



RESEARCH

ASIA PACIFIC DESTINATION FORECASTS 2022-2024: THAILAND



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NOTES AND ACRONYMS

AAGR, %:	Average Annual Growth Rate, expressed as a percentage
Air Capacity:	All data are sourced from OAG via the PATAmPOWER platform
ASEAN:	Association of Southeast Asian Nations
Asia Pacific:	Asia + the Pacific + the Americas (excluding the Caribbean)
FDI:	Foreign Direct Investment
GDP:	Gross Domestic Product
Hong Kong:	short for Hong Kong SAR
IVAs:	International Visitor Arrivals (All foreign inbound border crossings, irrespective of duration of stay)
Laos:	short for Lao PDR
Macao:	short for Macao, China
mns:	millions
NSOs:	National Statistics Offices
NTOs:	National Tourist Offices
Recovery Rate, %:	A figure calculated as the ratio between the 2023 forecasts and the 2019 visitor arrivals, expresses as a percentage
Russia:	short for the Russian Federation
SMEs:	small and medium-sized enterprises
South Korea:	short for the Republic of Korea; also Korea (ROK)
UNWTO:	United Nations World Tourism Organization
Y-o-Y:	year-over-year

Throughout the body of this report, data for the years 2000 to 2020 (inclusive) represent actual data as published by the respective NTOs/NSOs; data for 2021 are estimated, based on data available at the time of preparing this report and data for 2022 to 2024 inclusive, are forecasts.

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Without all of these contributors working together, these forecasts, as contained within this report, would not have been possible.

FOREWORD



LIZ ORTIGUERA

**CHIEF EXECUTIVE OFFICER
PACIFIC ASIA TRAVEL ASSOCIATION
FEBRUARY 2022**

The forecast data in this report spans across 39 destinations in three regions (Americas, Asia and the Pacific) and is based on official data submitted up to November 2021 therefore reflecting a 10 month actual plus 2 month forecast. Based on this available data, we projected the annual change in arrival numbers in 2021 to be mostly negative across destinations once again, with only the most optimistic ‘mild scenario’ showing a marginal increase in overall international visitor numbers of 7.5%. At the other end of that scenario spectrum, the severe position in 2021 projected an aggregate contraction of 33%.

The SARS-CoV-2 virus and all its variants, as well as the various policy measures necessary to contain them, continued to impact travel during calendar year 2021, with approx. 400 million international visitor arrivals (IVAs) worldwide. The incremental impact of the Omicron variant was not yet reflected in these statistics but our panel of research experts concurred in a January webinar that a nominal to moderate incremental negative impact should be expected in the forecasted numbers. As the World Health Organization (WHO) has noted, the Omicron wave is “a tidal wave moving from West to East” so the rise, peak and tailing of the wave as it hits the various western markets will continue to be monitored regularly to best project the anticipated impact on Asia Pacific destinations.

Looking forward, there is optimism as we see calendar year 2021 as the ‘trough’ year when arrival numbers dropped to their lowest levels for many decades. All three of PATA’s forecast scenarios (mild, moderate, and severe) are now forecasted to show very strong annual growth rates in 2022 and beyond, with a return to close or better than the 2019 level of aggregate visitor numbers in 2024. This holds true for each of the Asia Pacific destination regions of the Americas and the Pacific and the subregions of Northeast Asia, South Asia, Southeast Asia, and West Asia.

This return to growth is projected to be very uneven and variable across destinations within Asia Pacific, defined in part by individual source and destination policy measures as to border restrictions, access capacity, quarantine measures, destination marketing efforts and of course the degree to which the resident population has been inoculated against this virus. The health and safety measures for both visitors and residents remain paramount to the recovery moving forward.

PATA’s Destination Forecasts have a long-running track record for accuracy and through this pandemic we have shifted to more frequent quarterly (versus prior annual) projections. We are confident that these predictions of the growth dynamics occurring in Asia Pacific-related travel and tourism will be of value to marketers, planners, strategists, and policymakers alike. A comprehensive understanding of the rapidly shifting nuances and trends in travel to, from and within the region is critical to build an informed strategy for recovery.

We are pleased to share with you this full report of the *PATA Asia Pacific Destination Forecasts 2022-2024: Thailand*, to equip you with better insights to help in recovery planning.

FOREWORD



PROFESSOR KAYE CHON

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MANAGEMENT
THE HONG KONG POLYTECHNIC
UNIVERSITY**

I am very pleased to present you with this *Asia Pacific Destination Forecasts 2022-2024: Thailand* report produced by the Pacific Asia Travel Association (PATA) in collaboration with the School of Hotel and Tourism Management (SHTM) of The Hong Kong Polytechnic University (PolyU). This report is produced during a most difficult time for the travel and tourism sector amid the COVID-19 pandemic.

With effective control of the COVID-19 pandemic, a number of destinations within Asia Pacific are forecast to lead the recovery of the badly affected tourism sector out of the recession. To maintain the region's competitive edge, a reliable and effective forecasting system is essential to assist destinations in the development of strategies for the coming years by accurately predicting arrivals. The SHTM at PolyU is very pleased to join hands with PATA to release this joint publication *Asia Pacific Destination Forecasts 2022-2024: Thailand*.

The SHTM has long been recognised for conducting cutting-edge research that benefits tourism practices. We are delighted to be part of the PATA forecasting initiative, as transferring our knowledge to practice is high on the School's research agenda. The PolyU Tourism Forecasting Unit is well known for its work in the area of tourism demand modelling and forecasting. Its members have been publishing high-quality articles in leading academic journals as well as conducting consultancy work for national and regional tourism organisations.

FOREWORD



DAVID FOWLER

**HEAD OF CROSS-BORDER &
SALES EXCELLENCE
ASIA PACIFIC
VISA INC.**

2021 was the moment when return to travel started to become reality. Vaccine rollouts led to the easing of movement controls and the return of leisure travel, albeit in a cautious, controlled manner. While domestic travel in Europe and the U.S. has almost reached pre-COVID levels¹, it's still too early to say if international travel will see the same sort of recovery.

But the early signs are encouraging. Visa data shows cross-border travel related spending, excluding intra-Europe, climbed from 50 percent of 2019 rates in June 2021 to 61 percent in September

2021². What this suggests is that consumers are ready to take to the skies to faraway destinations again, even as we confront the threat of new COVID-19 variants. Our research also shows 68 percent of consumers in Asia Pacific are keen to travel as soon as restrictions are lifted³.

These are some reasons for us to be optimistic but it is important to address the new travel consumption behaviours that have emerged.

Health and safety are now the ultimate travel luxuries. Consumers are more likely to stick to brands and destinations that they trust to put guest safety as a priority. In turn, brands need to invest in strategies to ease traveller anxiety by making the guest experience simple, contactless, and flexible with options for rebooking due to changing circumstances. Travel insurance is another fast-growing sector as travellers prepare for contingencies when overseas. Most importantly, travellers actively choose an entirely digital-first travel experience, from internet bookings, to access to online destination information, contactless payments and even contactless check-in and check-out.

The reinvigoration of the travel and tourism industry is on its way, but it will come with bumps along the way. The industry needs to heed the call to work together to coordinate travel procedures, upgrade contactless technology, monitor travel restrictions and be prepared to adjust to consumer demands as they fluctuate according to regulations. As the trusted engine of commerce, Visa is committed to using our capabilities and insight to help the industry navigate the challenges and many opportunities in 2022.

¹ <https://www.cnn.com/2021/11/28/travel-in-2022-is-it-time-to-plan-those-big-trips-abroad.html>

² Visa Annual Report 2021

³ Visa Green Shoots Radar conducted with 2,200 respondents, across 14 AP markets in July 2021

EXECUTIVE SUMMARY

This *Asia Pacific Destination Forecasts 2022-2024: Thailand* report was prepared by the Tourism Forecasting Unit of the Hospitality and Tourism Research Center at The Hong Kong Polytechnic University, in collaboration with the Pacific Asia Travel Association (PATA). The objectives of this forecasting project are to:

- Systematically model and forecast quarterly and annual visitor arrivals into Thailand, using a three-staged approach that integrates econometric models and judgemental forecasts into one framework;
- Take future uncertainties of the pandemic into consideration, with forecasts generated based on mild, medium, and severe scenarios; and
- Highlight some key visitor trends over the forecast period of 2022-2024 and comment on the implications of those trends.

The selection of the forecasting methodologies used in this report was based on the team's research and consultancy experience in travel demand modelling and forecasting. A three-stage approach, integrating econometric models and judgemental forecasts into one framework has been used to generate the forecasts under each of mild, medium, and severe scenarios.

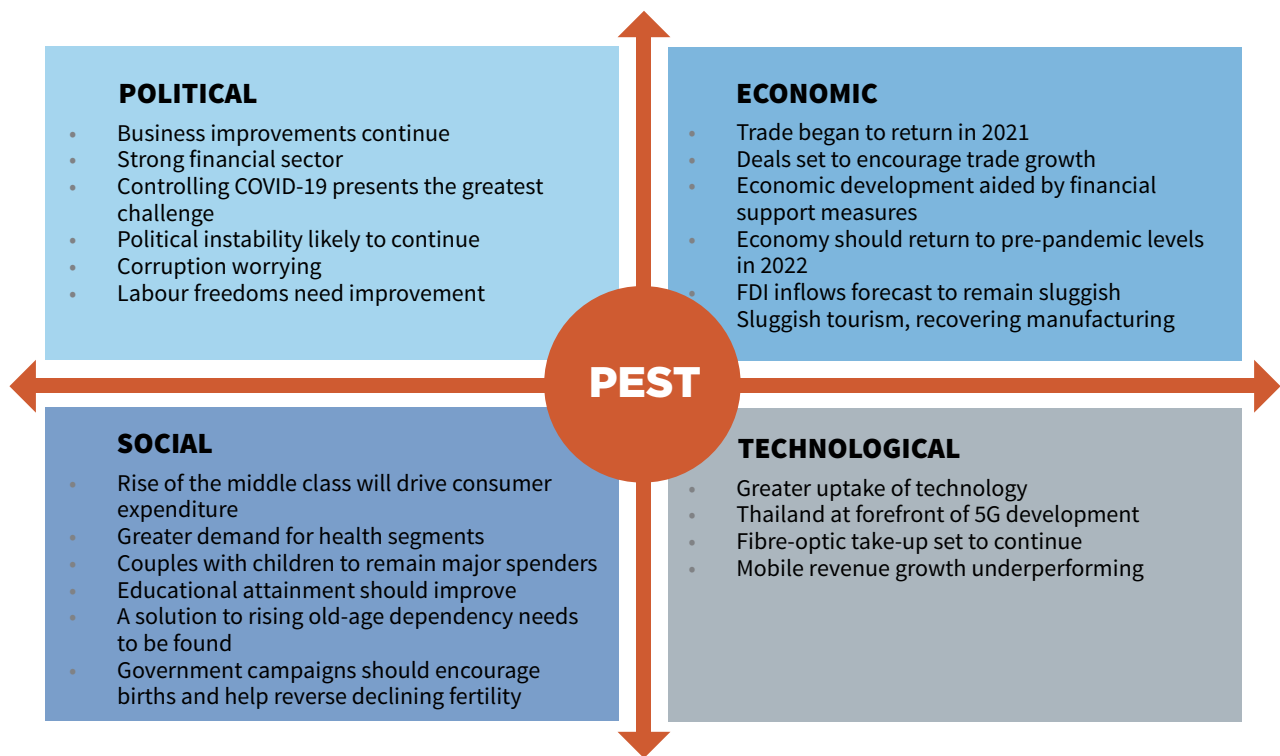
Following the first case of COVID-19 in Thailand which was confirmed on 13 January 2020, a surge of positive cases occurred in mid-March, and these, in combination with the global pandemic and resultant travel restrictions, have significantly and negatively affected the inbound visitor market of this destination; total inbound visitor numbers fell by an average of 39.6 million between 2019 and 2021. Considering all scenario predictions, visitor numbers into Thailand are predicted to have bottomed out in 2021 before increasing thereafter, returning by the end of 2024 under the medium scenario, to roughly the same volume of arrivals as received in 2019. The source region mix of Thailand is predicted to remain relatively stable over the forecast period, with Asia continuing as the dominant supplier of visitor numbers to 2024. The Americas is forecast to have the strongest recovery rate between 2019 and 2024 under the mild scenario, while Asia is projected to have the strongest under the medium and severe scenarios. In general, more visitors arrive in Thailand during the first and fourth quarters of the year, and this seasonality pattern is forecast to remain as such to 2024.

Scheduled air seat capacity into Thailand had a dramatic recent contraction, reducing from 12.03 million in the first quarter of 2020, to a period low of 0.78 million in the second quarter of that year. Inbound capacity increased slightly from then until the end of 2021 and is currently scheduled to increase more strongly in 2022, reaching 6.30 million inbound air seats in the third quarter of 2022, before falling back to 3.15 million in the last quarter of that year. Although the supplier region of Asia had the most significant contraction, it will continue to dominate air seat capacity into Thailand.



THAILAND

Business improvements and a strong financial sector are overshadowed by turmoil produced by the Coronavirus (COVID-19) pandemic, political unrest, a high incidence of corruption, and poor performance in labour freedoms. The economy benefited from returning trade in 2021 but will not return to pre-pandemic levels until 2022. Rising internet usage, improving infrastructure, and emerging new technologies like 5G mobile internet provides more than enough room for technological growth.



Source: Euromonitor International

ECONOMIC ENVIRONMENT

OPPORTUNITIES

Trade began to return in 2021: Thailand's high reliance on foreign trade left it vulnerable to the COVID-19 pandemic, global supply chain disruptions, and travel restrictions. The country's exports in 2020 shrank significantly in real terms compared to 2019. Imports witnessed an even sharper contraction over the year, due to subdued private consumption and stalling private investment. Trade flows began to recover over 2021, in line with rising demand from main trading partners, such as the US, China and Japan, and the easing of restrictions.

Deals set to encourage trade growth: In November 2020, Thailand signed the Regional Comprehensive Economic Partnership (RCEP) with 14 other Asia Pacific and Australasia countries, creating the largest trade deal in history. The pact is anticipated to promote regional cooperation through the harmonisation of trade and investment policies and lower tariffs on industrial and agricultural goods in the long run. Moreover, Thailand's authorities also plan to accelerate negotiations on free trade agreements with several potential partners, including the European Union (EU), the United Kingdom (UK), the Eurasian Economic Union (EAEU), and the European Free Trade Association (EFTA), to boost trade recovery in the medium term.

Economic development aided by financial support measures: Over 2020, the Bank of Thailand (BOT) cut its key policy rate by 75 basis points to 0.5% to promote economic

CHALLENGES

Thailand's economy should return to pre-pandemic levels in 2022: Thailand witnessed one of the sharpest falls in GDP across Asia Pacific economies over 2020. The COVID-19 pandemic prompted stringent containment measures, travel restrictions, and supply chain disruptions that led to a collapse in domestic and external demand. The adverse impact of the COVID-19 pandemic was particularly felt in Thailand's tourism sector, weighing on growth of the services sector. In addition, a severe drought in Thailand caused losses in agricultural production. The economy recorded a partial recovery in economic activity over 2021 and is expected to reach pre-pandemic levels at the end of 2022, underpinned by the easing of containment restrictions, a rebound in domestic demand, and supportive macroeconomic policies.

FDI inflows forecast to remain sluggish: FDI inflows in Thailand remain relatively subdued compared to regional peers, such as Indonesia and Vietnam. In 2019, the government launched the Thailand Plus package, including tax incentives and special investment zones, to attract foreign companies seeking to relocate from China due to the US-China trade war. In recent years, Thailand implemented various reforms to improve the business climate, with an aim to attract foreign investors and promote the country's shift from low-productivity sectors, such as agriculture, towards higher-productivity sectors, such as hi-tech manufacturing. These initiatives should help the government attract more FDI in the future.

Government measures help mitigate the effects of COVID-19: Government expenditure in Thailand soared over 2020, in order to mitigate the economic impact of the COVID-19

development and cushion the adverse effects of the COVID-19 pandemic. In addition, the central bank introduced various measures to help local businesses, including a THB500 billion loan scheme for small and medium enterprises (SMEs) and relaxation of repayment conditions. Furthermore, the BOT established the Corporate Bond Stabilization Fund (BSF) and purchased over THB1.0 trillion of government bonds to support liquidity and maintain financial stability. The central bank is likely to retain its accommodative policy stance over the medium term to speed up economic recovery.

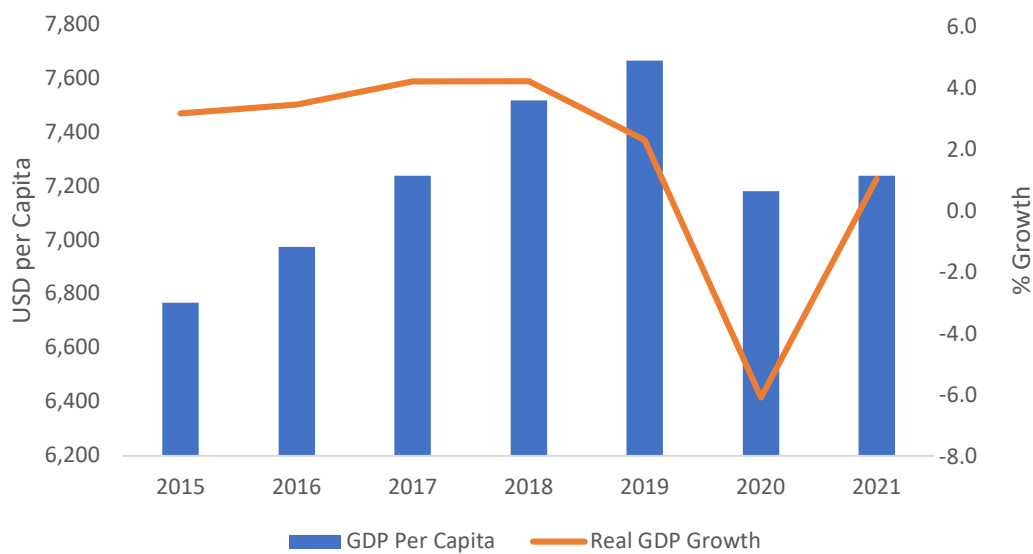
pandemic. The Thai government responded quickly to the COVID-19 crisis and introduced a fiscal stimulus package worth THB1.5 trillion (9.6% of GDP) aimed at supporting vulnerable households and firms. The fiscal measures included higher allocations to the healthcare sector, cash transfers to informal sector workers and farmers, tax relief measures for individuals and businesses, a tourism subsidy package dubbed “We Travel Together”, and loan schemes to vulnerable businesses. Over the fiscal year 2021, the government plans to maintain a slightly expansionary fiscal policy and raise public spending by 3.1% in real terms year-on-year to THB3.3 trillion, in order to continuously support millions of individuals and businesses affected by the COVID-19 pandemic.

Inflation returned in 2021: Inflation turned negative with -0.8% recorded in 2020. The plunging economy and collapse in the oil price are behind cheaper prices. Inflation picked up again in 2021 as the economic revival gathered speed.

Sluggish tourism, recovering manufacturing: The short- to medium-term outlook for the Thai labour force is being depressed by the ongoing COVID-19 pandemic causing unemployment to skyrocket, particularly in the tourism sector. Global lockdowns and anticipated travellers’ fears over potential health risks are expected to further depress one of Thailand’s key economic sectors, leaving numerous tourism workers unemployed. Moreover, manufacturing activities have also suffered from the lockdown, forcing the shutting down of factories and laying off workers. The latter sector, however, is anticipated to see a faster uptick, only partially compensating for economic difficulties caused by the sluggish tourism sector. In the longer term, Thailand’s unemployment rate is projected to stay relatively low over 2021-2040, stimulated by expanding economic activities, solid manufacturing, and robust expansion of tourism services.

Source: Euromonitor International

Chart 1: Real GDP Growth and Per Capita GDP: 2015-2021



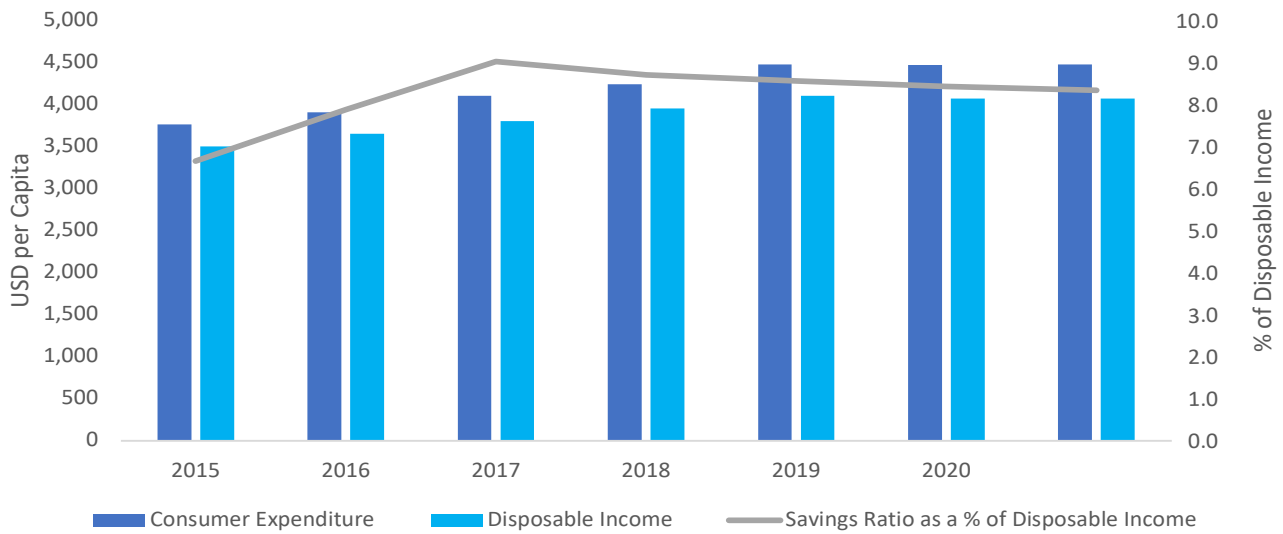
Sources: Euromonitor International from national statistics/Eurostat/OECD/IMF
 Notes: Data for 2021 are forecast, GDP per capita are in constant 2020 prices

INCOME AND EXPENDITURE

Thailand's consumer income is expected to grow strongly by 2040, facilitated by stable economic development, strong employment trends, growing manufacturing and recovering tourism flows. Furthermore, the country is expected to grow its middle class and gradually reduce the poverty rate, opening opportunities for market growth in discretionary spending, especially on leisure, recreation, housing and communication technologies, yet spending on food will remain the most substantial item.

- Per capita gross income in Thailand is forecast to increase by 72.9% in real terms over 2021-2040
- Middle Youth are projected to remain predominant in the top-income band by 2040, shaping luxury spending patterns in Thailand
- Income inequality is expected to decrease over the long term and remains extremely high by global standards
- Social class C is set to be the fastest growing social class but social class D will remain the prevalent social class through to 2040
- The Bangkok region is anticipated to remain the largest consumer market in Thailand by 2040, accounting for 39.3% of total consumer expenditure
- Food and non-alcoholic beverages are forecast to be the largest consumer spending category in 2040, while household goods and services will record the fastest growth over 2021-2040
- Over the 2020-2030 period, Thailand is projected to increase by three positions and rank 30th out of 84 countries in Euromonitor International's Wealth Index

Chart 2: Per Capita Annual Disposable Income, Spending and Savings Ratio: 2015-2021

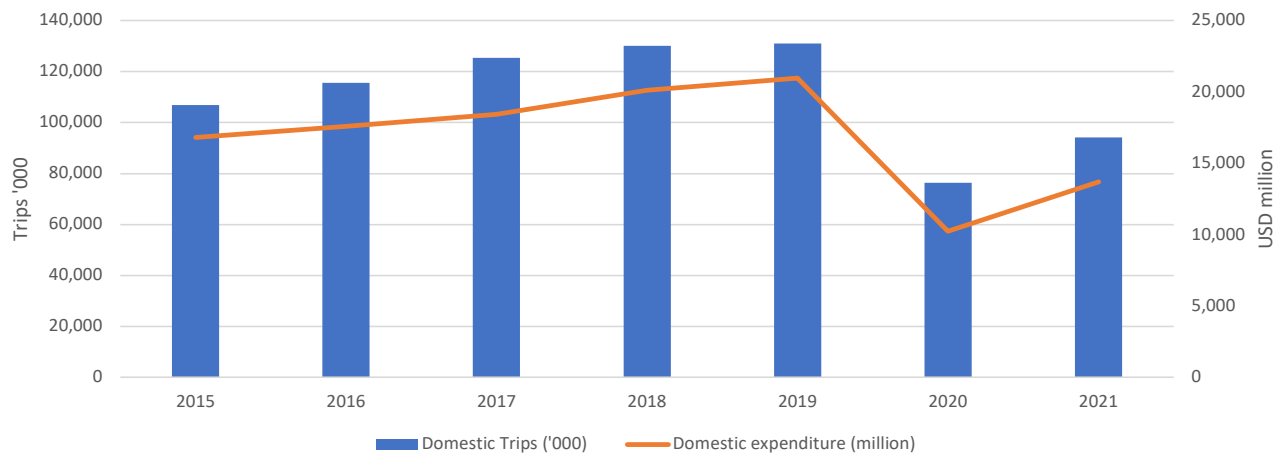


Source: Euromonitor International from national statistics/OECD

DOMESTIC TOURISM

Domestic travel has been boosted by local operators offering generous discounts on hotels and air fares/ tour packages. Travel operators have also been inventive in ensuring continuing revenue streams. For example, Thai Airways and Thai Air Asia opened restaurants and food delivery services. Also, several hotels operate as quarantine hotels, while others offer serviced apartments for long-term renters.

Chart 3: Domestic Tourism Trips and Expenditure: 2015-2021

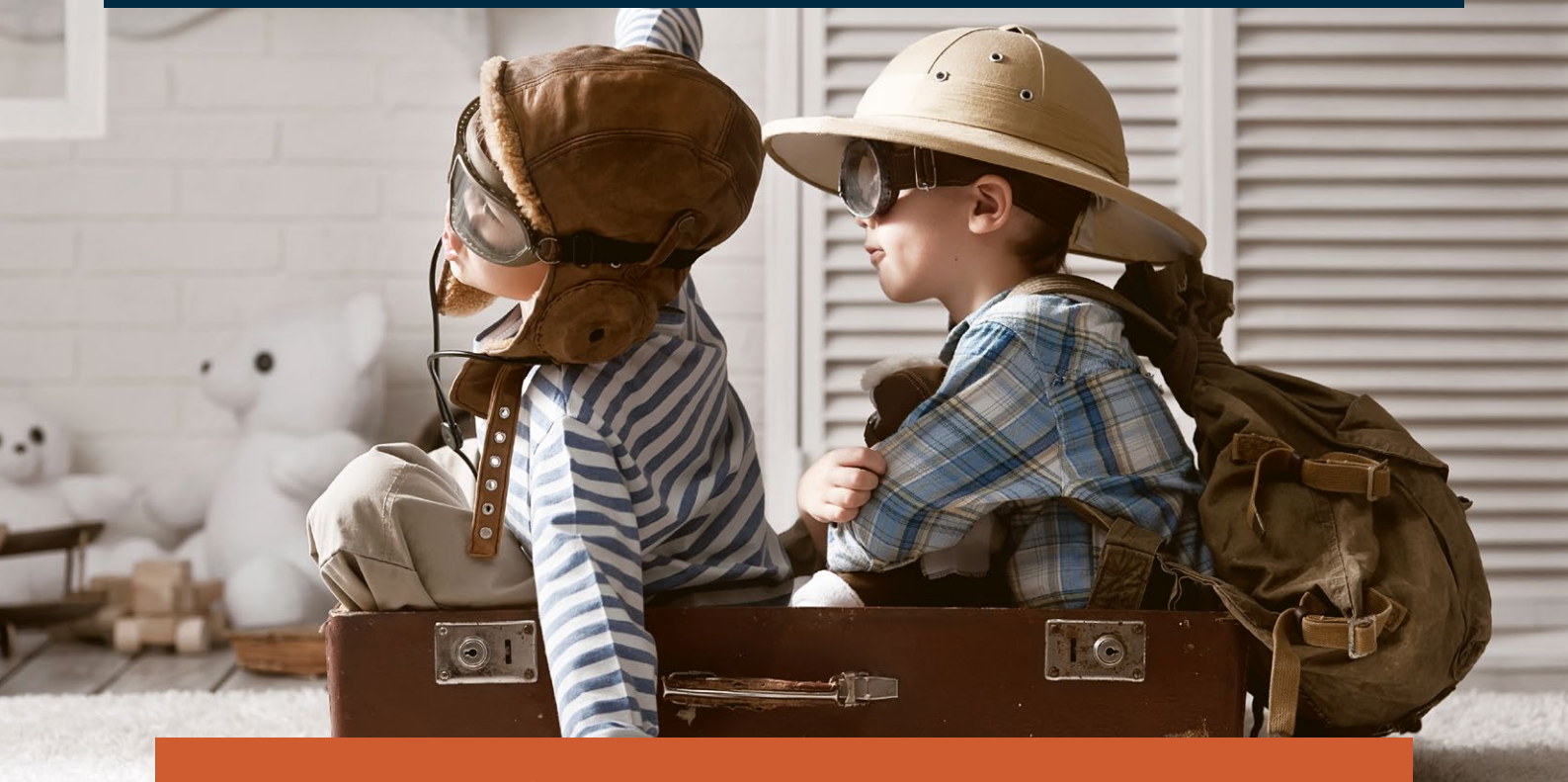


Source: Euromonitor International



MS. CAROLINE BREMNER

**HEAD OF TRAVEL RESEARCH
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*Euromonitor International***



SECTION 1 OVERALL TRAVEL PATTERNS AND FORECASTS 2022-2024

1.1 ASIA PACIFIC SHARE OF GLOBAL TOURISM

The devastating impact of COVID-19 led the number of visitor arrivals to Asia Pacific to decrease from 617.9 million in 2019 to 134.4 million in 2020, representing an annual contraction of 79% compared with the global average of 74% during the crisis (Table 1.1).

Within the region, Northeast Asia was hardest hit by the pandemic, with an annual decrease of 88% compared to 2019, followed by Southeast Asia (-82%) and the Pacific (-79%).

Although North America also experienced a 68% drop in visitor arrival numbers in 2020, the impact of COVID-19 on the region was less severe than in other Asia Pacific regions; this may have been because the border between the USA and Mexico did not completely close in 2020. Consequently, North America became the largest destination sub-region in terms of visitor arrivals into and across Asia Pacific in that year, followed by Southeast Asia. The largest sub-region for visitor numbers pre-pandemic was Northeast Asia, however, that dropped to third place in 2020. The relative share of global visitor numbers for Asia Pacific was 34.1% in 2020, which is close to the pre-pandemic level, suggesting that while COVID-19 severely influenced international visitor arrival numbers, the overall market structure was not significantly altered.



Table 1.1: International Tourist Arrivals by Destination Region, 2010-2020

Region	Arrivals, mns				AAGR, %		Relative Share, %
	2010	2015	2019	2020	2010-2019	2019-2020	2020
World	952.0	1195.0	1,460.0	394.0	4.9	-73.0	100.0
Europe	487.7	605.1	743.7	230.5	4.8	-69.0	58.5
Asia and the Pacific (a)	208.2	284.1	360.1	57.6	6.3	-84.0	14.6
<i>Northeast Asia</i>	111.5	142.1	170.6	20.5	4.8	-88.0	5.2
<i>Southeast Asia</i>	70.5	104.2	136.8	24.6	7.6	-82.0	6.2
<i>Pacific</i>	11.5	14.3	17.5	3.7	4.8	-79.0	0.9
<i>South Asia</i>	14.7	23.5	35.2	10.6	10.2	-70.0	2.7
Americas	150.1	192.6	219.5	70.2	4.3	-68.0	17.8
<i>North America (b)</i>	99.5	127.5	146.4	46.8	4.4	-68.0	11.9
<i>Caribbean</i>	19.5	24.1	26.8	10.5	3.6	-61.0	2.7
<i>Central America (c)</i>	7.9	10.2	10.9	3.1	3.6	-72.0	0.8
<i>South America (d)</i>	23.2	30.8	35.4	9.9	4.8	-72.0	2.5
Africa	50.4	53.4	71.9	22.3	4.0	-69.0	5.7
Middle East (e)	54.7	55.6	65.1	16.9	2.0	-74.0	4.3
Sub-total Asia Pacific:							
(a) + (b) + (c) + (d) + (e)	393.5	508.2	617.9	134.4	5.2	-79.0	34.1

Notes: 1. Years are not sequential.

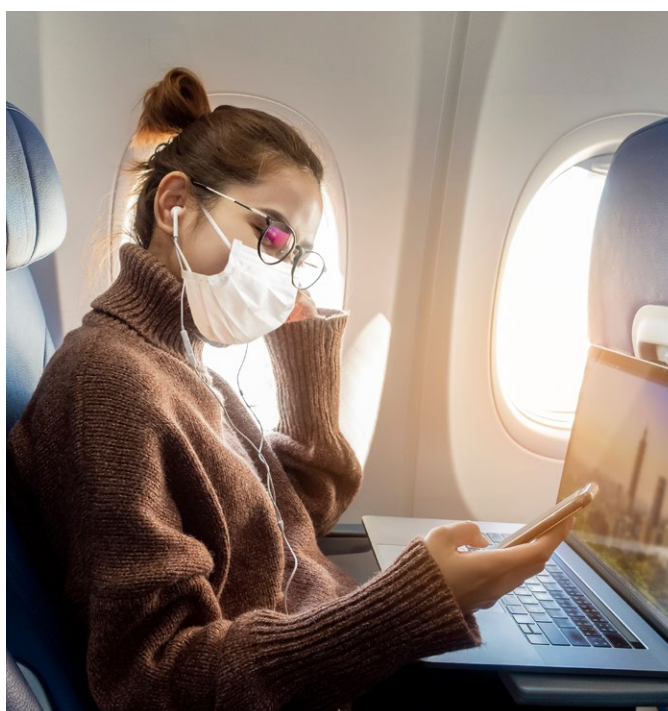
2. AAGR, % is the average annual growth rate, calculated as an arithmetic average of the annual growth rates.

3. The term 'Middle East' is used by UNWTO while PATA uses 'West Asia' which is the UN definition of 'Middle East'.

Source: *Tourism Recovery Tracker* (<https://www.unwto.org/unwto-tourism-recovery-tracker>).

1.2 MACRO ENVIRONMENT OF THE VISITOR ECONOMY IN ASIA PACIFIC

The impacts of COVID-19 on the global economy have been devastating over the past year, especially for those destinations where tourism is a key economic sector. The overall decline in global tourism in the first half of 2021 was more than 80% compared with the same period in 2020 (UNWTO Tourism Dashboard), as many destinations were completely locked down with almost no inbound tourism, in an effort to contain the spread of the virus. The increase in COVID-19 vaccination coverage, however, has introduced some optimism for tourism recovery within the region. Furthermore, a few destinations have already adopted a policy of co-existing with the virus and opened their borders to international tourism, although with the recent emergence of the Omicron variant, destinations are facing new challenges in the recovery process.





1.3 HIGHLIGHTS OF THE PATA VISITOR FORECASTS 2022-2024

The international inbound market of Asia Pacific was severely hit by COVID-19, with an 82% decline in visitor volumes in 2020 relative to 2019. Tables 1.2 to 1.4 and Figure 1.1 show that total visitor arrival numbers across Asia Pacific are predicted to recover from 129.4 million in 2020 to 817.7 million, 702.5 million and 501.9 million in 2024 under the mild, medium, and severe scenarios, respectively. Compared with the 2019 level of visitor numbers, the recovery rates are forecast to be 116.2%, 99.8%, and 71.3% under the mild, medium and severe scenarios, respectively. The recovery rates are of course, linked to developments in the global pandemic and the economic recovery over the forecast period.

Amongst the six destination regions and sub-regions of Asia Pacific, South Asia is expected to have the highest recovery rate under the mild scenario (123.3%), led by the Maldives, as it returned to more than 90% of the 2019 volume of visitors in 2021. International visitor numbers into the Pacific and the Americas are projected to increase faster than other regions/sub-regions, and have the same recovery rate of 105% under the medium scenario and 80.3% and 79.2% respectively, under the severe scenario. This is partly because most destinations in the Americas are dominated by visitors from intra-regional markets, especially Canada, Mexico, and the USA, while the Pacific region is composed of island destinations with dominant visitor flows from Australia and New Zealand. The less complex market structure in those two destination regions makes it relatively easier to manage the spread of the pandemic and facilitate recovery from it. The lowest recovery rate under the mild scenario is likely to be for Northeast Asia, which in 2024 is expected to return to 112.6% of the 2019 level of visitor numbers. Under the medium scenario, South Asia is predicted to be the slowest recovering sub-region with a recovery rate of 95%, while under the severe scenario it is expected to be West Asia with a rate of 61.3%. The successful control of the pandemic is the key for destinations to return to visitor arrivals growth over the forecast period.

Table 1.2: Summary of Visitor Arrivals to Asia Pacific Destinations 2019-2024, Mild Scenario

Destination	2019	2020	2021	2022	2023	2024	Recovery Rate			
							21/19	22/19	23/19	24/19
Americas										
Canada	22,141,939	2,959,885	736,018	7,326,843	22,736,530	25,997,838	3.0%	33.0%	103.0%	117.0%
Chile	4,317,228	1,061,660	116,743	1,486,365	3,767,801	4,198,132	2.7%	34.4%	87.3%	97.2%
Mexico	45,024,453	24,315,759	31,517,439	33,583,635	43,508,227	58,773,048	70.0%	74.6%	96.6%	130.5%
USA	79,441,595	19,445,249	21,655,066	48,366,998	79,580,375	93,072,664	27.3%	60.9%	100.2%	117.2%
Sub-total	150,925,215	47,782,553	54,025,266	90,763,841	149,592,933	182,041,682	35.8%	60.1%	99.1%	120.6%
Northeast Asia										
China	166,260,394	15,523,507	22,254,840	58,253,043	96,113,218	167,318,861	13.4%	35.0%	57.8%	100.6%
Chinese Taipei	11,864,105	1,377,861	172,095	3,476,767	10,560,010	13,064,946	1.0%	29.0%	89.0%	110.0%
Hong Kong SAR	55,912,609	3,568,875	159,725	13,403,857	76,859,279	77,546,775	0.3%	24.0%	137.5%	138.7%
Japan	31,882,049	4,115,828	433,783	6,704,947	22,096,514	38,386,028	1.4%	21.0%	69.3%	120.4%
Korea (ROK)	17,310,254	2,492,727	1,076,735	6,930,397	14,190,601	20,196,004	6.2%	40.0%	82.0%	116.7%
Macao, China	39,406,181	5,896,848	12,082,439	31,402,203	45,269,601	46,745,472	30.7%	79.7%	114.9%	118.6%
Mongolia	636,960	66,940	35,011	273,868	701,266	798,926	5.5%	43.0%	110.1%	125.4%
Sub-total	323,272,552	33,042,586	36,214,628	120,445,082	265,790,489	364,057,012	11.2%	37.3%	82.2%	112.6%
South Asia										
Bhutan	72,201	6,387	239	17,525	68,068	84,832	0.3%	24.3%	94.3%	117.5%
India	10,930,355	2,744,766	887,101	4,126,495	8,517,661	13,342,006	8.0%	38.0%	78.0%	122.0%
Maldives	1,702,887	555,420	1,565,662	1,664,335	1,752,270	2,266,600	91.9%	97.7%	102.9%	133.1%
Nepal	1,196,951	242,638	207,288	764,741	1,323,883	1,508,354	17.3%	63.9%	110.6%	126.0%
Sri Lanka	1,913,702	507,704	96,757	924,704	2,010,131	2,296,361	5.0%	48.0%	105.0%	120.0%
Sub-total	15,816,096	4,056,915	2,757,047	7,497,800	13,672,013	19,498,153	17.4%	47.4%	86.4%	123.3%
Southeast Asia										
Cambodia	6,610,592	1,306,143	695,561	2,393,703	4,262,367	7,545,246	10.5%	36.2%	64.5%	114.1%
Indonesia	16,106,954	4,052,923	2,579,310	7,957,220	12,742,915	17,928,986	16.0%	49.4%	79.1%	111.3%
Lao PDR	4,791,065	886,447	4,190	635,369	3,664,407	6,509,261	0.1%	13.3%	76.5%	135.9%
Malaysia	26,100,784	4,332,722	199,085	5,200,387	24,034,812	31,204,023	0.8%	19.9%	92.1%	119.6%
Myanmar	1,930,425	370,704	220,906	649,442	1,231,698	2,335,918	11.4%	33.6%	63.8%	121.0%
Philippines	8,188,477	1,398,455	212,971	2,286,325	6,536,631	9,996,744	3.0%	28.0%	80.0%	122.0%
Singapore	19,113,842	2,742,443	433,618	6,680,722	17,489,376	22,506,102	2.0%	35.0%	92.0%	118.0%
Thailand	39,916,251	6,702,396	459,418	12,382,666	40,771,862	46,960,206	1.0%	31.0%	102.0%	118.0%
Vietnam	18,008,591	3,686,779	6,340	1,867,630	14,607,721	21,791,043	0.0%	10.0%	81.0%	121.0%
Sub-total	140,766,981	25,479,012	4,811,399	40,053,464	125,341,789	166,777,529	3.0%	28.0%	89.0%	118.0%
West Asia										
Turkey	45,058,286	12,734,213	31,938,855	37,481,311	42,193,829	51,618,529	71.0%	83.0%	94.0%	115.0%
Sub-total	45,058,286	12,734,213	31,938,855	37,481,311	42,193,829	51,618,529	71.0%	83.0%	94.0%	115.0%
Pacific										
Australia	9,465,800	1,827,650	545,351	5,096,830	10,171,300	11,433,655	6.0%	54.0%	107.0%	121.0%
Cook Islands	171,550	25,230	75,851	146,452	207,102	218,028	44.2%	85.4%	120.7%	127.1%
Fiji	894,389	146,905	21,534	381,673	1,018,020	1,148,402	2.0%	43.0%	114.0%	128.0%
French Polynesia	236,642	77,017	88,547	127,038	187,738	262,702	37.4%	53.7%	79.3%	111.0%
Guam	1,655,670	326,592	126,628	960,608	1,810,800	1,956,433	7.6%	58.0%	109.4%	118.2%
Hawaii	10,282,167	2,678,069	8,029,169	9,081,064	10,818,641	12,425,838	78.0%	88.0%	105.0%	121.0%
New Caledonia	130,459	31,230	33,599	97,610	148,555	153,332	25.8%	74.8%	113.9%	117.5%
New Zealand	3,888,473	1,006,770	338,886	2,175,555	4,482,145	4,846,525	8.7%	55.9%	115.3%	124.6%
Northern Marianas	487,008	90,665	77,864	268,457	467,607	565,368	16.0%	55.1%	96.0%	116.1%
Palau	94,051	18,360	12,371	66,580	96,704	101,116	13.2%	70.8%	102.8%	107.5%
Papua New Guinea	210,980	38,940	29,391	111,147	219,397	256,642	13.9%	52.7%	104.0%	121.6%
Samoa	180,858	21,673	2,155	43,350	185,201	215,856	1.0%	24.0%	102.0%	119.0%
Vanuatu	120,628	21,965	473	24,123	137,028	152,797	0.4%	20.0%	113.6%	126.7%
Sub-total	27,818,675	6,311,066	9,381,819	18,580,487	29,950,238	33,736,694	34.0%	67.0%	108.0%	121.0%
Grand Total	703,657,805	129,406,345	139,129,014	314,821,985	626,541,291	817,729,599	19.8%	44.7%	89.0%	116.2%

Note: The figures for China from 2020 to 2024 inclusive, are forecasts.

Table 1.3: Summary of Visitor Arrivals to Asia Pacific Destinations 2019-2024, Medium Scenario

Destination	2019	2020	2021	2022	2023	2024	Recovery Rate			
							21/19	22/19	23/19	24/19
Americas										
Canada	22,141,939	2,959,885	659,691	5,697,280	15,969,470	21,667,658	3.0%	26.0%	72.0%	98.0%
Chile	4,317,228	1,061,660	95,300	1,029,516	2,610,546	3,487,255	2.2%	23.9%	60.5%	80.8%
Mexico	45,024,453	24,315,759	25,786,995	26,605,996	37,305,135	52,123,113	57.3%	59.1%	82.9%	115.8%
USA	79,441,595	19,445,249	17,717,782	33,326,393	58,537,040	81,883,081	22.3%	42.0%	73.7%	103.1%
Sub-total	150,925,215	47,782,553	44,259,768	66,659,185	114,422,191	159,161,107	29.3%	44.2%	75.8%	105.5%
Northeast Asia										
China	166,260,394	15,523,507	12,398,857	43,047,374	75,470,145	154,679,192	7.5%	25.9%	45.4%	93.0%
Chinese Taipei	11,864,105	1,377,861	147,295	2,506,055	7,425,751	12,012,382	1.2%	21.1%	62.6%	101.2%
Hong Kong SAR	55,912,609	3,568,875	122,735	9,759,050	54,662,867	56,813,933	0.2%	17.5%	97.8%	101.6%
Japan	31,882,049	4,115,828	333,679	5,420,697	17,657,218	32,075,409	1.0%	17.0%	55.4%	100.6%
Korea (ROK)	17,310,254	2,492,727	991,055	5,428,373	11,173,816	17,666,050	5.7%	31.4%	64.6%	102.1%
Macao, China	39,406,181	5,896,848	6,907,313	16,969,277	30,615,510	38,953,833	17.5%	43.1%	77.7%	98.9%
Mongolia	636,960	66,940	28,645	215,112	529,938	715,903	4.5%	33.8%	83.2%	112.4%
Sub-total	323,272,552	33,042,586	20,929,579	83,345,938	197,535,245	312,916,702	6.5%	25.8%	61.1%	96.8%
South Asia										
Bhutan	72,201	6,387	59	9,610	44,859	76,410	0.1%	13.3%	62.1%	105.8%
India	10,930,355	2,744,766	750,624	3,443,857	6,209,046	10,101,991	6.9%	31.5%	56.8%	92.4%
Maldives	1,702,887	555,420	1,485,946	1,517,859	1,549,211	1,706,056	87.3%	89.1%	91.0%	100.2%
Nepal	1,196,951	242,638	70,720	385,503	764,293	1,196,958	6.0%	32.0%	64.0%	100.0%
Sri Lanka	1,913,702	507,704	70,647	566,001	1,292,386	1,976,108	3.7%	29.6%	67.5%	103.3%
Sub-total	15,816,096	4,056,915	2,377,996	5,922,830	9,859,795	15,057,523	15.0%	37.0%	62.0%	95.0%
Southeast Asia										
Cambodia	6,610,592	1,306,143	359,762	1,427,018	2,786,350	6,501,300	5.4%	21.6%	42.1%	98.3%
Indonesia	16,106,954	4,052,923	1,627,499	5,376,209	10,105,619	15,786,864	10.1%	33.4%	62.7%	98.0%
Lao PDR	4,791,065	886,447	2,040	352,304	2,181,634	4,391,771	0.0%	7.4%	45.5%	91.7%
Malaysia	26,100,784	4,332,722	89,367	3,450,307	16,831,042	26,225,132	0.3%	13.2%	64.5%	100.5%
Myanmar	1,930,425	370,704	75,281	433,344	1,006,010	1,979,272	3.9%	22.4%	52.1%	102.5%
Philippines	8,188,477	1,398,455	111,778	1,643,569	5,303,741	8,594,808	1.4%	20.1%	64.8%	105.0%
Singapore	19,113,842	2,742,443	288,120	4,817,710	13,453,177	20,503,416	2.0%	25.0%	70.0%	107.0%
Thailand	39,916,251	6,702,396	311,828	7,924,409	26,995,758	40,198,195	0.8%	19.9%	67.6%	100.7%
Vietnam	18,008,591	3,686,779	1,580	1,218,023	10,915,296	18,140,658	0.0%	6.8%	60.6%	100.7%
Sub-total	140,766,981	25,479,012	2,867,255	26,642,893	89,578,627	142,321,416	2.0%	18.9%	63.6%	101.1%
West Asia										
Turkey	45,058,286	12,734,213	28,719,191	33,013,318	34,263,512	43,623,764	63.7%	73.3%	76.0%	96.8%
Sub-total	45,058,286	12,734,213	28,719,191	33,013,318	34,263,512	43,623,764	63.7%	73.3%	76.0%	96.8%
Pacific										
Australia	9,465,800	1,827,650	268,944	2,658,509	6,145,545	9,454,861	2.8%	28.1%	64.9%	99.9%
Cook Islands	171,550	25,230	62,753	103,758	165,823	198,207	37.0%	60.0%	97.0%	116.0%
Fiji	894,389	146,905	15,342	277,130	774,707	1,036,815	2.0%	31.0%	87.0%	116.0%
French Polynesia	236,642	77,017	75,091	89,922	146,524	230,568	31.7%	38.0%	61.9%	97.4%
Guam	1,655,670	326,592	70,944	622,918	1,368,039	1,777,721	4.0%	38.0%	83.0%	107.0%
Hawaii	10,282,167	2,678,069	7,279,547	7,995,908	8,821,411	11,091,201	70.8%	77.8%	85.8%	107.9%
New Caledonia	130,459	31,230	15,784	67,068	117,800	139,393	12.0%	51.0%	90.0%	107.0%
New Zealand	3,888,473	1,006,770	218,017	1,323,470	3,205,209	4,365,325	5.6%	34.0%	82.4%	112.3%
Northern Marianas	487,008	90,665	36,428	177,532	325,181	481,968	7.0%	36.0%	67.0%	99.0%
Palau	94,051	18,360	6,724	43,020	75,973	91,924	7.0%	46.0%	81.0%	98.0%
Papua New Guinea	210,980	38,940	15,788	76,366	157,092	224,019	7.0%	36.0%	74.0%	106.0%
Samoa	180,858	21,673	1,119	27,008	123,454	185,448	0.6%	14.9%	68.3%	102.5%
Vanuatu	120,628	21,965	265	14,256	88,567	121,785	0.2%	11.8%	73.4%	101.0%
Sub-total	27,818,675	6,311,066	8,066,746	13,476,865	21,515,325	29,399,235	29.0%	48.4%	77.3%	105.7%
Grand Total	703,657,805	129,406,345	107,220,535	229,061,029	467,174,695	702,479,747	15.2%	32.6%	66.4%	99.8%

Note: The figures for China from 2020 to 2024 inclusive, are forecasts.

Table 1.4: Summary of Visitor Arrivals to Asia Pacific Destinations 2019-2024, Severe Scenario

Destination	2019	2020	2021	2022	2023	2024	Recovery Rate			
							21/19	22/19	23/19	24/19
Americas										
Canada	22,141,939	2,959,885	545,200	4,427,118	12,505,097	18,587,079	2.5%	20.0%	56.5%	83.9%
Chile	4,317,228	1,061,660	72,190	680,229	1,777,141	2,776,931	1.7%	15.8%	41.2%	64.3%
Mexico	45,024,453	24,315,759	22,921,774	24,131,383	27,988,435	38,248,573	50.9%	53.6%	62.2%	85.0%
USA	79,441,595	19,445,249	15,749,139	21,102,191	39,954,691	59,942,966	19.8%	26.6%	50.3%	75.5%
Sub-total	150,925,215	47,782,553	39,288,303	50,340,921	82,225,364	119,555,549	26.0%	33.4%	54.5%	79.2%
Northeast Asia										
China	166,260,394	15,523,507	5,482,734	25,859,075	48,804,456	103,893,132	3.3%	15.6%	29.4%	62.5%
Chinese Taipei	11,864,105	1,377,861	122,495	1,991,038	5,989,779	10,081,800	1.0%	16.8%	50.5%	85.0%
Hong Kong SAR	55,912,609	3,568,875	85,745	6,792,123	36,125,396	38,948,033	0.2%	12.1%	64.6%	69.7%
Japan	31,882,049	4,115,828	276,892	3,952,427	10,903,016	20,351,070	0.9%	12.4%	34.2%	63.8%
Korea (ROK)	17,310,254	2,492,727	903,370	3,984,922	8,799,910	14,380,077	5.2%	23.0%	50.8%	83.1%
Macao, China	39,406,181	5,896,848	5,397,802	9,949,489	20,569,143	31,619,921	13.7%	25.2%	52.2%	80.2%
Mongolia	636,960	66,940	25,462	162,314	350,803	525,449	4.0%	25.5%	55.1%	82.5%
Sub-total	323,272,552	33,042,586	12,294,500	52,691,388	131,542,503	219,799,482	3.8%	16.3%	40.7%	68.0%
South Asia										
Bhutan	72,201	6,387	1	1,351	32,275	59,013	0.0%	1.9%	44.7%	81.7%
India	10,930,355	2,744,766	498,629	2,827,754	4,755,588	8,003,446	4.6%	25.9%	43.5%	73.2%
Maldives	1,702,887	555,420	1,330,362	1,397,648	1,433,475	1,487,564	78.1%	82.1%	84.2%	87.4%
Nepal	1,196,951	242,638	56,915	287,120	469,288	756,675	4.8%	24.0%	39.2%	63.2%
Sri Lanka	1,913,702	507,704	47,978	360,654	880,804	1,469,312	2.5%	18.8%	46.0%	76.8%
Sub-total	15,816,096	4,056,915	1,933,885	4,874,527	7,571,430	11,776,010	12.2%	30.8%	47.9%	74.5%
Southeast Asia										
Cambodia	6,610,592	1,306,143	283,604	983,996	1,748,222	4,173,765	4.3%	14.9%	26.4%	63.1%
Indonesia	16,106,954	4,052,923	1,292,737	3,075,506	6,407,402	10,414,818	8.0%	19.1%	39.8%	64.7%
Lao PDR	4,791,065	886,447	0	97,781	1,678,408	3,572,816	0.0%	2.0%	35.0%	74.6%
Malaysia	26,100,784	4,332,722	25,080	2,109,528	12,031,520	19,916,414	0.1%	8.1%	46.1%	76.3%
Myanmar	1,930,425	370,704	18,573	184,826	482,739	987,688	1.0%	9.6%	25.0%	51.2%
Philippines	8,188,477	1,398,455	52,092	971,219	3,136,768	5,269,856	0.6%	11.9%	38.3%	64.4%
Singapore	19,113,842	2,742,443	192,356	2,792,795	8,662,727	13,856,513	1.0%	14.6%	45.3%	72.5%
Thailand	39,916,251	6,702,396	164,238	5,108,916	19,381,899	30,995,688	0.4%	12.8%	48.6%	77.7%
Vietnam	18,008,591	3,686,779	0	375,518	6,630,097	11,616,556	0.0%	2.1%	36.8%	64.5%
Sub-total	140,766,981	25,479,012	2,028,680	15,700,085	60,159,782	100,804,114	1.4%	11.2%	42.7%	71.6%
West Asia										
Turkey	45,058,286	12,734,213	23,736,300	24,968,256	25,224,821	27,627,310	52.7%	55.4%	56.0%	61.3%
Sub-total	45,058,286	12,734,213	23,736,300	24,968,256	25,224,821	27,627,310	52.7%	55.4%	56.0%	61.3%
Pacific										
Australia	9,465,800	1,827,650	168,090	1,700,022	4,391,184	7,104,356	1.8%	18.0%	46.4%	75.1%
Cook Islands	171,550	25,230	49,655	63,824	114,097	170,357	28.9%	37.2%	66.5%	99.3%
Fiji	894,389	146,905	8,313	172,878	531,594	809,312	0.9%	19.3%	59.4%	90.5%
French Polynesia	236,642	77,017	64,326	76,796	91,832	150,144	27.2%	32.5%	38.8%	63.5%
Guam	1,655,670	326,592	62,447	433,592	939,055	1,431,213	3.8%	26.2%	56.7%	86.4%
Hawaii	10,282,167	2,678,069	6,532,865	6,793,292	6,979,081	8,292,699	63.5%	66.1%	67.9%	80.7%
New Caledonia	130,459	31,230	5,459	41,958	79,850	121,429	4.2%	32.2%	61.2%	93.1%
New Zealand	3,888,473	1,006,770	203,706	861,573	2,134,646	3,349,628	5.2%	22.2%	54.9%	86.1%
Northern Marianas	487,008	90,665	12,014	110,622	236,340	379,246	2.5%	22.7%	48.5%	77.9%
Palau	94,051	18,360	4,398	26,916	50,824	75,697	4.7%	28.6%	54.0%	80.5%
Papua New Guinea	210,980	38,940	13,054	63,845	118,236	181,052	6.0%	30.0%	56.0%	86.0%
Samoa	180,858	21,673	0	4,787	86,767	143,480	0.0%	2.6%	48.0%	79.3%
Vanuatu	120,628	21,965	0	3,997	71,826	117,628	0.0%	3.3%	59.5%	97.5%
Sub-total	27,818,675	6,311,066	7,124,327	10,354,102	15,825,332	22,326,241	25.6%	37.2%	56.9%	80.3%
Grand Total	703,657,805	129,406,345	86,405,995	158,929,279	322,549,232	501,888,706	12.3%	22.6%	45.8%	71.3%

Note: The figures for China from 2020 to 2024 inclusive, are forecasts.

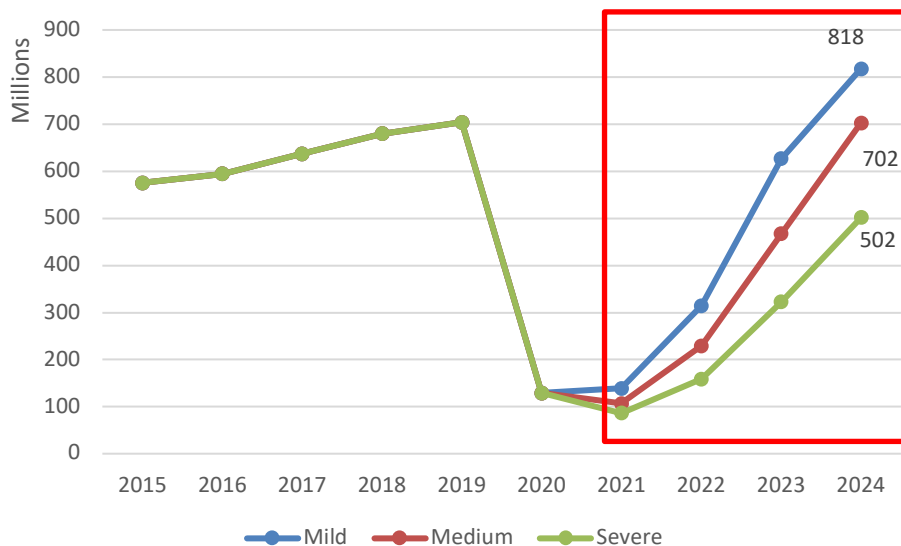


Figure 1.1: Asia Pacific – Visitor Arrivals 2015-2024, by Scenario

In terms of the relative shares of visitor arrivals into and across the Asia Pacific destination regions and sub-regions, Northeast Asia has fallen from 45.94% in 2019, to 26.03% in 2021, because of the travel restrictions imposed to manage the COVID-19 pandemic. That sub-region is, however, predicted to return to having the largest share of visitor arrivals in Asia Pacific from 2022 onwards, under all scenarios. By the end of 2024, the shares of visitor arrivals for all Asia Pacific destination regions and sub-regions are projected to return to a structure similar to that of pre-pandemic 2019, under all three of the scenarios. Specifically, Northeast Asia is forecast to continue dominating the inbound visitor market of Asia Pacific, followed by the Americas and Southeast Asia. The relative shares of West Asia, the Pacific, and South Asia are predicted to remain stable and marginal over the forecast period (see Tables 1.5 to 1.7).

Table 1.5: Relative Shares of the Asia Pacific Destination Regions/Sub-regions – Mild Scenario, %

Destination Region/Sub-region	2019	2020	2021	2022	2023	2024
Americas	21.45	36.92	38.83	28.83	23.88	22.26
Northeast Asia	45.94	25.53	26.03	38.26	42.42	44.52
South Asia	2.25	3.14	1.98	2.38	2.18	2.38
Southeast Asia	20.01	19.69	3.46	12.72	20.01	20.40
West Asia	6.40	9.84	22.96	11.91	6.73	6.31
Pacific	3.95	4.88	6.74	5.90	4.78	4.13

Table 1.6: Relative Shares of the Asia Pacific Destination Regions/Sub-regions – Medium Scenario, %

Destination Region/Sub-region	2019	2020	2021	2022	2023	2024
Americas	21.45	36.92	41.28	29.10	24.49	22.66
Northeast Asia	45.94	25.53	19.52	36.39	42.28	44.54
South Asia	2.25	3.14	2.22	2.59	2.11	2.14
Southeast Asia	20.01	19.69	2.67	11.63	19.17	20.26
West Asia	6.40	9.84	26.79	14.41	7.33	6.21
Pacific	3.95	4.88	7.52	5.88	4.61	4.19

Table 1.7: Relative Shares of the Asia Pacific Destination Regions/Sub-regions – Severe Scenario, %

Destination Region/Sub-region	2019	2020	2021	2022	2023	2024
Americas	21.45	36.92	45.47	31.68	25.49	23.82
Northeast Asia	45.94	25.53	14.23	33.15	40.78	43.79
South Asia	2.25	3.14	2.24	3.07	2.35	2.35
Southeast Asia	20.01	19.69	2.35	9.88	18.65	20.08
West Asia	6.40	9.84	27.47	15.71	7.82	5.50
Pacific	3.95	4.88	8.25	6.51	4.91	4.45

The relative shares of arrivals into the top 10 destinations in Asia Pacific are presented in Tables 1.8 to 1.10. Influenced by COVID-19, the rank of the USA and China dropped to second and third positions in 2020, with Mexico rising to become the leading Asia Pacific destination in that year, with a visitor share of 18.79%. Over the period to 2024, these shares are expected to return to a structure similar to that of the immediate pre-pandemic year of 2019. By the end of 2024, the top 10 destinations, by share of visitors, are expected to return to close to what they were in 2019, under all three scenarios. China is forecast to remain as the top destination in Asia Pacific, followed by the USA and Hong Kong under each of the three scenarios, while Mexico will overtake Turkey, to rank in fourth position.

**Table 1.8: Relative Shares of the Top Ten Asia Pacific Destinations 2020-2024 – Mild Scenario, %**

Share, %	2020	2021	2022	2023	2024
Mexico	18.79	22.65	10.67	6.94	7.19
USA	15.03	15.56	15.36	12.70	11.38
China	12.00	16.00	18.50	15.34	20.46
Turkey	9.84	22.96	11.91	6.73	6.31
Thailand	5.18	0.33	3.93	6.51	5.74
Macao, China	4.56	8.68	9.97	7.23	5.72
Malaysia	3.35	0.14	1.65	3.84	3.82
Japan	3.18	0.31	2.13	3.53	4.69
Indonesia	3.13	1.85	2.53	2.03	2.19
Vietnam	2.85	0.00	0.59	2.33	2.66
Rank					
Mexico	1	2	4	5	4
USA	2	4	2	2	2
China	3	3	1	1	1
Turkey	4	1	3	6	5
Thailand	5	14	7	7	6
Macao, China	6	5	5	4	7
Malaysia	7	21	14	8	9
Japan	8	15	12	10	8
Indonesia	9	7	9	14	14
Vietnam	10	35	21	12	12

Table 1.9: Relative Shares of the Top Ten Asia Pacific Destinations 2020-2024 – Medium Scenario, %

Share, %	2020	2021	2022	2023	2024
Mexico	18.79	24.05	11.62	7.99	7.42
USA	15.03	16.52	14.55	12.53	11.66
China	12.00	11.56	18.79	16.15	22.02
Turkey	9.84	26.79	14.41	7.33	6.21
Thailand	5.18	0.29	3.46	5.78	5.72
Macao, China	4.56	6.44	7.41	6.55	5.55
Malaysia	3.35	0.08	1.51	3.60	3.73
Japan	3.18	0.31	2.37	3.78	4.57
Indonesia	3.13	1.52	2.35	2.16	2.25
Vietnam	2.85	0.00	0.53	2.34	2.58
Rank					
Mexico	1	2	4	4	4
USA	2	3	2	2	2
China	3	4	1	1	1
Turkey	4	1	3	5	5
Thailand	5	14	8	7	6
Macao, China	6	6	5	6	7
Malaysia	7	22	14	9	9
Japan	8	13	11	8	8
Indonesia	9	7	12	14	14
Vietnam	10	36	22	13	12

Table 1.10: Relative Shares of the Top Ten Asia Pacific Destinations 2020-2024 – Severe Scenario, %

Share, %	2020	2021	2022	2023	2024
Mexico	18.79	26.53	15.18	8.68	7.62
USA	15.03	18.23	13.28	12.39	11.94
China	12.00	6.35	16.27	15.13	20.70
Turkey	9.84	27.47	15.71	7.82	5.50
Thailand	5.18	0.19	3.21	6.01	6.18
Macao, China	4.56	6.25	6.26	6.38	6.30
Malaysia	3.35	0.03	1.33	3.73	3.97
Japan	3.18	0.32	2.49	3.38	4.05
Indonesia	3.13	1.50	1.94	1.99	2.08
Vietnam	2.85	0.00	0.24	2.06	2.31
Rank					
Mexico	1	2	3	4	4
USA	2	3	4	2	2
China	3	5	1	1	1
Turkey	4	1	2	5	7
Thailand	5	17	8	7	6
Macao, China	6	6	5	6	5
Malaysia	7	28	15	9	9
Japan	8	13	11	10	8
Indonesia	9	8	12	15	14
Vietnam	10	36	24	14	13

Table 1.11 shows the forecast top 10 strongest recovering destinations under each of the three scenarios. The six regions/sub-regions in Asia Pacific are almost evenly distributed on the list under the mild scenario: four from the Pacific, two from each of Northeast and South Asia, and one apiece from Southeast Asia and the Americas. Under the mild scenario, all the top ten destinations are predicted to exceed the 2019 level of visitor numbers by 25% or more.

Specifically, Hong Kong is predicted to be the strongest recovering destination, reaching 138.7% of the 2019 level, followed by Laos (135.9%) and the Maldives (133.1%). Under the medium and severe scenarios, seven of these top 10 destinations are expected to be in the Pacific. This may be because most destinations in the Pacific are islands which makes it easier to form travel bubbles and stimulate recovery. Fiji, the Cook Islands, New Zealand, Hawaii, Guam, New Caledonia, and Papua New Guinea are all on the top 10 list under the medium scenario, while Hawaii is replaced by Vanuatu under the severe scenario. Fiji and the Cook Islands will rank first under the medium and severe scenarios, with recovery rates close to 116% and more than 97%, respectively.

Table 1.11: Most Affected and Fastest Recovering Asia Pacific Destinations, 2019-2024

Destination Region/Sub-region	Destination	Recovery Rate 2024/2019, %		
		Mild	Medium	Severe
Northeast Asia	Hong Kong SAR	138.7		
Southeast Asia	Lao PDR	135.9		
South Asia	Maldives	133.1		
Americas	Mexico	130.5		
Pacific	Fiji	128.4		
Pacific	Cook Islands	127.1		
Pacific	Vanuatu	126.7		
South Asia	Nepal	126.0		
Northeast Asia	Mongolia	125.4		
Pacific	New Zealand	124.6		
Pacific	Fiji		115.9	
Americas	Mexico		115.8	
Pacific	Cook Islands		115.5	
Northeast Asia	Mongolia		112.4	
Pacific	New Zealand		112.3	
Pacific	Hawaii		107.9	
Pacific	Guam		107.4	
Southeast Asia	Singapore		107.3	
Pacific	New Caledonia		106.9	
Pacific	Papua New Guinea		106.2	
Pacific	Cook Islands			99.3
Pacific	Vanuatu			97.5
Pacific	New Caledonia			93.1
Pacific	Fiji			90.5
South Asia	Maldives			87.4
Pacific	Guam			86.4
Pacific	New Zealand			86.1
Pacific	Papua New Guinea			85.8
Northeast Asia	Chinese Taipei			85.0
Americas	Mexico			85.0



SECTION

2

DESTINATION FORECASTS
THAILAND

2.1 INBOUND TOURISM TRENDS AND FORECASTS

2.1.1 KEY HIGHLIGHTS AND SUMMARY

- Since the first case of COVID-19 in Thailand was confirmed on 13 January 2020, the global pandemic and resultant travel restrictions have significantly and negatively affected the inbound visitor market of this destination.
- Considering all scenario predictions, visitor numbers into Thailand are forecast to have bottomed out in 2021 with subsequent annual growth thereafter, projected to return those numbers to roughly what they were in pre-pandemic 2019 by the end of 2024, under the medium scenario.
- The mix of source regions into Thailand is projected to remain relatively stable over the forecast period, with Asia predicted to remain as the dominant source region to 2024.
- Asia is also forecast to have the strongest recovery rates between 2019 and 2024 across the medium and severe scenarios, with the Americas having the strongest under the mild scenario.
- In general, more visitors arrive in Thailand during the first and fourth quarters of the year, and this seasonality pattern is predicted to remain as such over the forecast years to 2024.



2.1.2 IVA PROJECTIONS BY SCENARIO

One consequence of the negative impact of COVID-19 on the international travel and tourism sector has been the dramatic reduction in visitor numbers into Thailand; these fell from 39.92 million in 2019, to 6.70 million in 2020 and then further to 0.31 million in 2021, under the medium scenario. Figure 2.1 shows the different possible recovery patterns of visitor numbers into the destination over the next three years to 2024 under the mild, medium, and severe scenarios, respectively. Within the mild scenario, those numbers are predicted to have bottomed out in 2021 but then increase subsequently to 46.96 million by the end of 2024, which will be 18% higher than the pre-pandemic 2019 number of arrivals. Under the medium scenario, inbound visitor numbers in 2024 are projected to reach 40.20 million, some 0.7% higher than the volume of arrivals in 2019. The severe scenario, however, predicts that visitor arrivals will number 31.00 million in 2024 – around 22% below that of 2019.

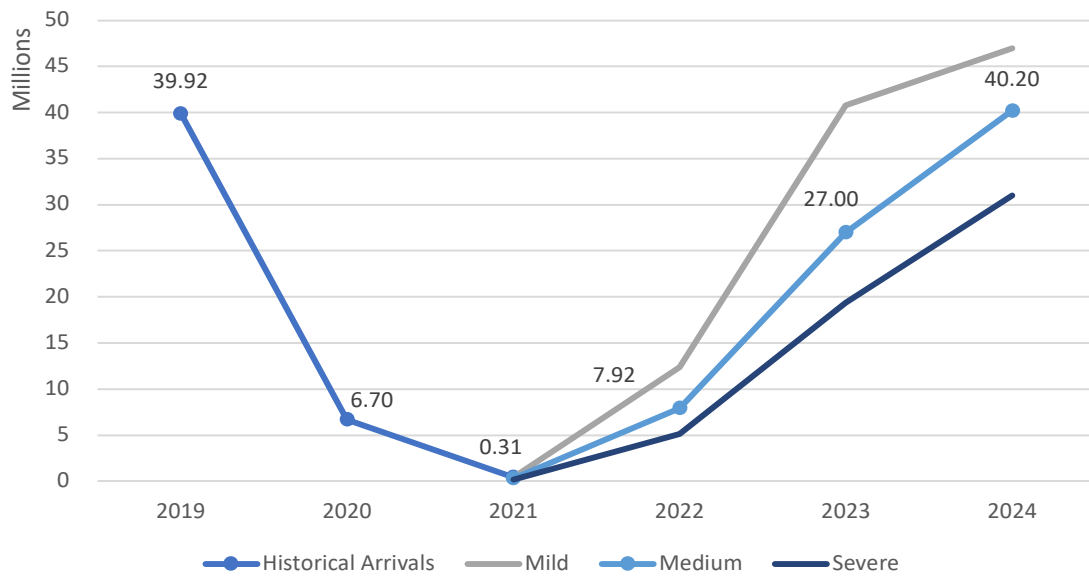


Figure 2.1: Thailand – Visitor Arrival Forecasts 2019-2024, by Scenario



2.1.3 SOURCE REGION FORECASTS BY SCENARIO

Three scenarios were developed for this forecast period, based on the latest information on border controls, the economic situation, and historical data of past crises. In general, visitor numbers into Thailand in 2024 are forecast to reach levels relative to those of 2019 of around 117.6%, 100.7% and 77.7%, under the mild, medium, and severe scenarios, respectively.

As shown in Table 2.1, amongst the five source regions of Thailand, the Americas is projected to have the strongest recovery rate under the mild scenario, while Asia is predicted to be strongest under the medium and severe scenarios. More specifically, under the mild scenario, inbound visitors from the Americas are predicted to reach 119.6% of its 2019 level in 2024, while the recovery rates of Asia are forecast to reach 102.0% and 78.9% of its pre-pandemic volumes, under the medium and severe scenarios, respectively. The source region of Asia is also projected to generate much of the visitor growth momentum into Thailand by outperforming the average recovery rates across all three scenarios. Though the Americas has the strongest recovery rate under the mild scenario, it is predicted to grow its inbound numbers more slowly to 2024 under the medium and severe scenarios, reaching 99.7% and 75.7% of its 2019 level, respectively. Similarly, Europe, the second largest source region for Thailand, is predicted to have its volume of visitor arrivals increase at lower rates than the averages for this destination, reaching 116.2%, 97.4%, and 74.6% of its 2019 number of arrivals under the mild, medium, and severe scenarios, respectively.

Table 2.1: Thailand – Annual Forecasts of Visitor Arrivals 2020-2024, by Scenario

Scenario & Source Region	2020	2021	2022	2023	2024	Recovery Rate
Mild Scenario						
Americas	318,426	31,360	514,013	1,693,297	1,950,255	119.6%
Europe	2,078,979	113,653	2,100,112	6,821,231	7,796,675	116.2%
Asia	4,137,285	300,311	9,446,941	31,235,604	36,085,796	118.4%
Pacific	139,891	9,778	253,170	810,053	898,281	101.6%
Africa	27,815	4,316	68,430	211,677	229,199	103.2%
Total	6,702,396	459,418	12,382,666	40,771,862	46,960,206	117.6%
Medium Scenario						
Americas	318,426	24,566	327,753	1,094,408	1,625,350	99.7%
Europe	2,078,979	83,884	1,338,805	4,466,326	6,538,783	97.4%
Asia	4,137,285	193,308	6,052,318	20,773,195	31,086,804	102.0%
Pacific	139,891	6,674	161,625	521,583	751,105	84.9%
Africa	27,815	3,396	43,908	140,246	196,153	88.3%
Total	6,702,396	311,828	7,924,409	26,995,758	40,198,195	100.7%
Severe Scenario						
Americas	318,426	17,847	212,903	791,931	1,234,935	75.7%
Europe	2,078,979	54,241	863,679	3,216,483	5,004,968	74.6%
Asia	4,137,285	86,062	3,898,596	14,894,635	24,034,796	78.9%
Pacific	139,891	3,611	105,293	377,923	569,658	64.4%
Africa	27,815	2,477	28,445	100,927	151,331	68.2%
Total	6,702,396	164,238	5,108,916	19,381,899	30,995,688	77.7%

Notes: 1. The recovery rate indicates the ratio of visitor numbers in 2024 relative to those of 2019, expressed as a percentage.
 2. The small discrepancies between the calculated and reported totals are due to rounding of the decimal figures.
 3. Figures for 2021 are estimates.

2.1.4 VISITOR SHARES BY SOURCE REGION

Under the mild and medium scenarios, the inbound visitor market of Thailand is forecast to be more concentrated in 2021. Europe for example, the second largest source market is predicted to have its visitor share decline from 31.02% in 2020 to 24.74% and 26.90% under the mild and medium scenarios respectively in 2021, while those of Asia are forecast to increase under those same two scenarios and over that same period. The prediction under the severe scenario, however, is opposite to those of the mild and medium scenarios, largely because of the much more pessimistic consideration of the impact of the pandemic. Under the severe scenario, the visitor markets of Thailand are predicted to be less concentrated in 2021. Europe, for example, is forecast to have its visitor share increase to 33.03% in 2021, from 31.02% in 2020, under this scenario.

Across all three scenarios, however, Asia is projected to continue with its dominance of the source region mix of Thailand, generating more than three-quarters of total inbound visitor numbers over the forecast period, while the visitor shares of the Americas, Europe, and the Pacific are predicted to contract over that same period. More specifically, the visitor shares of Europe are forecast to reduce by 14.42, 14.75, and 14.87 percentage points under the mild, medium, and severe scenarios respectively, between 2020 and 2024. The reductions for the Pacific are predicted to be 0.18, 0.22, and 0.25 percentage points under those same three scenarios, while the visitor share contractions for the Americas are projected to be 0.60, 0.71, and 0.77 points, respectively. Those of Africa, however, are predicted to be positively influenced by the severity of the pandemic, with a visitor share increase of 0.07 percentage points across all three scenarios.

While the source region mix of Thailand is projected to be affected by the severity of the pandemic, the dominant position of Asia is likely to remain intact over the forecast period.

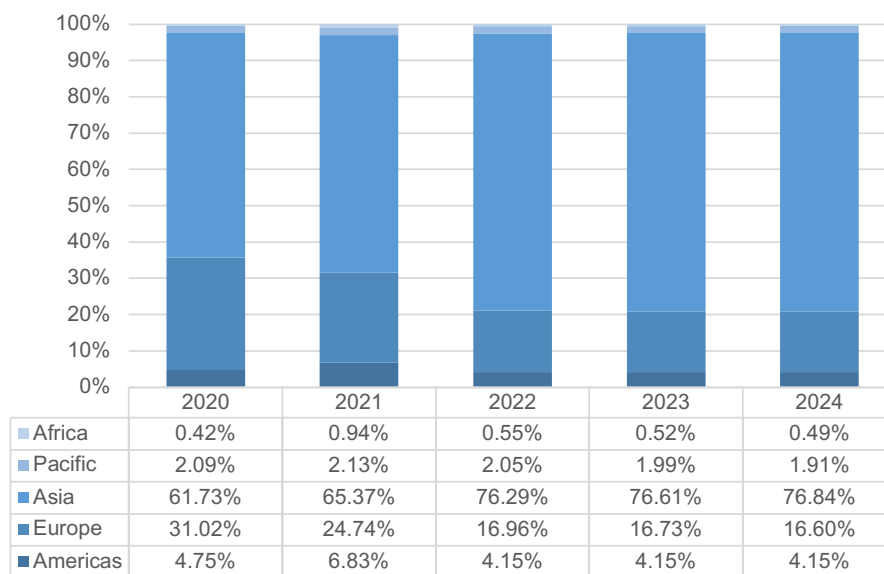


Figure 2.2: Thailand – Visitor Shares by Source Region 2020-2024, Mild Scenario

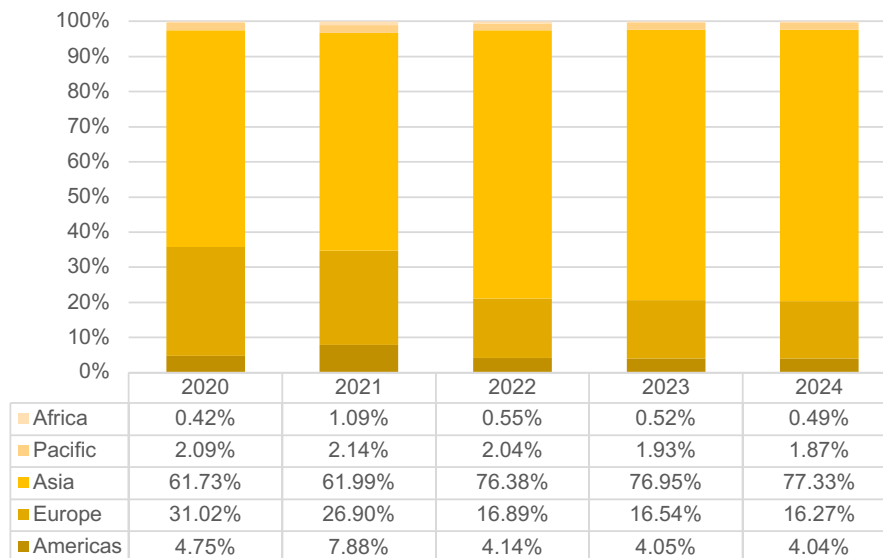


Figure 2.3: Thailand – Visitor Shares by Source Region 2020-2024, Medium Scenario

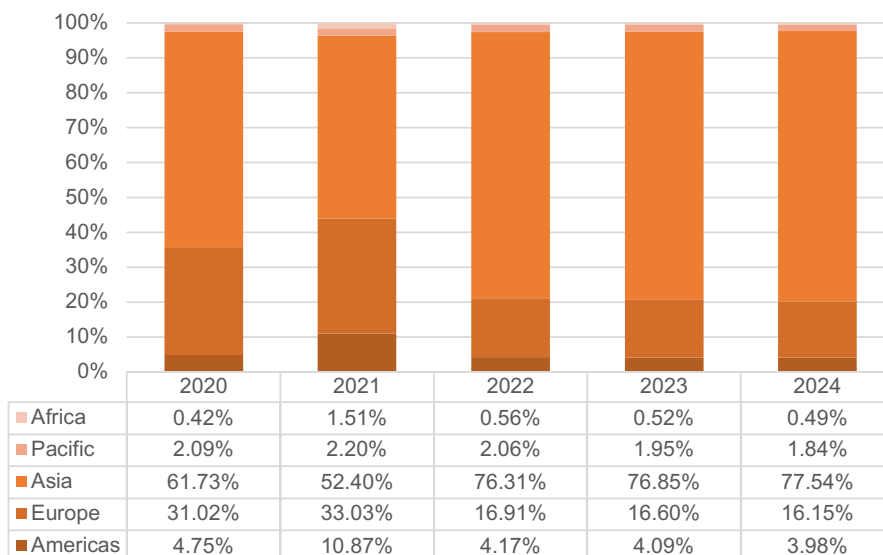


Figure 2.4: Thailand – Visitor Shares by Source Region 2020-2024, Severe Scenario

2.1.5 SEASONALITY

A strong seasonality pattern is apparent across the source regions of Thailand (see Figures 2.5 to 2.9). In general, more visitors arrive during the first and fourth quarters of the year than at other times, with the majority of those from the Americas and Europe arriving during the first quarter, while those from Africa arrive during the fourth quarter. Arrivals from Asia show a vaguer seasonality than that of the other source regions, with the first quarter being the most popular period for travel to Thailand in recent years. Similarly, the seasonality pattern of visitors from the Pacific has also changed recently, with more arrivals from this source region occurring during the third quarter. Over the forecast period, a stronger seasonality pattern might possibly develop in the source regions of the Americas and Europe with some consistency across all three scenarios.

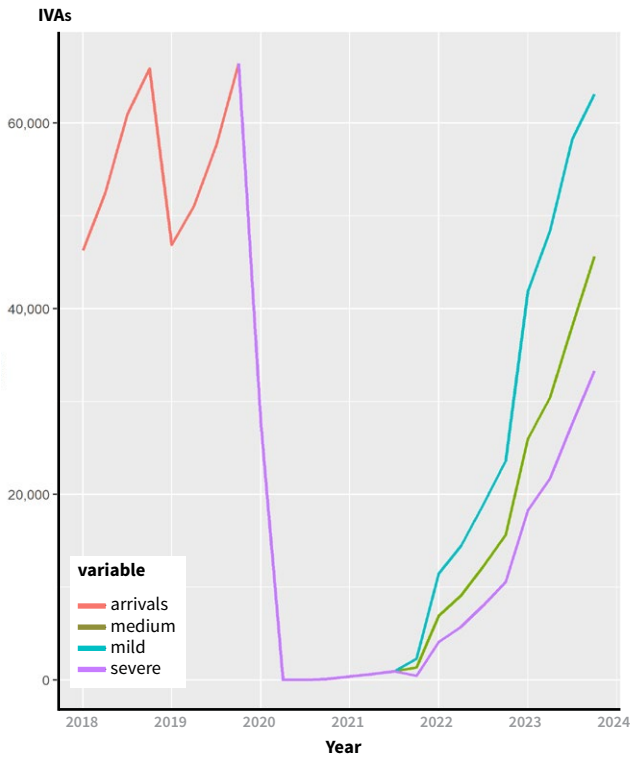


Figure 2.5: Quarterly Scenario Forecasts of Visitor Arrivals from Africa, 2022-2024

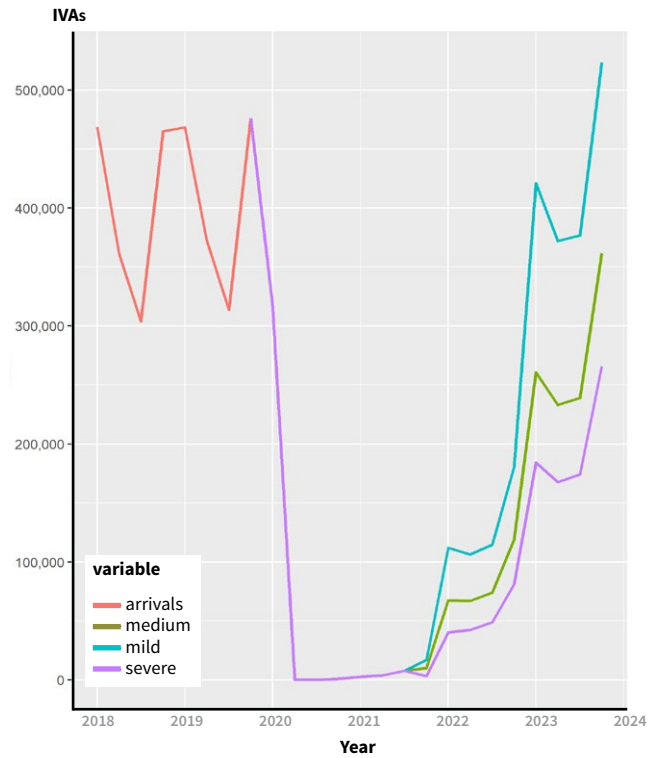


Figure 2.6: Quarterly Scenario Forecasts of Visitor Arrivals from the Americas, 2022-2024

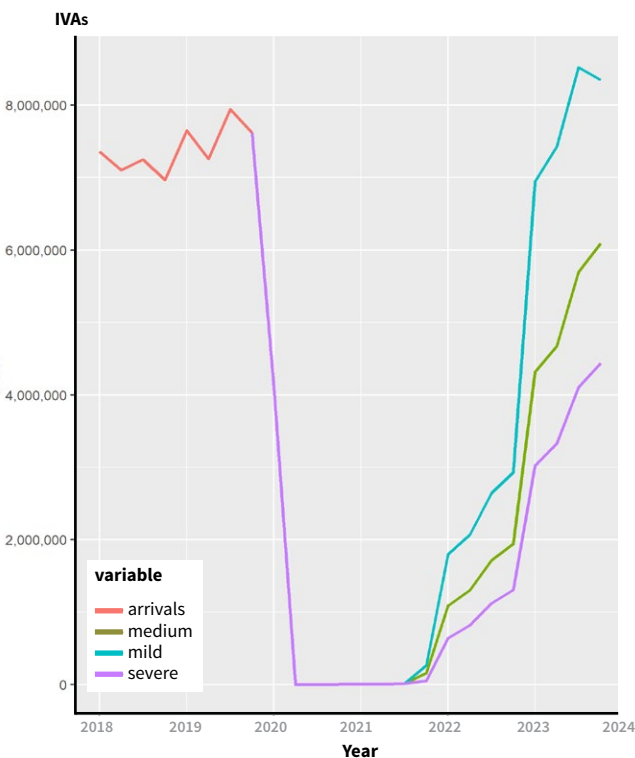


Figure 2.7: Quarterly Scenario Forecasts of Visitor Arrivals from Asia, 2022-2024

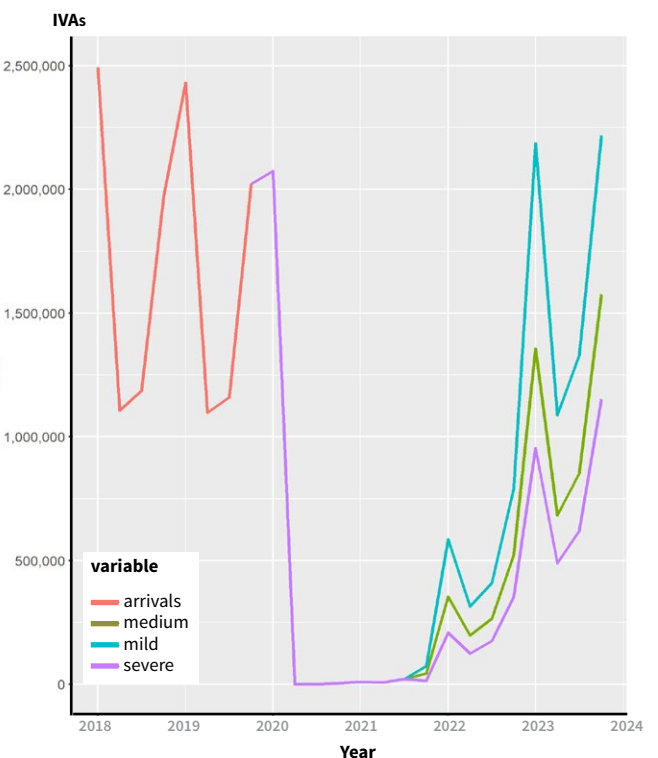


Figure 2.8: Quarterly Scenario Forecasts of Visitor Arrivals from Europe, 2022-2024

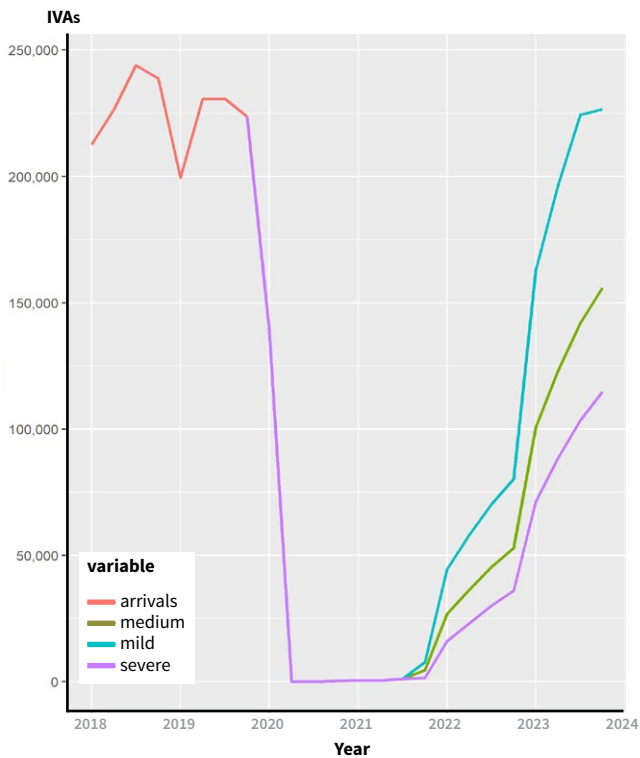


Figure 2.9: Quarterly Scenario Forecasts of Visitor Arrivals from the Pacific, 2022-2024

2.1.6 VISITOR RECOVERY AND GROWTH PATHWAY

Over the next three years to 2024, it is forecast that COVID-19 will continue to affect the inbound visitor market of Thailand. Based on the assumption of advances in vaccines and treatments, and the lifting of travel restrictions, visitor numbers will have most likely bottomed out in 2021, and are now forecast to return to annual growth between 2022 and 2024, under all three scenarios.

Under current circumstances, growth in the international inbound travel and tourism sector of Thailand will largely depend on the government's border policies and support measures. The establishment of a tourism recovery blueprint – the 2021 Tourism Plan – clearly shows that the government has strong faith in the sector. Given the announced plans of gradually allowing foreign visitors to enter the Kingdom of Thailand, more international arrivals can reasonably be expected over the forecast period to 2024.

2.2 INBOUND AIR SEAT CAPACITY DEVELOPMENT

Figure 2.10 shows the scheduled air seat capacity into Thailand between the first quarter of 2019 and the fourth quarter of 2022. Total inbound air seats were stable at between 13.28 million and 14.70 million in 2019 but with the COVID-19 outbreak and strict travel restrictions, that capacity fell to a period low of 0.78 million air seats in the second quarter of 2020. Variable capacity increases occurred during 2021, with those gains scheduled to become stronger during 2022, reaching a peak in the third quarter of that year with 6.30 million inbound air seats. The average inbound capacity into Thailand in 2022 is scheduled to be 4.82 million seats, which will be a little more than one-third of the capacity of 2019.

Asia is the main supplier of air seats into Thailand, and it had the most severe capacity contraction, reducing from 10.13 million seats in the first quarter of 2020, to 0.94 million in the same period of 2021. During the first three quarters of 2022, capacity out of Asia is scheduled to have the strongest growth rates, followed by Europe and the Pacific.

Inbound air seat capacity into Thailand is scheduled to have a substantial increase in 2022, however, the total number of air seats will remain well below that of 2019. The “new normal” that may appear in the macroeconomy in the post-pandemic era will undoubtedly bring more challenges and uncertainties to the aviation sector of Thailand.

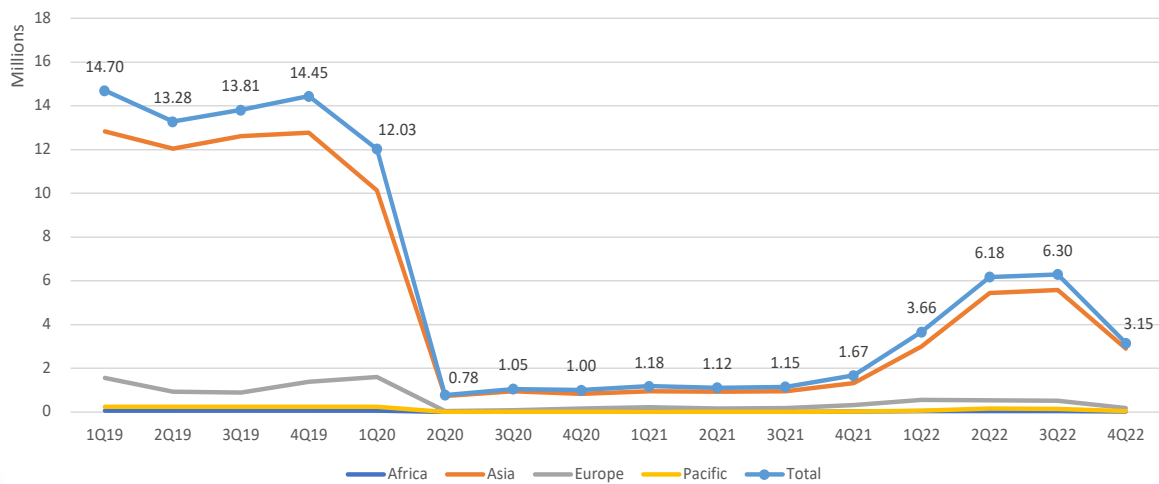


Figure 2.10: Thailand – Scheduled Inbound Air Seat Capacity, 1Q19 to 4Q22





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