



# ANDALUSIA. COVID-19 CONTINGENCY PLAN

Andalusia has drawn up a contingency plan based on the results of the first estimations on the possible evolution of tourism in the region by 2020, after the closure of markets and the stoppage of activity caused by the coronavirus pandemic.

## PRELIMINARY ANALYSIS: DESIGN OF POSSIBLE SCENARIOS

In 2019 Andalusia received a total of 32.5 million tourists, who spent 22.600 million euros. Tourism sector accounts for 13% of Andalusia's GDP.

Three possible scenarios have been developed to anticipate the evolution of the tourism sector in 2020. It should be noted that these forecasts are made in a context of enormous uncertainty and for an unprecedented situation.

**Scenario 1. V-shaped recovery:** Once the free movement of people is allowed again for leisure reasons, recovery will begin until reaching previous levels quickly.

In this scenario, the estimate implies a decrease in the number of tourists of -28,8%, 9,3 million fewer tourists than in 2019, a drop for tourism revenue of -6.700 million euros, and 69.000 jobs at risk.

**Scenario 2. Mixed VU recovery with early activation of the Spanish market:** the international market recovers following the pattern already shown in other tourist destinations for the episode of the SARS health crisis in Asia in 2003, while the Spanish national market shows the V-shaped reactivation.

In this scenario, the estimate implies a decrease in the number of tourists of -42,8%, 18,6 million fewer tourists than in 2019, a drop for tourism revenue of -10.000 million euros, and 103.000 jobs at risk.

**Scenario 3. U-shaped recovery without early activation of the Spanish market:** Both the national and international markets recover following the patterns already shown in other tourist destinations for the episode of the SARS health crisis in Asia in 2003.

In this scenario, the estimate implies a decrease in the number of tourists of -59,6%, 18,5 million fewer tourists than in 2019, a drop for tourism revenue of -13.200 million euros, and 137.000 jobs at risk.

## CONTINGENCY PLAN

Andalusia Tourism Contingency Plan for the COVID-19 crisis aims to mitigate the negative effects of the crisis and the state of alarm, which has led to the paralysis of the sector.

One of the initiatives is the creation of a protocol to protect tourist establishments against coronavirus, based on the guide for medicalized hotels developed by the General Directorate of Public Health and Pharmaceutical Management.

The plan has already been presented at the Tourism Board. It includes two strategies.

The first is aimed at the **maintenance, rehabilitation and reactivation of the sector**, which includes: fiscal and contracting incentives, and financing and liquidity plans for companies. It also includes, among other measures, support through public guarantees, tax deferrals, a specific line for refuge hotels (medicalised hotels), or the commitment not to create tourist taxes.

This first strategy alone will have a foreseeable direct impact on the sector of 244 million euros and an estimated global impact on the Andalusian economy of 747 million euros.

And a second line that is focused on the **preservation and enhancement of the Andalusia brand**, where the reactivation of domestic tourism is its main focus, both Andalusian and the rest of Spain (with an investment of three million in promotion and communication), media campaigns communication and social networks (4.4 million euros), participation in international tourist events (1.4 million) and strengthening alliances with tour operators and airlines.

As for sponsorships, those still active (worth 1.4 million euros) remain and it is planned to reassign those sponsorship postponed into a digital transformation program for tourist SMEs, if they are not held.

The development of products such as the Cultural Card will also be included in the contingency plan, to support traveler loyalty.

In addition, training and research plans have been designed, which are already in place from Andalucía Lab. New proposals are included such as the Knowledge Exchange Forums based on the Andalusia University network of Tourism Chairs promoted by the Regional Ministry, which will be held in the eight provinces with the assistance of the Chambers of Commerce.

In the legislative field, the initiatives that were underway, such as the plans for large cities or the declarations of the Tourist Municipality, which at this moment become a lifeline for these localities, or the approval of the new hotel classification decree will be streamlined.

Finally, other additional measures are addressed, such as requesting the Spanish Government to create vacation bonds for Spaniards in Spanish hotels, and analysing the possibility of assuming it in the region if the central government's response is negative.