

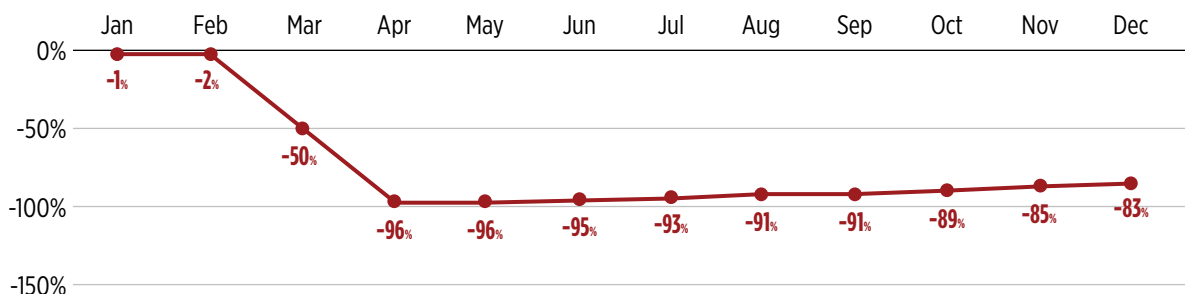
RESTORING INTERNATIONAL TRAVEL: ESSENTIAL TO RECOVERY

International inbound travel has historically generated a large trade surplus for the U.S. economy, serving as the country's number two export. **This is no longer the case.**

A SUSTAINED IMPACT

As COVID-19 cases rose, borders closed toward the end of March 2020 and global long-haul travel came to a near standstill. **This resulted in a dramatic decline of international visitation to the U.S., which fell by 96% within the first month.** Throughout the year, international inbound travel remained at dismal levels with only slight improvement.

CHANGE IN INTERNATIONAL VISITATIONS IN 2020 COMPARED TO SAME MONTH IN 2019



...WITH LASTING RESULTS

Between Q2 and the end of 2020, international inbound travel **fell by 91%** and overseas visitation was down a **staggering 96% compared to the same period in 2019.**

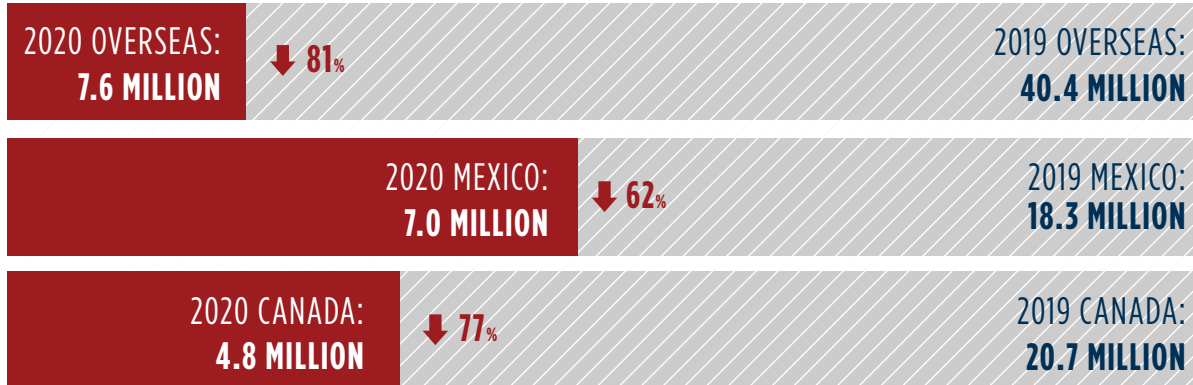
YEAR-OVER-YEAR INTERNATIONAL INBOUND TRAVEL COMPARISON

	Full Year		First Quarter 2020		Rest of 2020	
	2019	2020	2019	2020	2019	2020
Total International Visitations (in millions)	79.4	19.4	17.2	13.9	62.3	5.5
<i>Y/Y % change</i>	-76%		-19%		-91%	
Overseas Visitations (in millions)	40.4	7.6	8.4	6.2	32.0	1.4
<i>Y/Y % change</i>	-81%		-27%		-96%	

In 2020 overall, even after taking into account the stronger performance in the first quarter, international travel to the U.S. fell by 76% compared to 2019—causing a similar decline in international travel spending.

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VISITATION DECLINES: OVERSEAS VS. CANADA VS. MEXICO



DECLINES BY MARKET

With fluctuating cases, strict global border closures and severely limited travel options, visitations **tanked from every single inbound market**. Many countries, including the U.S., set forth temporary policies prohibiting travel from certain regions, further contributing to the declines.

European and Asian inbound markets experienced the strongest declines, while Latin American markets performed slightly better.

U.S. INBOUND MARKETS WITH THE HIGHEST AND LOWEST DECLINES IN VISITATIONS (AMONG TOP 50 MARKETS)

Highest declines	2020/2019 % chg	Lowest declines	2020/2019 % chg
Italy	-87%	Honduras	-69%
Switzerland	-87%	Chile	-66%
China	-87%	Dominican Republic	-63%
Singapore	-86%	Ecuador	-63%
Philippines	-86%	Haiti	-62%

THE EFFECT OF SINKING TRAVEL EXPORTS

Travel exports reflect the goods and services purchased by international visitors, and positively contribute to our trade balance.

In 2019, travel exports amounted to \$233 billion, delivering a \$51 billion travel trade surplus. **The pandemic caused U.S. travel exports to plummet by 64% to just \$83 billion—a loss of \$150 billion—**and the U.S. travel trade surplus to fall by 31% to merely \$35 billion.

Without a recovery in inbound international, travel exports will continue to fall.



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Our travel trade surplus must be restored to ensure that the U.S. economy can fully recover and remains competitive on the global stage.

TRAVEL SPENDING AND TRADE, 2019 VS. 2020 (\$ BILLIONS)

	2019	2020	\$ Change	% change
Total Travel Exports (i.e.: spending by int'l visitors in the U.S.)	233.5	83.3	-150.2	-64%
Travel Spending + Passenger Fares	179.1	38.1	-141.0	-79%
Travel Spending	139.0	26.5	-112.4	-81%
Passenger Fares	40.1	11.5	-28.6	-71%
Education-related	44.0	37.4	-6.7	-15%
Health-related	1.2	0.2	-0.9	-79%
Border/Seasonal Workers	9.1	7.6	-1.5	-16%
Total Travel Imports (i.e.: spending by U.S. residents abroad)	182.4	48.2	-134.1	-74%
Travel Trade Balance	51.1	35.1	-16.0	-31%

A ROBUST RECOVERY REQUIRES REOPENING INTERNATIONAL INBOUND TRAVEL

The U.S. has a real opportunity to accelerate recovery by safely welcoming back international inbound travelers. Congress and the administration can take several immediate steps to get started:

- **Develop a data-driven, risk-based roadmap by May 31 to reopen international travel** with benchmarks and metrics that allow the government to set a clear timeline.
- **Lift mandatory quarantine measures**, a known deterrent to travel and unnecessary given inbound testing requirements, without implementing a zero-tolerance policy.
- **Quickly work on a bilateral basis to implement public health corridors** that ease inbound travel restrictions.
- **Assist in the development of uniform federal principles for COVID-19 health credentials** to securely validate both test results and vaccination history, protect personal data and operate across all jurisdictions.
- **Support emergency funding for Brand USA** to make up for the drastic decline in Electronic System for Travel Authorization (ESTA) fee collections due to international restrictions and scarce private sector contributions amid the pandemic.
- **Set a national goal of welcoming 116 million international visitors to the U.S. by 2028.**

With the right policies in place, the U.S. can safely welcome back international inbound travel—resulting in a robust economic recovery and rehiring of American workers across the country.