

STATEMENT OF  
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HEARING ON “LEGISLATIVE SOLUTIONS TO REVIVE TRAVEL  
AND TOURISM AND CREATE JOBS,”  
SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION’S  
TOURISM, TRADE, AND EXPORT PROMOTION SUBCOMMITTEE  
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Chairwoman Rosen, Ranking Member Scott, and Members of the Subcommittee: my name is Suzanne Neufang, and I am Chief Executive Officer of the Global Business Travel Association (GBTA). Thank you for the opportunity to testify regarding “Legislative Solutions to Revive Travel and Tourism and Create Jobs.”

GBTA is the world’s premier business travel and meetings trade organization headquartered in the Washington, D.C. area with global operations and 37 chapters across this country. Our membership of travel buyers and suppliers around the world manages more than \$345 billion USD in global business travel and meetings expenditures annually. GBTA delivers world-class education, events, research, advocacy, and media to a growing global network of more than 28,000 travel professionals and 125,000 active stakeholders and constituents within our industry.

For the last 12 years, GBTA has produced an annual Business Travel Index which is an exhaustive study of business travel spending and growth covering 75 countries across 48 industries. Our last study iteration came out in February 2021 based on Q4 2020 data.

This analysis projects that the financial impact of global travel decline from the COVID-19 pandemic is expected to be ten times that of the Great Recession and 9/11. And the latest forecast estimates a full global recovery in business travel no earlier than 2025.

We estimate this year's global business travel spending will be no greater than \$842 billion USD – an approximate \$550 billion USD decline from the previous forecast due to the ongoing pandemic. For the US, business travel spend for 2021 is estimated to be no greater than \$144.7 billion USD – a forecasted decline of \$192 billion USD.

And because this GBTA study was released back in February, these estimates do not factor in the latest considerations, delayed restart plans, and other impacts related to the Delta variant.

Additionally, our data found that the true global financial impact of COVID-19, which began in Q2 2020, resulted in an expected 68% year-over-year decline of business travel spend globally (to \$738 billion USD) for 2020 compared to 2019.

While most corporations are well positioned financially to resume investment in business travel now, a full recovery will require critical mass and concerted efforts to get business travelers back on the road again. This includes global vaccinations; implementation of health controls into duty of care policies at the corporate level; favorable business traveler sentiment to travel for work again; government attention and cooperation for consistent protocols; and a return to normal borders for international and national travel.

Prior to February 2021, we expected these initiatives to be well underway with strong vaccination progress throughout 2021 – and so global business travel was estimated to recover to its 2019 \$1.4 trillion in annual expenditures by 2024, just 2% shy of annual pre-pandemic totals. But again, those estimates did not account for Delta variant setbacks seen in the recent months.

In fact, GBTA's recent monthly COVID-19 Recovery Poll of our constituents shows significant declines in travel bookings in the recent months driven by the Delta variant.

Since the beginning of the pandemic, GBTA has been tracking sentiment and data around business travel's COVID-19 recovery to help our members and the industry move through these current times. GBTA's early summer polling showed about 61% of U.S. companies were already conducting some non-essential domestic business travel. Of the remaining 39%, two-thirds planned to resume domestic travel within one to three months – but by August, that percentage had fallen to less than one-third (28%) as COVID-19 cases started to rise again and the Delta variant spread.

As I have put forth, it is easy to see the business travel industry needs additional support and resources to recover. As such, GBTA supports the inclusion of the Omnibus Tourism Act of 2021 in the Build Back America plan as a positive step in restoring global business travel and meetings in the U.S. and abroad.

While there are many good policy ideas in this legislation, I will focus here on two: the implementation and support of "Visit America" and needed improvements in the visa process.

As restrictions on international travel ease, it will be vital for Visit America and promotion of travel to the U.S to inform the world that America is safe and open for business.

Additionally, there is no question that the 212f restriction on European Union and UK travelers visiting the U.S. – a policy that began under President Trump but continued under President Biden – has dramatically impacted business travel.

Using our annual GBTA Convention as a very narrow example, due to current travel restrictions, our association and travel industry members stand to lose significant business opportunities and revenue in an already tight financial year. This is because international companies are unable to send employees to the event this year – or face trying to secure difficult-to-obtain exceptions to do so.

For perspective, GBTA's 2019 Convention in Chicago welcomed over 7,000 attendees from the U.S. and over 50 countries. Chicago reported an economic impact of \$20

million USD. After canceling the 2020 Convention, GBTA is holding our Convention this year in November in Orlando, Florida. Because of COVID and U.S. policies, we expect significantly fewer attendees overall and very few international attendees and exhibitors.

International companies need to know it is safe to send their employees to meetings and events in the U.S. The Visit America program and all other items related to interagency cooperation, strategic decisions on tourism and improving safety and screening are necessary to achieve this goal.

Secondly, visas – and by extension passports – are vital to business travel. Prior to COVID-19, the process for obtaining visas and passports was already strained. Now, the processing time is significantly longer. GBTA is getting member reports of visa appointment availability in some countries stretching into mid-2022. Passport-enabling companies are reporting the Department of State's standard processing and delivery time for passports has tripled from a pre-COVID estimated six weeks to about four months now. Processing and delivery for expedited passports has gone up six-fold, from two weeks to about three months.

So, we would urge the administration to expedite visa and passport processing times, so that as business travelers return to travel and return to business, they can have the proper documentation.

Visa adjudication is necessary, and the language included in the Omnibus Tourism Act is necessary to improve a system in desperate need.

As we look ahead, the business travel industry is still recovering, and will be for the near future. That is why it is so important that government and business work together to end the pandemic and to increase vaccination uptake.

But one thing we do know - it's time that we get back to travel, safely and responsibly.

And while we acknowledge that virtual meetings will likely forever have a place in the business world, every business leader I have spoken to in the past several months also acknowledges there is a great deal getting missed by not being able to hold face-to-face meetings for the most important kinds of discussions and relationship building opportunities.

Business travel matters – for economic, cultural, business and government prosperity going forward.