

# WEEKLY REPORT

5 November 2021



## COVID-19 UPDATE

The daily confirmed COVID-19 cases in England remains high, although there has been a small fall in the past few days. Despite the clamour from NHS leaders for the return of some restrictions the government is currently sticking with its decision not to activate the winter “plan B”. Hospitalisations have also continued to rise but the number is far below the peak set in January 2021.

In terms of the home nations’ winter plans, the Welsh first minister Mark Drakeford, has announced a toughening of restrictions to off-set the rising cases. This includes the need for people to use their NHS COVID-19 pass for entry to cinemas, theatres and concert halls (this is already a requirement for entry to nightclubs and other indoor/outdoor events); fully vaccinated people having to self-isolate if a member of their household tests positive (this ends after a negative PCR test); working from home where possible and compulsory face coverings on public transport. In Northern Ireland, a plan is in place should hospital pressure become “unsustainable” and Scotland has not yet announced plans to either ease or toughen its current restrictions.

The vaccine rollout continues to move at pace, with 87% of people aged 12 and over in the UK having had their first dose of the vaccine and over 79% having received two doses. The booster dose has now been given to 15% of the UK population which equates to seven million people in England, 790,000 people in Scotland, 48,000 people in Wales and more than 100,000 people in Northern Ireland.

Further treatments are now available against the virus with the first oral antiviral treatment, Molnupiravir, approved on Thursday 4 November by the UK medicines regulator. Originally designed to treat flu, the first orally administered medication has helped reduce the risk of hospitalisation or death by roughly 50% in its clinical trials. The pill has been hailed as a “gamechanger” by the UK health secretary Sajid Javid, which has led to the government ordering 480,000 courses of the drug to be

delivered by the end of 2021, with a further 250,000 courses of a similar drug being developed by Pfizer also on order.

## ECONOMIC, POLITICAL AND SOCIAL UPDATE

### **COP26 kicks off in Glasgow**

This week has seen the start of the 26th United Nations Climate Change Conference involving over 100 world leaders, with the conference setting out to assess global progress towards tackling climate change. Strong divisions remain between some of the nations regarding climate change targets, resulting in calls for unity from Mario Draghi, Italy's prime minister, making it clear to the other leaders that "going it alone is simply not an option. We must do all we can to overcome our differences". More than 40 countries have committed to shift away from coal including Poland, Vietnam and Chile, whilst in a separate commitment, 20 countries including the U.S., pledged to end public financing for "unabated" fossil fuel projects abroad by the end of 2022.

### **Bank of England hints at future rise in interest rates**

The Bank of England has signalled it will raise interest rates in "coming months" in response to high inflation but held off on an immediate increase. On Thursday, Bank policy makers voted 7-2 in favour of no change from the current record low rate of 0.1%. The Monetary Policy Committee (MPC) said there was "value" in waiting to see how the jobs market coped with the end of the furlough scheme. The easing of restrictions and the reopening of the economy has precipitated an increase in price rises across numerous industries leading to the consideration by the bank to increase borrowing costs to help curb inflation.

### **G20: World leaders agree to unprecedented corporate tax deal**

The leaders of the world's 20 major economies have approved an agreement to ensure the profits of large businesses are taxed at least 50%. This comes following accusations multinational corporations are re-routing their profits through places with lighter tax regulations. Although it will not come into effect until 2023, the U.S. treasury secretary Janet Yellen has lauded the historic agreement as a "critical moment" for the global economy and will "end the damaging race to the bottom on corporate taxation". This sentiment is echoed by the U.S. president Biden who saw it as "more than just a tax deal - it's diplomacy reshaping our global economy and delivering for our people".

**TRADE UPDATE****World Travel Market Live takes place in London**

The travel industry met face-to-face again at World Travel Market (WTM) this week, as the exhibition returned to ExCeL London in its physical three-day format. Thousands of travel industry professionals from more than 140 countries were signed up to meet with exhibitors representing more than 100 countries. The continuing relaxation of travel rules in the UK and overseas in recent weeks prompted a surge in exhibitor bookings and buyer registrations as travel became easier. WTM London Virtual will also return next week following its debut in 2020, running from 8-9 November.

**Resumption of U.S. flights a "pivotal moment", says IAG**

The boss of British Airways parent company IAG has hailed the long-awaited resumption of transatlantic travel this coming Monday (8 November) a "pivotal moment" in the industry's recovery from the pandemic. Luis Gallego, IAG chief executive, said there was a "significant recovery under way", adding that teams across the group's airlines were working hard to "capture every opportunity" and "capitalise on surges in bookings" when travel restrictions are lifted.

**Britons could face travel restrictions without booster jabs**

Austria and Israel have reportedly become the first two countries to impose a time limit on the validity of vaccinations, unless travellers have boosted their immunity with follow-up doses. Vaccinated travellers will have to abide by Austria's entry rules for unvaccinated arrivals unless they have had a booster within 360 days of their second dose - which means they will have to pay for a COVID-19 test to enter. Israel will only allow visits if holidaymakers leave the country no more than 180 days after their second dose.

**U.S.-bound travellers must have COVID-19 home tests monitored on video**

Travellers going to the U.S. from 8 November will be able to take a home or self-test as proof of being COVID-19 negative, but the process will have to be monitored using an online video link. All passengers aged two and above will be required to take an antigen or lateral flow test, regardless of whether they are fully vaccinated or not, before boarding their flight to the U.S.

**Tourists seek shelter after shooting in Cancun**

Tourists were left searching for refuge on Thursday (4 November) after a group of armed men opened fire at a luxury hotel in Cancun, according to national news reports. Two people were reportedly killed outside the four-star Hyatt Ziva hotel

near the Mexican resort city, in what state officials said was a confrontation between drug dealers. The security secretariat for the surrounding Quintana Roo state said no tourists had been "seriously hurt or kidnapped" in a statement on Twitter.

### **Travel launches Glasgow declaration to fight climate change**

The travel industry's new commitment to fight global warming has officially launched at the Cop26 conference. The 'Glasgow Declaration for Climate Action in Tourism' has been signed by some of the biggest names in the industry and features commitments to cut emissions by 50% by 2030 and achieve net zero by 2050 at the latest. Those signing the declaration commit to delivering a "concrete" climate action plan, or an updated plan, within 12 months. The 300-plus organisations to sign the declaration so far include hotel giant Accor, the Association of Independent Tour Operators (AITO), the European tourism association ETOA, Iberostar, Intrepid Travel, Skyscanner, Visit Scotland and the World Travel & Tourism Council (WTTC).

### **Nearly all agents are now taking bookings as travel recovers**

The travel industry's recovery from the COVID-19 crisis is continuing to gather pace, with *TTG's* latest fortnightly 'Travel Agent Tracker' survey showing almost all agents are now receiving both new enquiries and bookings. Some 98% of respondents said they had received new enquiries in the two weeks to 29 October, the highest rate since the tracker was launched in April 2020, during the early stages of the pandemic.

## **AIRLINE UPDATE**

**British Airways** - British Airways (BA) has agreed a £1 billion credit facility to use if recovery from the pandemic is slower than expected. The airline's parent company IAG said BA intended to use the loan "if and when required and the facility will not be utilised upon signing". The agreement is with UK Export Finance (UKEF) and a syndicate of banks for a five-year Export Development Guarantee. It is in addition to a £2 billion UKEF guaranteed facility announced in December 2020 and drawn in March 2021. IAG said both facilities had "similar sustainability-linked features".

**Delta Air Lines** - Delta is set to simplify COVID-19 related booking requirements for passengers flying to the U.S. from 8 November as the country reopens its borders. Customers on nearly all international routes to the states will be able to use a new built-in functionality in Delta's FlyReady app to directly upload and verify their

vaccination certificate and negative test results. Once the requirements are met, an indicator on the customer's boarding pass will verify they are ready to travel.

**Norwegian Air** - Norwegian Air's monthly passenger figures have broken the one million mark for the first time since the carrier completed its wide-reaching restructure earlier this year. The carrier reported a sixth consecutive month of passenger growth, with some 1.2 million passengers travelling with the airline in October.

**Ryanair** - Ryanair has forecast a "challenging" winter to come despite making its first quarterly profit since the pandemic. Unveiling half-year results, the airline said: "The outlook for pricing and yields for the winter of FY22 (full-year 2022) will be challenging. With the booking curve remaining very close-in, traffic recovery will require continuing price stimulation." The carrier reported a net loss of €48 million in the six months to the end of September. Ryanair reported a first-quarter loss of €273 million, which implies a profit in July, August and September of €225 million.

**Virgin Atlantic** - Virgin Atlantic has delayed the planned restart of its Manchester to Los Angeles service from summer 2022 to 2023. The carrier is also pushing back the resumption of flights to Cuba, with the Heathrow-Havana route now due to resume in the second half of next year, with cancellations extended to 29 October 2022. A Virgin Atlantic spokesperson said: "It remains a dynamic time for international travel and we're continually reviewing our flying and holiday schedules.

**Wizz Air** - Wizz Air has plotted an optimistic course out of the crisis after slashing its first half loss and setting out a bold vision to operate a fleet of 500 aircraft by 2030. The budget carrier revealed on Thursday (4 November) it had halved its first-half losses for the six months to 30 September from €243 million (£206 million) during the same period last year to €121 million (£102 million) this year. Chief executive Jozsef Varadi also hailed a "return towards 2019 traffic levels" during the airline's second quarter as Wizz "continues to transition to operational normality".

## TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

**Gold Medal** - Gold Medal has launched new campaigns with Singapore Tourism and Abu Dhabi Tourism. Gold Medal will promote the "Singapore and Beyond" campaign with a range of materials, such as a mini brochure with a mix of single centre and multi-centre offers for 2022 departures, in-store merchandise and social content. For its "Abu Dhabi for All Seasons" campaign, it has produced a mini-brochure, social content and offer posters, featuring offers for families and couples

throughout 2022.

**Inghams** - Lapland packages are set to sell out this year, with the operator warning it had “just a few dates left”. Inghams chief executive Joe Ponte said: “Even with bookings open for 2022 and 2023, over 72% of our 2021 Inghams seven-night Lapland and 88% of our Santa Breaks programmes are full.” Inghams said demand for this year had led it to put 2022 and 2023 Lapland and 2022 Santa Breaks packages on sale in February.

**Insight Vacations** - Insight Vacations has launched its 2022/2023 worldwide collection, which features 133 itineraries across Europe, Northern Africa, Asia and the Americas. Next year will also see the guided touring specialists debut in Latin America, with three new trips to Brazil, Argentina and Peru.

**Jet2Holidays** - Jet2.com and Jet2holidays will dramatically increase capacity to Greece next summer. Greek tourism minister Vassilis Kikilias confirmed the airline and operator would offer an additional 600,000 seats to Greece from the beginning of April 2022. Kikilias said the Jet2 programme would include more than 270 weekly flights, including new services from Manchester and Birmingham to Athens, starting from 15 April.

## SOCIAL UPDATE

### **Instagram launches 'Add Yours' sticker on Stories**

Instagram has introduced a new “Add Yours” sticker that creates public threads in Stories. This new feature essentially allows users to respond to other users’ Stories with their own, following a prompt on a certain topic. The interactive sticker can be used to create a content chain, for example, a user could post “my view for today” Story and then prompt their followers to add their own via the sticker, boosting engagement.

### **Twitter reintroduces Instagram post preview cards**

Twitter has announced that Instagram posts shared in tweets will appear with preview cards for the first time since 2012. While users won’t get a full-screen Instagram post image in the tweet, the preview could spark users’ interest and encourage them to click through. Along with last month’s Instagram link sticker expansion, which enables tweets to appear as shareable stickers in Stories, this integration is a significant improvement in cross-platform sharing and will help to drive further engagement.

## MICE UPDATE

### **Stronger recovery for summer hotel performance in Europe due to events and small meetings**

Research by hospitality consultancy HVS and EP Business in Hospitality predicts that hotel values will not make a full return to pre-pandemic levels until 2023-2025. While many markets are facing additional issues including the rate of vaccination rollout, new hotel supply coming on stream, travel restrictions, and the level of dependence on conference and event business, the shortage of staff was named by consultants from all regions as the key issue.

At the same time, Sophie Perret, senior director at HVS London, noted stronger recoveries this summer in key cities across Europe such as Paris and London, thanks to demand from sport and fashion events, small meetings and leisure guests. Perret estimated hotel values fell by between 5-15% in 2020, but that decline had now bottomed out as demand is returning.

## LIGHTER NOTE

A parrot plays peekaboo with a traffic camera in Brazil. Watch it [here](#).