

TOURISM IN ECUADOR RELIES ON INTENSIVE VACCINATIONS



Developing countries are those who are hit more by the impact of the current crisis in tourism, as the slow progress of vaccination keeps away the tourists. Ecuador has begun to reverse that reality with the massive application of vaccines during the last two weeks.

The cost of the effect on tourism from the Covid-19 pandemic could exceed USD 4 trillion globally, according to a report of the Conference of the United Nations on Trade and Development (Unctad). **The estimated loss responds to the direct impact of the pandemic on tourism and its domino effect in other closely related sectors.**

Although the reduction of income varies by state, the most hit are the developing countries, where the importance of tourism in the economy is important.

According to the report, tourism in Ecuador, as well as in Turkey and South Africa, has felt the consequences of the pandemic more strongly. These nations have suffered a 75% contraction in the arrival of travelers in 2020.

2021 the Unctad expects that, in the worst of scenarios, the stoppage of tourism could mean a decrease of 9% in its contribution to the Gross Domestic Product (GDP) in comparison with levels prior to the pandemic.

That projection does not consider the measures to soften the impact of emergency healthcare in the sector, as the programs of economic stimulus. On the other hand, in a more optimistic scenario, where there is a partial recovery due to a greater influx of tourists in the second quarter, the reduction in the contribution of tourism to GDP would be 5.5% compared to 2019.

In 2020, the resources generated by tourism in Ecuador experienced a drop of USD 1,810 million, according to the Central Bank.

Fewer Vaccines, Less Tourism

One of the main causes for this drastic reduction of tourism in the countries in the developing world is the limited progress in the vaccination campaign, which keeps away the tourists, says the study.

Ecuador has begun to reverse that reality with the massive application of vaccines during the last two weeks. The country has achieved daily averages of 320,000 doses and has a projection of ending August with nine million people inoculated. However, it is still too early to see these effects on tourism in Ecuador.

Also added to this are the restrictions on mobility imposed by countries to control the pandemic, as well as the emergence of new variants that make it difficult to reopen to all travellers worldwide.

"It is likely that tourists will hesitate to travel long distances and, therefore, prefer to visit destinations closer to home and with higher levels of vaccination".

Unctad says that in many cases, the tourists who are coming to the countries are travelers with low budgets known as "backpackers " who spend more time but spend less money.

This report predicts that the sector will resume the levels of influx of tourists prior to the pandemic in 2023 or even later.

Loss of Employment

The sparse arrival of tourists leads to less employment. Moreover, the lack of demand for goods and intermediate services has a negative effect on other related sectors.

For that, the drop in tourism could generate on average an increase of 5.5% of the unemployed among unqualified workers. Although, in some countries, it may mean an increase of 15% in unemployment among the population.

Tourism employs a high number of young people and women and has relatively low entry barriers, because these activities do not require highly qualified people.

In the case of Ecuador, unemployment among the unqualified workforce may grow 8.9%, in the optimistic scenario, according to Uncta.

Manual work represents around 30% of the cost of tourism services, both in developed economies and in developing ones.

The Organization of World Tourism (UNWTO) estimates that between 100 and 120 million jobs in tourism could be lost in 2021.

Date: 2021-07-26

Article link:

<https://www.tourism-review.com/tourism-in-ecuador-intensified-the-vaccination-campaign-news12127>