



### Message from the Chairman

Dear Members of the Asian Council of Tourism,



As we move further into 2023, it is important to take stock of the latest developments in the tourism industry. One trend that has emerged is the increasing preference of Chinese travelers for Southeast Asia over East Asia.

According to the China Outbound Tourism Research Institute (COTRI), Chinese outbound travel is expected to recover around two-thirds of the 2019 highs this year, with approximately 110 million border crossings from China. This presents a great opportunity for our member countries in Southeast Asia to attract Chinese tourists and boost their tourism industry.

In particular, Thailand has seen a significant increase in Chinese visitors, with 180,000 Chinese tourists welcomed from January to mid-February this year, and an expected 15 million Chinese tourists for the whole of 2023. Other countries in Southeast Asia, such as Singapore, Indonesia, Philippines and Malaysia, are also seeing a rise in Chinese visitors.

To capitalize on this trend, we must focus on niche products and special interest tours that cater to the interests of the “new” Chinese tourist. For example, younger Chinese travelers may prefer visiting a local cafe they saw on social media rather than major attractions. Moreover, with millions of people in China belonging to niche markets, it presents a vast opportunity for businesses in Southeast Asia to cater to these markets and attract not only Chinese tourists but also those from other countries.

It is an opportunity for our member countries to seize this opportunity and develop marketing strategies that cater to the evolving preferences of Chinese and other foreign travelers. By doing so, we can boost our tourism industry, contribute to economic growth, and strengthen the cultural exchange between our countries.

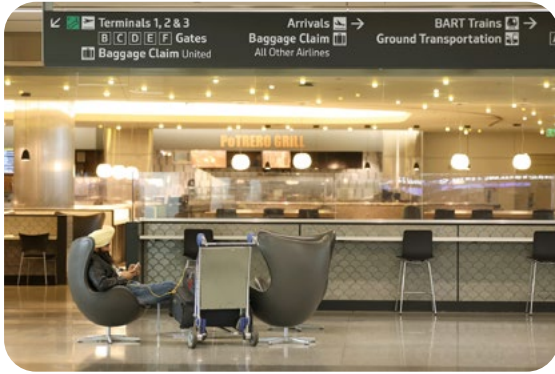
Sincerely,  
Anura Lokuhetty  
Chairman, Asian Council of Tourism

## Content

Aviation’s Recovery isn’t as Robust as Expected.....1	Tourism Australia and SIA’s MoU takes flight .....6
China’s Reopening Lifts Tourism Recovery Prospects in APAC Economies .....2	All Nippon Airways Expands Distribution Agreement with Amadeus.....7
UNWTO Announces Winning Start-Ups for “Awake Tourism Challenge”.....3	These are the most powerful passports in the world in 2023.....8
Australia and South Pacific tourism market valuation to reach US\$ 295.07 Billion in 2032.....4	Allow e-visas for Chinese, Indian, South Korean, Japanese visitors: Marcos .....9
Harnessing Sustainable Tourism to Restore the Sri Lankan Economy.....5	Tourism Set to Return to Pre-Pandemic Levels in Some Regions in 2023 .....10

# Aviation's Recovery isn't as Robust as Expected

By Deutsche Welle By Sam Sargent, Principal, Transportation and Services Practice at Oliver Wyman; Carlo Franzoni, Technical Specialist at Oliver Wyman; Livia Hayes, Director at Oliver Wyman



A food court inside the international terminal at San Francisco International Airport sits empty as union food service workers are on strike on September 26, 2022 in San Francisco, California.

In the aviation world, 2022 was projected to be a year of recovery. But that was before a series of exogenous shocks that exacerbated already malfunctioning global supply chains and prompted the industry to pull back.

After the COVID-19 pandemic temporarily disabled global commerce, the world's economy was battered again in 2022 by the Russian invasion of Ukraine, which caused energy prices to spike and created shortages in an array of raw materials, including titanium. This was compounded by unexpected COVID lockdowns in China that led to a slowdown in the world's second-largest economy and more supply chain disruption. Meanwhile, aviation's rebound was stifled by widespread labor shortages in North America and Europe that prompted flight delays and cancellations.

As a result, Oliver Wyman has reassessed elements of its Global Fleet and MRO Forecast 2022-2032. Not surprisingly, a small percentage of the growth initially anticipated isn't materializing. By January 2023, we now expect the fleet to be 1% smaller than the original forecast of around 27,600 aircraft. MRO spend in 2022 will be 6% less, at just under \$74 billion. Over the decade, the growth in fleet size and MRO demand are now both expected to trend 1% to 3% less than originally forecast.

Driving this contraction is lower narrowbody production than expected, weaker than anticipated growth and fleet utilization in China, and slower regional jet and turboprop recovery. Of the drop in MRO spend in 2022, 40% can be attributed to cutbacks in China and Eastern Europe.

## Fewer Aircraft Produced

Already, aircraft production year to date is less than projected, particularly on the A320neo and 737 MAX. Through July, monthly production rates on these platforms have been 10% to 15% below initial expectations. The lower production rates can be attributed to the difficulty aerospace manufacturers have faced

ramping up again after two years of COVID, given supply chain delays and shortages and trouble finding enough workers.

Production numbers also will be down over the decade because of the impact of Ukraine-related sanctions on Russian-built Superjet and MC-21 aircraft. Original forecasts projecting over 300 MC-21 and 200 Superjet deliveries by 2032 have been revised, based on expectations for little to no production over the next few years because of the sanctions.

For instance, one problem Russian aerospace manufacturers face is no longer being able to buy engine and avionics packages for these models from the United States or Europe as planned. Instead, they now must develop them on their own.

## China's Slowdown

China's COVID lockdowns and weaker economy are also factors in a less vibrant aerospace forecast. The Chinese government reinstated strict lockdowns in March that have suppressed travel demand. The domestic revenue passenger kilometers (RPKs) flown in July, for instance, was 29% lower than the same month in 2021 and 31% below pre-pandemic July 2019, according to data from the International Air Transport Association. Year to date, China's domestic RPKs are down 45% versus the same period in 2021.

China accounts for 15% of the global fleet and 12% of the global MRO market. While the size of the fleet remains 6% above pre-COVID levels, thanks to an impressive rebound from COVID in 2021, it has barely grown in 2022 — only 1.1% between January and July.

In addition, Chinese operators have cut utilization of in-service aircraft. Available seat miles are down 15% from 2021, close to 2020 levels. Aircraft utilization is a significant driver of maintenance demand and lower utilization has driven a 9% reduction in 2022 China MRO spend in our revised forecast.

Another possible sign of slowdown in China's aviation market: Chinese airlines have 430 MAX on order, including 100 that are already built. The completed aircraft remain undelivered because Chinese regulators haven't recertified the MAX after its 2019 grounding. The United States, Europe, and other major markets recertified the MAX in 2021, leaving China as the only big market not to bring the aircraft back into service.

## Slower Recovery for Regional Jets

The recovery in the regional jet and turboprop fleets has been significantly slower than anticipated as well. The revised forecast projects the size of the regional jet fleet to be 6% down to 3,240 and the turboprop fleet 8% lower at 2,270 in 2023.

Meanwhile, narrowbody aircraft have surpassed their pre-COVID levels in markets with significant regional jet and turboprop fleets, while regional jet and turboprop fleets are still only 80% to 90% recovered. Globally, available seat miles

(ASMs) for jets with fewer than 100 seats are 74% of their 2019 levels; ASMs for aircraft with more than 100 seats are at 83%.

The recovery of the regional jet market will likely be curbed by the decade-long shortage of pilots, especially in the near to medium term. That’s because the major carriers are likely to recruit pilots away from regional markets.

**Regional Differences**

Over the 10 years covered by the fleet forecast, all regions are within 0.5% or less of the original MRO spend projection. The only exceptions are Eastern Europe, which is projected to be down 6.4%, and Latin America and the Caribbean, now expected to be 2.4% lower. Between 2022 and 2032, North America MRO spend is now projected to be 0.2% higher and Europe 0.1% higher.

*Brink News*

**About the Authors**



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**China’s Reopening Lifts Tourism Recovery Prospects in APAC Economies**

Fitch Ratings-Hong Kong-26 January 2023: China’s move away from restrictive policies designed to curb the domestic spread of Covid-19 increases the likelihood of a swift recovery for tourism sectors in the Asia-Pacific region that had relied heavily on outbound Chinese travellers before the pandemic, says Fitch Ratings. However, recoveries will continue to face several other constraints and risks, and we expect upside risks for government ratings to be limited in the near term.

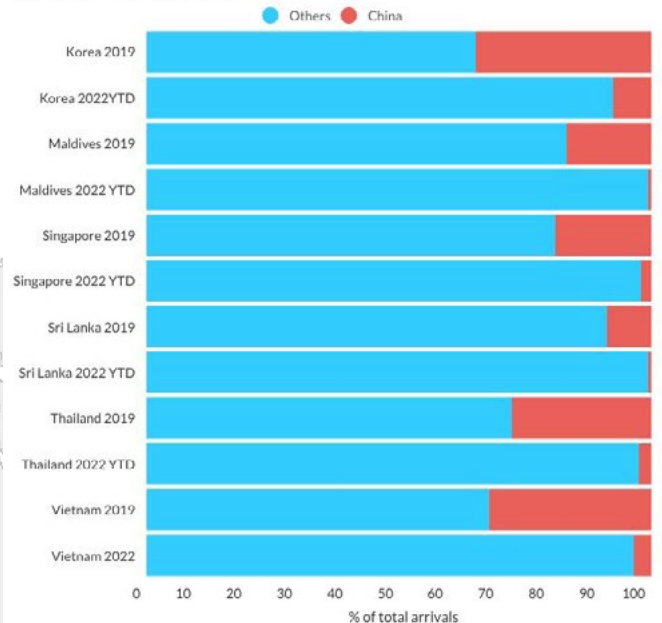
Fitch had already expected a strong recovery for tourism in APAC over 2023, as for much of last year many countries maintained strict Covid-19 control regimes affecting inbound travel, creating a weak base of comparison. However, China’s

easing of Covid-19-related travel restrictions has occurred faster than we anticipated, and will create upside risks to our forecasts. China was one of the world’s largest tourism source markets before the pandemic, with total international tourism expenditure of USD254.6 billion in 2019.

We expect a revival of Chinese outbound tourism to boost growth prospects in economies with substantial tourism sectors. Further upsidess to government credit profiles could stem from its positive effect on domestic employment markets and the external services trade balance.

**Chinese Tourists Were Key in Many APAC Markets Prior to the Pandemic**

(Tourist arrivals by source market)



Note: YTD=to November  
Source: Fitch Ratings, Haver Analytics, Maldives Ministry of Tourism

FitchRatings

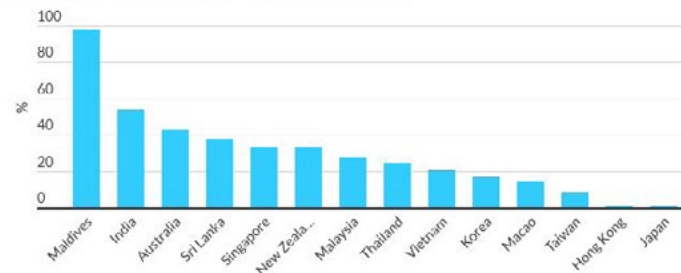
Hong Kong (AA-/Stable), Macao (AA/Stable), Thailand (BBB+/Stable) and Malaysia (BBB+/Stable) will probably benefit most from these trends. The effects on Thailand may be particularly important, as several of its credit metrics, including fiscal ones, have deteriorated as a result of weak tourism activity and stepped-up fiscal efforts since 2019. Chinese tourists could also provide varying degrees of support to macroeconomic performance in Singapore (AAA/Stable), Vietnam (BB/Positive) and Sri Lanka (RD). However, Sri Lanka’s economic metrics would only influence its Long-Term Foreign-Currency Issuer Default Rating after the sovereign’s completion of a commercial debt restructuring that we judge to have normalised the relationship with the international financial community.

Chinese tourists comprised 16.7% of arrivals in the Maldives (B-/Negative) in 2019. However, the potential upside to the Maldives’ real GDP growth from China’s opening is limited by the tourism sector’s already-strong recovery and capacity constraints. Still, stronger Chinese demand could improve the island country’s pricing power in tourism, which could lift nominal GDP and export earnings, partially easing external liquidity strains.



## Tourism Recoveries Are At Different Stages Across APAC

(2022 arrivals YTD as % of arrivals in same period of 2019)



Note: YTD–December for Sri Lanka, Vietnam and Singapore; November for Maldives, Thailand, Macao, Hong Kong, Taiwan, Australia, Korea and India; October for New Zealand, and September for Malaysia and Japan  
Source: Fitch Ratings, Haver Analytics

## Tourism Recoveries Are at Different Stages Across APAC (2022 arrivals YTD as % of arrivals in same period of 2019)

The Chinese outbound tourism recovery is likely to be slower in countries that have recently introduced additional requirements on travellers from China to limit risks associated with China’s sudden Covid spread, including Korea (AA-/Stable) and Japan (A/Stable). The moves have prompted China to impose retaliatory travel restrictions. Nonetheless, the credit effects

should be limited because of Korea’s and Japan’s strong external positions and low economic reliance on tourism, as well as our assumption that such restrictions will be short-lived.

Several factors will constrain the rebound in outbound tourism, in China and other regional markets. We continue to expect a slow recovery in APAC’s international air traffic capacity, as it will take time for airlines to resume routes – both within China and within APAC more widely – that were previously suspended during the pandemic. Difficulties resolving staffing shortages in the air travel and tourism sectors will also play a role. Capacity constraints and high global energy costs will contribute to high travel prices, which may further dampen tourism demand. In addition, consumer sentiment in China’s early reopening stages could be fragile.

The tourism rebound that we anticipate in APAC in 2023 remains vulnerable to risks outside of our baseline assumptions. If economic growth across the region falls below our forecasts or consumers’ purchasing power is eroded further by higher-than-expected inflation, for example, this could set back demand for travel. There is also still a danger that new Covid-19 variants or waves could disrupt or reverse tourism recoveries.

*Fitch Ratings*

## UNWTO Announces Winning Start-Ups for “Awake Tourism Challenge”

United Nation World Tourism Organization (UNWTO) has announced the winners of its Awake Tourism Challenge, celebrating the start-ups that are reshaping the sector in every global region.

The Challenge was the second edition of the UNWTO Global Startup Competition focusing on the Sustainable Development Goals (SDGs). Entrants were judged on how they are contributing to the development of an inclusive, resilient and sustainable tourism sector, with a focus on six core themes:

- Local Community Involvement
- Green and Blue Economies
- Ecological and Sustainable Capital Creation
- Tourism Tech for Good
- Tourism Education
- Women Empowerment

UNWTO Secretary-General Zurab Pololikashvili said: “Tourism startups have the power and agility to transform the sector in line with the Sustainable Development Goals. The winners of the UNWTO Awake Tourism Challenge all have the potential to help build a more inclusive and resilient sector and we look forward to supporting them as they grow in size and influence.”

### Winners from every global region

The competition attracted more than 2,000 entrants from 120 countries worldwide. The most submissions were from



Europe, the Americas and Africa, followed by Asia and the Pacific and the Middle East. From these, an expert jury selected 30 finalists and then 15 winners.

Reflecting the broad talent of the global tourism sector, the winning start-ups are Coconstruction (the Netherlands), Noytrall (Portugal), SmArt Tourism and Hospitality Consulting (Panama), Quantum Temple (USA), Socialbnb (Germany), Instituto de Accesibilidad (Spain), Kamatjona (Namibia), Baahdy & Birdy (Norway), WeavAir (Singapore), r3charge (Germany), Impact Innovations Institute (Armenia), NomadHer (South Korea), Murmuration (France), Evelity by Okeenea Digital (France) and Accessible Qatar (Qatar). The projects were recognized for offering innovative service with high customer value, most notably with high levels of youth engagement and the involvement

of local communities. Start-ups were also recognized for their use of technology to monitor and manage the environmental impact of tourism activity. More information on the winners and finalists can be found on the competition website.

#### A winning network

The winning start-ups will be offered an incubation period of three months at SPARK Crans-Montana, the Innovation Hub of Les Roches from the Sommet Education group, where they will be participating in mentorships, networking activities and have access to a VR lab, Digital Studio, and a dedicated co-working space. In addition, they will also receive scholarships for the UNWTO

Tourism Online Academy, be included in the UNWTO Catalogue of top innovators, be featured in a global communications campaign to showcase each winner and invited for mentorships with project partners.

The competition was organized in collaboration with Wakalua, the first global innovation hub for tourism, powered by Ávoris, and counted with great support from renowned tourism experts and partners, including; SPARK, the Innovation Hub of Les Roches from the Sommet Education group, Amadeus, IE University, NEST, KPMG, MasterCard, Telefonica, Wayra, ClarkeModet, The FarCo, BBVA, MentorDay, Finnova,

Google for Startups, the Valley Digital Business School, the Future Food Institute and the Inter-American Development Bank and the Singapore Tourism Board.

#### Innovation as priority

In 2022, UNWTO celebrated five years of its Department of Innovation, Education, and Investment. In that time, UNWTO has made innovation one of its main priorities for the sector, holding 23 competitions and challenges, as well as holding nine Tourism Tech Adventures, and creating an innovation network of more than 11,500 stakeholders drawn from every part of the diverse sector.

UNWTO

## Australia and South Pacific tourism market valuation to reach US\$ 295.07 Billion in 2032

By Theodore Koumelis, Co-Founder & Managing Director, TravelDailyNews

The Australia and South Pacific tourism market is poised to reach a valuation of US\$ 150 Bn in 2022. Sales are projected to increase at a 7% CAGR, with the market size reaching US\$ 295.07 Bn by 2032.

The improvement in the tourism is based on the facilities provided by the government. The government has established an organization named SPTO, which deals with the development of tourism in South Pacific countries. The organization plans meetings and conferences with businesses all around the world to promote tourism. They also promote the events and new developments all around the Pacific countries, which may attract tourists all around the world.

The Tours and travelling companies all around the world are offering combo packages and unique deals on tours. Tourists are getting attracted towards the South Pacific countries, as there are a number of events from different Pacific countries. The local organisations are also working with government, and are arranging events, which were cancelled due to pandemic.

For instance, Australian government has announced a grand musical event called 'Always live', which will cover music concerts in Melbourne, Victoria and many other cities in Australia. They also have a website, where they are providing all the information of event, and are also helping for planning the tour. The website has the information of all the artists performing at the event and places that tourists can visit during their stay.

Some of the travelling agencies are also giving customised or theme-based tour packages, like sports tours, cruise tours, safari



tour etc.

For instance, Thomas Cook Agency has a tour dedicated for cricket fans, which takes them to famous stadiums in Australia and World Cup matches, which are to be held in October 2022.

"To restart the tourism and to recapture the exchange stream within the Pacific Nations, Government as well as nearby businesses are planning events and giving offers to visitors" says an Future Market Insights analyst.

#### Key Takeaways:

- Based on tourism type, eco/sustainable tourism is most popular among visitors in South Pacific countries.
- By booking channel, the online booking segment is preferred by tourists, as it has freedom of choice and ease of access.
- The expenditure by international tourists has a high impact on the development of regional areas and affects the economy.

#### Impact of COVID-19 on the Australia and South Pacific Tourism Market

The COVID-19 scourge had a critical impact on the tourism segment in 2020 as a result of the virus's lockdown confinements. According to the UNWTO, there was a 20% decrease in international visitors in 2020, compared to the year prior.

There was a sudden loss in jobs all around the world, as the



pandemic led to lockdown in all the countries. All businesses were closed, including the public transportation as gatherings were strictly restricted.

This affected the economy in countries, where tourism is the main or biggest part of the economy. To cope up with loss in last two years, governments and tour organisations are planning events and promoting the popular tours worldwide, welcoming all the travellers around the world.

Leading players of Australia and South Pacific Tourism are focusing on promotional strategies and advertising popular tourist destinations and national events in Australia and South Pacific to improve sales in the market.

Major players present in the Australia and South Pacific Tourism market are Leading players operating in Australia and South Pacific tourism are Helloworld travel, Sahara Travels,

Gaura Travel, Adventure Tours Australia, Audley Travel, Australia Health Tourism, Australian Sports Tours, Cox and Kings, Kesari Tours, Mango Tours India, Trafalgar and among others.

These insights are based on a report on Australia and South Pacific Tourism Market by Future Market Insights.

*TravelDailyNews*

#### About the Author



#### Theodore Koumelis

*Theodore is the Co-Founder and Managing Editor of TravelDailyNews Media Network; his responsibilities include business development and planning for TravelDailyNews long-term opportunities.*

## Harnessing Sustainable Tourism to Restore the Sri Lankan Economy

*By Veidehi Gite*



There's no question that sustainable tourism can help revive a battered economy. I've seen it happen time and time again in my work as a sustainability consultant. But what does that mean for communities on the ground? When tourism is managed sustainably, it can have a positive impact on the environment, social welfare, and economy of a destination.

It's no secret that Sri Lanka has faced some major challenges in recent years. The civil war that ended in 2009 left the country deeply divided, the devastating tsunami of 2004 destroyed vast areas of the coastal landscape, and the present 2019 Sri Lankan economic crisis badly affected the tourist trade. In the years since the country has been working to rebuild—but it's been an uphill battle. There is hope, though. In 2015, Sri Lanka was declared a "Sustainable Tourism Destination" by the United Nations World Tourism Organisation (UNWTO), and tourism is now being touted as a key to restoring the economy. I had the opportunity to visit Sri Lanka in 2021 and 2022 and see these efforts firsthand. I was blown away by the natural beauty of the country and its rich cultural heritage. And I was impressed by how local communities are benefiting from tourism development. In this article, I share my impressions of Sri Lanka and explore some

of how sustainable tourism can help rebuild the economy.

#### Overview of Sri Lanka's Tourism Industry

Sri Lanka's tourism industry is a vital part of its economy, and it has been hit hard by the economic instability that has been raging for years. In the past, the country has leaned heavily on the tourism industry to bring in revenue, but with the political unrest keeping people away, that is no longer the case. However, there is hope that sustainable tourism can save the day. Sustainable tourism is defined as "tourism that does not have a negative impact on the environment or local culture." This type of tourism is becoming more popular as people become more aware of the need to protect our planet. There are many ways to promote sustainable tourism, and Sri Lanka has already begun to implement some of them. For example, the government has set up a program to certify hotels and restaurants that meet certain environmental standards. This program is helping to encourage hotels and restaurants to adopt sustainable practices.

#### History and Impact of Sustainable Tourism in Sri Lanka

Sustainable tourism has been around for a while, but it seems to have taken on a new urgency in the past decade or so. With the world's population continuing to grow, the strain on our natural resources is becoming more and more apparent. At the same time, people are becoming more and more aware of the need to protect our environment. Sustainable tourism is one way to meet both of these needs. It's a way for us to enjoy the natural beauty of our planet while ensuring that it remains accessible for future generations. Sri Lanka provides a perfect example of how this can work. For years, the country has depended on tourism as its main source of income. But with the rise of civil war and political unrest, the industry was hit hard. In recent years, however, there has been a concerted effort to revive sustainable tourism in Sri Lanka. And it seems to be working.

## Benefits of Sustainable Tourism for the Economy

There's no question that sustainable tourism can help revive a battered economy. I've seen it happen time and time again in my work as a sustainability consultant. But what does that mean for communities on the ground? When tourism is managed sustainably, it can have a positive impact on the environment, social welfare, and economy of a destination. For Sri Lanka, this could mean restored beaches and coral reefs, thriving local businesses, and more job opportunities for the people of Sri Lanka. It's an exciting prospect, and I can't wait to see the positive impact that sustainable tourism will have on this beautiful country.

## Challenges to Implementing Sustainable Tourism in Sri Lanka

Sri Lanka is not without its challenges when it comes to encouraging sustainable tourism. It may be difficult to ensure that tourists are following environmental regulations, as many don't always know the basic rules and regulations or even could be breaking them unaware. In addition, there is a need to establish adequate infrastructure to make sure that mass tourism attracted will not have a negative impact on the environment, such as proper sanitation and waste disposal. The country needs to create more awareness and education regarding sustainable tourism among its people, so they can appreciate its importance and work together to protect their environment. There needs to be more environmental projects and initiatives

implemented as well for sustainable tourism efforts to be successful. Finally, there needs to be proactive steps taken by local businesses and government officials for sustainable tourism efforts to take root in Sri Lanka.

## How to Make Sustainable Tourism Work in Sri Lanka

Sustainable tourism is a great way to fuel a country's economy, but there are still many challenges that must be overcome. For example, the infrastructure in Sri Lanka has been damaged due to years of war and natural disasters, making it difficult to attract tourists. To make sustainable tourism work in Sri Lanka, there needs to be more investment and funding. The government could invest in hotels and restaurants, transportation systems and other infrastructure that would attract tourists.

Additionally, Sri Lanka needs to make sure that their tourism industry is as low-impact as possible by minimising waste production, limiting water usage and preserving wildlife habitats. Finally, there should be efforts taken to ensure that locally-owned businesses benefit from the influx of tourists instead of large multinational corporations or international hotel chains. Locals need to be trained for jobs related to tourism, such as tour guides, hotel staff or restaurant workers. This will help create long-term employment opportunities for the people living in Sri Lanka and allow them to take advantage of the growing tourism market.

## Measuring the Impact of Sustainable Tourism in Sri Lanka

Measuring the impact of sustainable tourism in Sri Lanka is tricky. A realistic approach needs to be taken and a comprehensive assessment of the tourism industry should be conducted, including areas such as employment, return on investment and environmental protection. The Sri Lankan government has implemented several initiatives to stimulate the industry and boost investment, including tax incentives for businesses and increased marketing and promotional activities. However, these efforts have been

hampered by limited resources and a lack of coordination between relevant government departments responsible for formulating policies. It is also important to assess the sustainability of the tourist destinations in Sri Lanka, as well as their contribution to socio-economic development.

For example, whether tourists spend money within local communities or whether there are any conflicts between locals and tourists. Measuring these impacts is key to understanding how tourism can foster economic growth and create lasting positive change in Sri Lanka. There is no one-size-fits-all answer to this question. Each destination has its unique challenges and opportunities. However, by understanding the benefits and challenges of sustainable tourism, Sri Lankan authorities can create a plan that will help to restore the economy while preserving the natural and cultural heritage of the country.

*TravelDailyNews*

## About the Author

### Veidehi Gite

*Veidehi Gite is an Indian travel and lifestyle journalist. She is also the founder of KrazyButterfly, a mindful journal for curious travellers, and her main interests include luxury, sustainability, and culture.*

## Tourism Australia and SIA's MoU takes flight

*By Rachel AJ Lee*



*From left: Tourism Australia's LC Tan and Andrew Hoggs; and Singapore Airlines' Joann Tan and Ng Yung Han*

Tourism Australia and Singapore Airlines (SIA) have signed a new three-year Memorandum of Understanding (MoU) aimed at promoting business events travel to Australia.

Under the MoU, Tourism Australia and SIA will jointly deliver a range of marketing and promotional trade activities within Asia – Greater China, Singapore, Japan, South Korea, Indonesia, Malaysia and India – as well as the UK, shared Tourism Australia's executive general manager of eastern markets and aviation, Andrew Hogg.

Activities will highlight Australia's strengths as a world-

class business events destination including its iconic and diverse landscapes, award-winning venues, unique experiences and friendly people with fresh perspectives, supported by SIA's 111 weekly services between Singapore and seven points in Australia.

Hogg told TTGmice that aviation is "critical for Australia", given its island nation status, hence continued growth in the sector will be "critical to drive competitive pricing", which will in turn help with the tourism industry's ongoing recovery.

As of December 2022, international inbound seat capacity stood at 68 per cent, compared to the same month in 2019. This has risen to 74 per cent in February 2023, when compared

to February 2019. By June, Hogg expects that Australia will be back to 85 per cent of international inbound seat capacity.

When asked about potential challenges, Hogg shared: "For some travellers, longhaul flights with stops have been a barrier when it comes to visiting Australia. If there are shorter and more direct links, we will be able to attract more international travellers."

Currently, there are direct flights between Perth and London, and Perth and Rome, but Hogg hopes that in the near future, flights from cities on the eastern coast of Australia to London and New York will also be rolled out.

"Such flights would be a gamechanger for international travel to

Australia," he opined.

This MoU complements Tourism Australia's other initiatives in the business events sector, such as its brand campaign, There's Nothing Like Australia for Business Events, that was recently rolled out in Greater China.

Hogg added: "We are also ramping up our business events distribution activity, to give more people the opportunity to experience Australia first-hand to inspire them to take future events Down Under. This includes the Business Events Australia Asia Mega Famil Showcase, which will be held in April with host city partner BESydney.

*TTGmice*

## All Nippon Airways Expands Distribution Agreement with Amadeus

All Nippon Airways (ANA) has renewed and expanded its distribution agreement with Amadeus.

The deal ensures that the Amadeus Altéa Passenger Service System (PSS) supports all ANA international flights across reservation, inventory, ticketing and departure control.

As a significant expansion of the partnership, all ANA domestic flights will be migrating onto Altéa, including the domestic airlines currently hosted on ANA's in-house PSS system.

Amadeus' technology will bring ANA and these airlines onto a single platform, enabling the airline to decommission its in-house PSS system by 2026.

"For the past 34 years, we have had separate passenger systems for international and domestic flights," said Sammy Aramaki, Chief Innovation Officer, ANA. "We've already seen the benefits of Amadeus Altéa PSS with our international business, and we're excited to bring our domestic flight operations onto the Amadeus system. This one, integrated platform will deliver benefits to ANA and our passengers. For example, together with the new solutions we're adding in, we have a new infrastructure for selling. This agreement is a step-change for us in our digital



transformation journey to further improve our operational efficiency. We are confident the strengthened partnership with Amadeus will improve our customers' experience."

As a part of the wider Altéa global community, ANA will be able to offer passengers an improved customer experience. Travelers will be able to enjoy a more flexible and personalized experience from booking to boarding. Tangible benefits include faster check-in and the consistent and

automated application of their preferences at every touch point during their journey.

"ANA and Amadeus have a long-standing relationship and we are excited to further strengthen and expand our partnership," said Javier Laforgue, Executive Vice President, Travel Unit & Managing Director, Asia Pacific, Amadeus. "We believe this agreement is a further step towards modern airline retailing and an example of the collaborative approach we at Amadeus take with our customers. ANA is renowned globally for its attention to detail and quality, and it is a privilege for us to collaborate with the airline to create memorable travel experiences for its passengers."

*Travel News Asia*



# These are the most powerful passports in the world in 2023

By Gabi Thesing, Senior Writer, Formative Content

The three most powerful passports in the world are all Asian, according to the 2023 Henley Passport Index. It ranks all of the world's passports according to the number of destinations their holders can access without obtaining a visa in advance.

Japan has the world's most powerful passport for the 5th year in a row. Holders can visit 193 out of 227 global destinations visa-free.

South Korea and Singapore are tied in 2nd place on the index, with a visa-free/visa-on-arrival score of 192. Germany and Spain are joint 3rd, with visa-free access to 190 destinations.

The UK and the US remain in 6th and 7th places, with scores of 187 and 186. They jointly held the top slot in 2014, but the Henley rankings say it appears unlikely that either will ever reach 1st place again. The UK voted to leave the European Union in 2016.

## Passport to economic opportunity

The Henley Passport Index is put together by immigration consultancy firm Henley & Partners. It has also combined its passport index data with World Bank GDP figures to create the Henley Passport Power score, which indicates “the percentage of global GDP each passport provides to its holders’ visa-free”.

This can be a valuable tool for business travellers, investors and anyone planning to emigrate. But it also sheds light on “the ever-widening economic inequality and wealth disparity that has come to define our world”, says Henley & Partners Chairman Dr Christian Kaelin. He invented the passport index nearly 20 years ago, based on data from the International Air Transport Association.

Nigerian passport holders, for example, can access only 46 destinations visa-free (20% of the world), with these countries accounting for just 1.5% of global GDP. The lowest-ranking entry in the Henley Passport Power score is the Afghan passport, which provides visa-free access to only 27 countries and less than 1% of global economic output.

That is 166 fewer visa-free destinations than Japan – the widest mobility gap in the index's 18-year history. This means that citizens of the index's lowest-ranking countries – including Iraq (visa-free score of 29) and Syria (visa-free score of 30) – are being shut out of many opportunities for economic mobility and growth, the report says.

## The most powerful passports in the world in 2023

1. Japan (193 destinations)
2. Singapore, South Korea (192 destinations)
3. Germany, Spain (190 destinations)
4. Finland, Italy, Luxembourg (189 destinations)
5. Austria, Denmark, Netherlands, Sweden (188 destinations)
6. France, Ireland, Portugal, United Kingdom (187 destinations)
7. Belgium, New Zealand, Norway, Switzerland, United States, Czech Republic (186 destinations)
8. Australia, Canada, Greece, Malta (185 destinations)
9. Hungary, Poland (184 destinations)
10. Lithuania, Slovakia (183 destinations)

## Ukrainian and Russian passports

The Ukraine war is yet to have a significant impact on the Henley Passport Index scores of Russia and Ukraine.

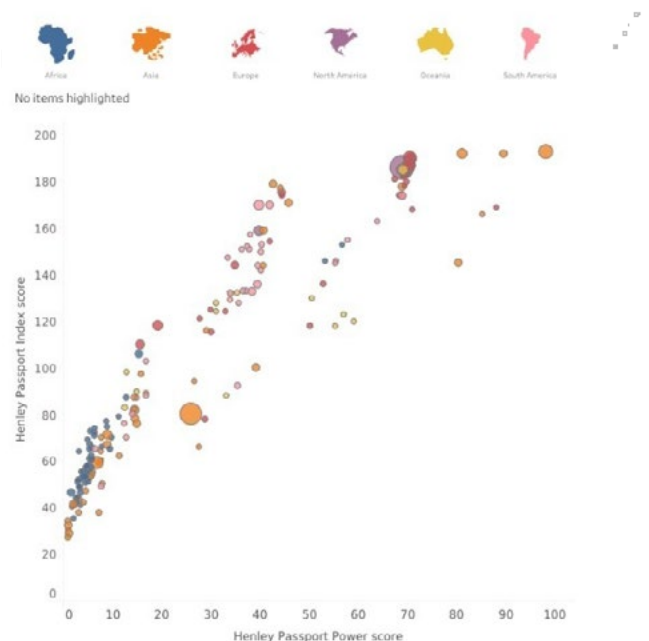
Both countries have held roughly the same position “on paper” since the invasion began in February 2022. Russia is ranked 49th with a score of 118, while Ukraine ranks 36th with visa-free access to 144 countries.

However, airspace closures and sanctions mean Russian citizens are essentially barred from travelling in much of the developed world.

Ukrainians, on the other hand, have been granted the right to live and work in the EU for up to three years as part of an emergency response to the war.

Ukraine has been one of the biggest climbers on the Henley Passport Index in the past decade, having moved up 24 places. And it would probably enter the top 10 if the country joins the EU, the report says.

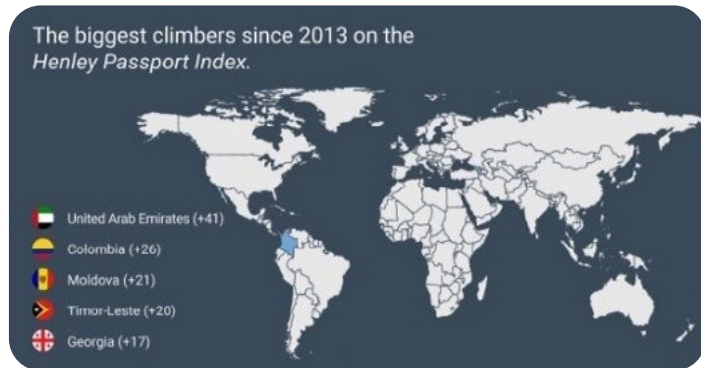
## Henley Passport Index versus Henley Passport Power



## Countries high up in the index grow faster

Countries with the highest rankings on the index are those with more open economies, which encourage foreign investment and international trade. They “tend to grow faster, are

more innovative and productive, and provide higher income and more opportunities to their citizens”, Kaelin says.



An example of this is the United Arab Emirates (UAE), which has jumped up the index by 49 places in the past 10 years, taking it to 15th place, with access to 70% of global GDP.

But the opposite holds true for countries lower on the rankings. There are developing nations with significant and growing private wealth that have not yet built the geopolitical, diplomatic and trade relationships that enable their governments to sign visa waivers with other countries that lead to visa-free travel.

The two biggest global economies, the US and China, contribute 25% and 19% of global GDP respectively, but American passport holders can access 43% of global GDP without a visa, compared with 7% for Chinese passport holders.

“More than being mere travel documents, the passports we hold dictate to a very large extent the opportunities available to us, the freedoms we enjoy, and the calibre of options within our reach,” Kaelin says.

*World Economic Forum*

## Allow e-visas for Chinese, Indian, South Korean, Japanese visitors: Marcos

*By Nestor Corrales, Philippines Daily Inquirer*

President Ferdinand “Bongbong” Marcos Jr. has ordered the expansion of the electronic visa (e-visa) program to include Chinese, Indian, South Korean and Japanese nationals in order “to capture the tourism markets of these countries,” Malacañang said on January 26. Presidential Communications Secretary Cheloy Velicaria-Garafil said the President issued the directive during a meeting with Foreign Secretary Enrique Manalo and the tourism sector of the Private Sector Advisory Council (PSAC).

### ‘Connectivity matters’

Garafil said the PSAC had recommended the inclusion of Indian nationals under the visa-upon-arrival program and the extension of e-visa, which is currently available only for Taiwanese nationals.

According to Garafil, Manalo said the Department of Foreign Affairs (DFA) is collaborating with the Department of



*President Ferdinand “Bongbong” Marcos Jr.*

Information and Communications Technology (DICT) on the development of the technical plans for the e-visa.

Manalo, she said, pointed out that the DFA has a program on visa-upon-arrival, which applies to certain Chinese nationals.

Other citizens such as Americans, Japanese, Australians, Canadians and Europeans could have a 14-day visa-upon-arrival.

“DICT Secretary Ivan Uy said his department is still studying various connectivity matters that need to be threshed out with respect to the other jurisdictions that will avail of the Philippine e-visa platform,” Garafil said.

### Tourism numbers

Quoting Uy, she said it would take at least half a year to develop the capability because “there is so much anti-fraud element that needs to be consolidated with the platform, and the various countries that will be connecting with the system and with the transactions.”

From February to December 2022, Garafil said, the country saw 2.65 million arrivals, of which 2.02 million were foreign tourists.

In 2022, visitors from South Korea numbered 428,014. Chinese tourists totaled 39,627; Japanese, 99,557; and Indians, 51,542.

### Arrivals target

In 2019, foreign visitor arrivals in the Philippines reached 8.26 million, with South Koreans still the majority at 1.98 million, followed by the Chinese at 1.743 million. There were 682,788 Japanese visitors and 134,963 Indian arrivals that year.

Only 1.48 million foreigners entered the country in 2020, the first year of the pandemic, while 163,879 million were recorded in 2021.

For 2023, the Department of Tourism is targeting 4.8 million tourist arrivals, which it said could generate P2.58 trillion in revenue.

*Asia News Network*

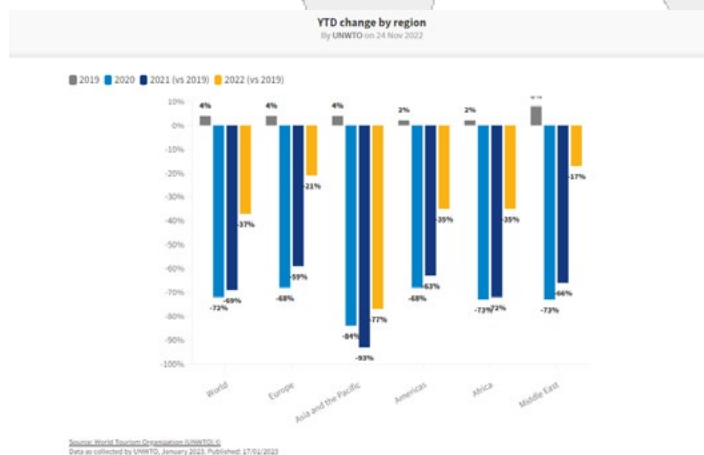
# Tourism Set to Return to Pre-Pandemic Levels in Some Regions in 2023

After stronger than expected recovery in 2022, this year could see international tourist arrivals return to pre-pandemic levels in Europe and the Middle East. Tourists are nonetheless expected to increasingly seek value for money and travel closer to home in response to the challenging economic climate.

Based on United Nations World Tourism Organization (UNWTO)'s forward-looking scenarios for 2023, international tourist arrivals could reach 80% to 95% of pre-pandemic levels this year, depending on the extent of the economic slowdown, the ongoing recovery of travel in Asia and the Pacific and the evolution of the Russian offensive in Ukraine, among other factors.

## All regions bouncing back

According to new data UNWTO, more than 900 million tourists travelled internationally in 2022 – double the number recorded in 2021 though still 63% of pre-pandemic levels. Every global region recorded notable increases in international tourist numbers. The Middle East enjoyed the strongest relative increase as arrivals climbed to 83% of pre-pandemic numbers. Europe reached nearly 80% of pre-pandemic levels as it welcomed 585 million arrivals in 2022. Africa and the Americas both recovered about 65% of their pre-pandemic visitors, while Asia and the Pacific reached only 23%, due to stronger pandemic-related restrictions which have started to be removed only in recent months. The first UNWTO World Tourism Barometer of 2023 also analyses performance by region and looks at top performers in 2022, including several destinations which have already recovered 2019 levels.



UNWTO Secretary-General Zurab Pololikashvili said: “A new year brings more reason for optimism for global tourism. UNWTO anticipates a strong year for the sector even in the face of diverse challenges including the economic situation and continued geopolitical uncertainty. Economic factors may influence how

people travel in 2023 and UNWTO expects demand for domestic and regional travel to remain strong and help drive the sector’s wider recovery.”

## Chinese tourists set to return

UNWTO foresees the recovery to continue throughout 2023 even as the sector faces up to economic, health and geopolitical challenges. The recent lifting of COVID-19 related travel restrictions in China, the world’s largest outbound market in 2019, is a significant step for the recovery of the tourism sector in Asia and the Pacific and worldwide. In the short term, the resumption of travel from China is likely to benefit Asian destinations in particular. However, this will be shaped by the availability and cost of air travel, visa regulations and COVID-19 related restrictions in the destinations. By mid-January a total of 32 countries had imposed specific travel restrictions related to travel from China, mostly in Asia and Europe.

At the same time, strong demand from the United States, backed by a strong US dollar, will continue to benefit destinations in the region and beyond. Europe will continue to enjoy strong travel flows from the US, partly due to a weaker euro versus the US dollar.

Notable increases in international tourism receipts have been recorded across most destinations, in several cases higher than their growth in arrivals. This has been supported by the increase in average spending per trip due to longer periods of stay, the willingness by travelers to spend more in their destination and higher travel costs due to inflation. However, economic situation could translate into tourists adopting a more cautious attitude in 2023, with reduced spending, shorter trips and travel closer to home.

Furthermore, continued uncertainty caused by the Russian aggression against Ukraine and other mounting geopolitical tensions, as well as health challenges related to COVID-19 also represent downside risks and could weigh on tourism’s recovery in the months ahead.

The latest UNWTO Confidence Index shows cautious optimism for January-April, higher than the same period in 2022. This optimism is backed by the opening up in Asia and strong spending numbers in 2022 from both traditional and emerging tourism source markets, with France, Germany and Italy as well as Qatar, India and Saudi Arabia all posting strong results.

UNWTO





## About CACCI

*The Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) is a regional grouping of apex national chambers of commerce and industry, business associations and business enterprises in Asia and the Western Pacific.*

*It is a non-governmental organization (NGO) serving as a forum for promoting the vital role of businessmen in the region, increasing regional business interaction, and enhancing regional economic growth. Since its establishment in 1996, CACCI has grown into a network of national chambers of commerce with a total now of 27 Primary Members from 25 Asian countries and independent economies. It cuts across national boundaries to link businessmen and promote economic growth throughout the Asia-Pacific region.*

*As an NGO, CACCI is granted consultative status, Roster category, under the United Nations. It is a member of the Conference on NGOs (CoNGO), an association of NGOs with UN consultative status.*

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