to travel:

scenario 1: 1% vaccinated citizens
scenario 2: 0.5% vaccinated citizens
scenario 3: 0.1% vaccinated citizens



Report of the LTB v2 implementation

compared to recent data

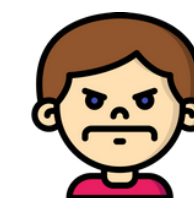
	on average	up to
scenario 1	41.22%	11.2 x
scenario 2	27.42%	6.2 x
scenario 3	6.08%	1.5 x

Merits



- more likely to apply in wide countries / high covid cases
- reopen jobs in this sector
- boost the economy during a pandemic

Challenges



- possibly imported case led to the next wave of pandemic
- high cost required
- growth rises slowly due to strict requirements

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[country=IDN&indicator=24648&countries=BRN,KHM,LAO,MMR,MYS,PHL,SGP,THA,VNM&viz=line_chart&years=2015,2019&indicators=944&compareBy=region](https://tcdata360.worldbank.org/indicators/tot.direct.gdp?country=IDN&indicator=24648&countries=BRN,KHM,LAO,MMR,MYS,PHL,SGP,THA,VNM&viz=line_chart&years=2015,2019&indicators=944&compareBy=region)

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