

DRAFT VERSION: 03 June 2020

World Oceans Day. The Blue Economy and COVID-19 Pandemic: New challenges, recovery measures and resilience [On-line]

**NOTES FOR PAMELA COKE-HAMILTON
UNCTAD, DITC Director**

Thursday, 04 June 2019, 15:00h

Excellencies,
Distinguished delegates,
Ladies and Gentlemen,

1. Thanks Mr. Chairman. On behalf of UNCTAD, FAO, UNITAR and IOI, I would like to welcome you all to this timely online conference. As we all know, COVID-19 has posed an unprecedented threat to our lives and livelihoods. In this globalized and interconnected age of global trade, the disruptions to vital industries were acutely felt through the world economy, and the blue economy was no exception.
2. The Blue economy is estimated to account for about 3.5 to 7 per cent of global GDP. Blue economic sectors, meaning those largely relying on the marine environment, ecosystems and species to generate economic value, are being heavily impacted (UNCTAD, 2020). The largest of all blue economy sectors is coastal and maritime tourism. Before the pandemic the tourism sector was thriving. The global Travel & Tourism sector was growing at 3.9 per cent annually and contribute a record \$8.8 trillion and 319 million jobs to the world economy in 2018. About half of all tourists choose a coastal destination for their vacations, conferences and businesses.
3. Tourism is the economic and employment lifeline of many coastal and island countries. Coastal zones such as the Mediterranean and Caribbean basins are suffering heavily from confinement measures as their livelihoods depend on a limited set of marine based activities. Subsequent temporary suspension of air, rail and road travel, border closures, confinement measures, coupled with the suspension of most economic activities including hotels and restaurants have been the main determinants of the level of impact.

4. Public health is of paramount importance for human survival and development. In response to the pandemic, measures were introduced by affected countries with different modalities, time, scales and levels to curb the spread of the virus since early this year. Those measures are of unprecedented nature, causing a huge fall in demand and travel, transport and trade disruptions in both goods but also in key services sectors such as tourism and restauration.
5. The travel and tourism sectors are the most affected blue economic sectors by the pandemic. Recent UNWTO estimates points to a double-digit decrease of 22% in Q1 2020, with arrivals in March down by 57%. This translates into a loss of 67 million international arrivals and about USD 80 billion in receipts. Beside these, we are facing restrictions at different levels in all travel destinations worldwide by air, port and road.
6. Current scenarios for 2020 are quite worrisome for the sector. UNWTO estimates a decline between 58% to 78% in tourist arrivals this year, all depending on the duration of travel restrictions and closing of borders, and especially for air travel.
7. The Asia-Pacific (35% decreased in tourist arrivals), Europe (19 decrease) and the Americas (15 % decrease) are the regions most affected so far by a wave route pattern of the pandemic. The pandemic may also affect also tourist spots in Africa.
8. Drop in tourism receipts could also be significant in some of the SIDS, reaching 16% in the Maldives and Seychelles. Subsequent temporary suspension of air, rail and road travel, border closures, confinement measures, coupled with the suspension of most economic activities including hotels and restaurants are the main determinants.
9. It is expected that for tourism-dependent countries, the COVID-19 pandemic will directly result in record amounts of revenue losses without many alternative sources of foreign exchange or jobs, especially during tourist high seasons.
10. According to the ILO, in 2019 the tourism sector accounted for (directly and indirectly) some 330 million jobs worldwide, equivalent to 10.3 per cent of total global employment and one in 10 jobs globally. The UNWTO and World Travel & Tourism Council (WWTC, 2020) has

warned that between 75 million to 120 million jobs worldwide are at risks depending on the scenario taken. This is due, among others, to the fact that more 30 per cent of all tourism jobs are linked to SMEs that are in are today in a very difficult position and may not survive. Temporary workers, women & the young are particularly vulnerable as they are key actors in the tourism value chain and in many cases the tourist high season provides family income for the entire year.

11. Under this complex context, there is a need to devise a global **blue recovery and technical support mechanism** to temporarily sustain most vulnerably economies and populations, and at the same time allow the reopening of key travel routes to Europe, North America and Asia under safe conditions. Many tourism-dependent countries would need to prepare for stricter air and cruise travel sanitary requirements to keep tourists safe and allow flows to incrementally increase under close health monitoring. Bilateral technical cooperation will be essential on the later, as travelers' countries may be applying different criteria due to the current lack global and even regional coordination on the matter.
12. Any recovery mechanism needs to be definitely **BLUE**. Over 3 billion people live by the coast and most of the activities sustaining their livelihoods are heavily and unevenly affected by the pandemic and specially tourism. Recent bankruptcy declarations by some national and regional airlines, car rental and hotel chains and thousands of small businesses are a clear evidence of this.
13. **A blue recovery** should be guided by **SDG 14 implementation and more particularly target 7**: “By 2030, increase the economic benefits to SIDS and LDCs (but also to **all developing countries**) from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism”.
14. We must seize every opportunity to facilitate recovery and boost resilience for the future. This moment calls for intentional and targeted action to ensure that we do not come out on the other side of COVID-19 worse off than before.

Many thanks Mr. Chairman.

