

INBOUND MARKET PROFILE: EUROPEAN UNION (2020/21)

AND THE ECONOMIC OPPORTUNITY FROM A U.S.-E.U. TRAVEL CORRIDOR

TRAVEL IN 2019

The European Union accounted for roughly a quarter of visitation and spending from all overseas markets in 2019:

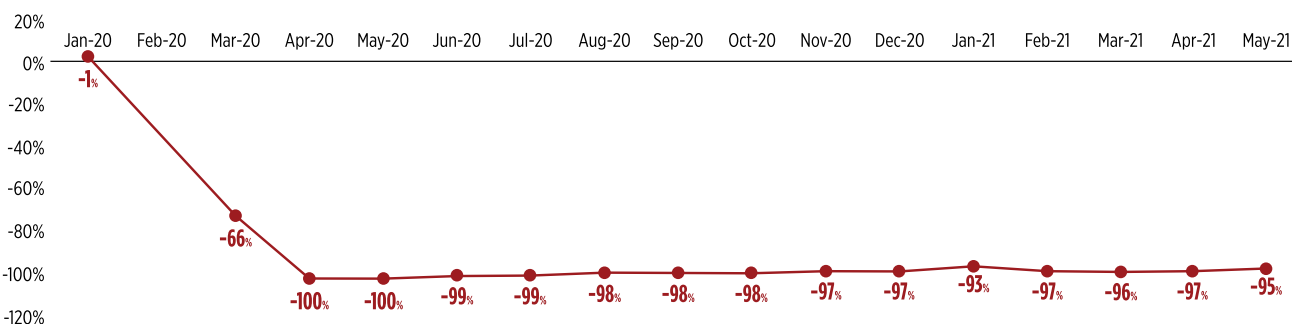
- **Approximately 10 million visitations** from E.U. countries
- Spending by European visitors (including student spending) **generated nearly \$50 billion in U.S travel exports**

TRAVEL STOPS AS BORDERS CLOSE

With the closure of the U.S. border to all Schengen-area (E.U. border-free zone) countries in March 2020, inbound travel from the European Union reached a near standstill, and remains at a standstill as of June 2021. **European arrivals fell by 85% in 2020 and by 93-100% each month since April 2020, through May 2021.**

[Note: Due to data limitations, we are using NTTO data for “Western Europe” excluding the U.K. as a proxy for the E.U. Despite the fact that it includes a few non-E.U. countries and misses some smaller Eastern European E.U. countries, it is mainly comprised of the largest E.U. inbound markets and offers a clear reflection of trends from the E.U.]

CHANGE IN EUROPEAN VISITATIONS TO THE U.S. IN 2020/EARLY 2021 COMPARED TO SAME MONTH IN 2019



Last year, there were only about 1.5 million visitations by residents of Western Europe (excluding the U.K.), and 1.4 million of them (92%) took place in the first quarter, prior to the mid-March border closure.

Excluding the first quarter, visitations plummeted by 99% in 2020 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
Overnight Visitations from Western Europe (excl. UK)	9,782,330	1,489,545	1,837,812	1,374,222	7,944,518	115,323
<i>Y/Y % change</i>	-85%		-25%		-99%	

These declines have so far persisted into 2021. In May 2021, for example, visitations were down by 95% compared to May 2019.

STIFF ECONOMIC COST

The near-complete cessation of inbound travel from the E.U. has cost the U.S. economy tens of billions of dollars in export income since March 2020. In 2020 alone, \$43 billion was already lost and an additional \$21 billion in export income is expected to be lost in the first half of 2021.

In fact, each month that travel from the E.U. remains at a standstill, the U.S. economy loses \$3.9 billion in potential travel exports—enough to support more than 27,000 American jobs—and each week the U.S. loses \$900 million.

The second half of 2021 need not follow the lead of the first half. The U.S. border must reopen immediately to E.U. residents so that valuable export income can again flow in from Europe.

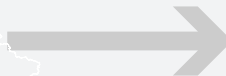
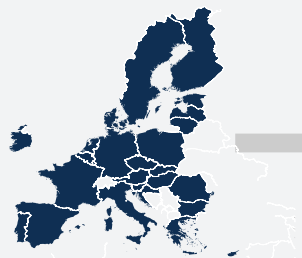
OPENING THE BORDER AND RECOUPING THE LOSS

The only way for the U.S. to truly start recouping the massive economic loss caused by the halt of travel from the E.U. is by opening our border to all E.U. visitors.

The E.U. has already announced that American residents will be welcome this summer. The U.S. now has an opportunity to reciprocate and invite Europeans to our shores.

If travel from the European Union returns to just half of late-2019 levels in Q3 and Q4 [approximately 2.5 million visitors], an additional \$12 billion in U.S. export income will be generated. This is achievable if, and only if, immediate action is taken in following the lead of the E.U. and opening our border to Europe.

2.5 MILLION
E.U. visitors



\$12 BILLION
export income