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Recovery of International Tourism in Russia and China after the COVID-19 Pandemic

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ABSTRACT

This article focuses on the development of international tourism in Russia and China during and after the pandemic. The study aims to identify trends and specific features of the post-pandemic recovery process of international tourism in the context of Russian-Chinese bilateral cooperation. Expanding tourist exchanges with China, one of Russia's key tourism partners that implemented strict pandemic restrictions, is directly aligned with Russia's economic interests in developing bilateral cooperation. The authors examine the impact of the pandemic on China's tourism industry, considering the phased introduction of COVID-19 restrictions from 2020 to 2023. The article also addresses its effect on inbound tourism in Russia, highlights the unique features of the global tourism industry's revival, and outlines the factors, directions, and geography of resumed tourist flows between Russia and China within the current stage of their interaction. Special attention is given to measures taken in cities and regions of the Russian Far East to enhance the country's tourism appeal.

Keywords: global tourism; international tourism in Russia; international tourism in China; post-pandemic period; post-pandemic economic recovery; Russian-Chinese cooperation; Russian-Chinese tourism

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INTRODUCTION

Tourism is one of the largest and fast-developing sectors of the global economy. Starting from the 20th century, countries and individual cities — cultural, historical, educational and entertainment centres — grew actively to raise their economic potential, boosted by developing industry, transportation, communication technologies, social sphere, etc., which led to a multiple increase of tourist traffic. Nowadays, tourism generates notable export earnings, which enhances the development of such tourism-related industries directly or indirectly, as business and leisure infrastructure, finance, hospitality and restaurant business, transport, education, etc. It also supports national economy and social progress as a whole.

The significance of the tourism industry for modern countries is determined by the depth of the decline in the foreign travel as a result of the COVID-19 pandemic, when the industry was among the most affected sectors by closed of borders, restricted movement and contacts, tough preventive measures to restrict the spread of the disease, which as a whole significantly reduced the number of tourists and led to serious financial problems.

Currently, Russia and China, two major players of the global tourism market, rehabilitate their economies within the framework of these sectors of tourism. Due to both historical factors and the current geopolitical situation, this period of time is characterised by intensified bilateral economic co-operation and, particularly, a growing mutual interest in the heritage of both cultures. Therefore, the scientific and practical task of the research is to determine the potential for the development of economic relations in the sector of tourism between both nations.

IMPACT OF THE PANDEMIC ON CHINESE TOURISM INDUSTRY: HISTORICAL AND ECONOMIC PERSPECTIVE

Before the start of the pandemic, China was experiencing a strong growth in the num-

ber of foreign visitors arriving in the country for various purposes, totally 31.9 million: 17.4 million (54.6 per cent) were classic tourists eager to enjoy sightseeing and relaxing; 1.4 million visitors of relatives and friends; 7.1 million visitors aimed for work. Over the period 2014–2019, the annual increase of foreign visitors was 5.5 million (21 per cent), including the growing number of classic tourists — 8.5 million (95 per cent) and those who planned to work — 3.9 million (2.2 times more). In 2019, foreign exchange earnings from the international tourism amounted totally 131.25 trillion USD, which exceeded 25.9 trillion USD (24.6 per cent) compared to 2014. Russian visitors made up an impressive part of tourist traffic: 2.3 million (13.2 per cent), which grew by more than 35 per cent between 2014 and 2019.

After the first outbreak of COVID-19 in the late-2019, China introduced restriction measures, which stages *Table 1* presents below.

Unlike a few other countries which put an emphasis on vaccination, China has parlayed more on barrier methods to curb the spread of coronavirus infection: such as closing its borders, imposing lockdowns and contact restrictions, and regular medical screening of population. In 2021, China adopted special conditions for visas and entry into its territory, including the introduction of the 'Exit/Entry Health Declaration Form', which lasted until November 2023: the country was one of the last in the world to lift the ban of administrative restrictions.¹

However, even during the quarantine period, the leadership of the People's Republic of China realised the necessity to optimise its long-term strategy and improve measures to develop the tourism sector, which, according to experts' assessment, previously involved directly and indirectly up to 80 million people — 10 per cent of the employed population [1].

¹ URL: <https://www.unwto.org/tourism-data/international-tourism-and-covid-19>

Table 1

2020–2023 in China: Stages of Covid-19 restriction measures

Years	Main activities	Degree of restrictions
2020	Restrictions on movement and interpersonal contacts. Schools and enterprises temporary closed. Launch of 'zero tolerance' policy towards COVID-19 by means of local lockdowns, medical tests of population and quarantine	Severe measures
2021	Launch of vaccination campaign. Elimination of local outbreaks of the virus. Continuation of 'zero tolerance' policy in the form of local lockdowns, medical tests of population and quarantine. Closed borders for tourists	Extremely severe measures
2022	Combating a whole variety of viruses. Tightening restrictions in response to individual outbreaks of the virus. Imposing lockdowns in Shanghai and other major cities, leading to disruptions of businesses and supply chains. Further 'zero tolerance' policy with a slightly easier level of measures by the end of the year. Removal of quarantine in December 2022	Severe measures
2023	Further control of other virus modifications. Still easier 'zero tolerance' policy measures, meanwhile maintaining precautions such as wearing masks and social distancing. Borders for tourists opened in January 2023.	Moderate measures
2024	Withdrawal from a 'zero tolerance' policy, meanwhile maintaining non-rigorous precautions	Flexible measures

Source: compiled by the authors on: URL: <https://www.who.int/emergencies/diseases/novel-coronavirus-2019>; <https://www.unwto.org/tourism-data/international-tourism-and-covid-19>

A highlight event was the Winter Olympics held in Beijing in February 2022. The organisers of the event strictly enforced bacteriological safety under the motto "Success of counter-measures means success of the Games". However, the very fact that the Olympics were held, encouraged speculation about soon-to-be open entry to the country. Thus, despite the fact that the Games was followed by a new major outbreak of the disease, which led to a large-scale lockdown in Shanghai, China opened borders in May 2022 to representatives of diplomatic missions, business visitors, family members seeking reunion, visitors for humanitarian purposes and to those who arrived on the basis of Chinese citizenship. In autumn 2022, the Chinese government adopted the decision to expand this list: in particular, for students with residence permits and holders of international APEC Business Travel Cards. Meanwhile, access still remained closed to many cities, with business and tourist sectors, as well as shopping

centres not operating. Only after a long break, which lasted almost three years, the Government announces the lift of the ban for foreign tourists to visit China.

IMPACT OF THE PANDEMIC ON THE RUSSIAN TOURISM INDUSTRY

In the pre-pandemic years, Russia was also actively developing inbound tourism. In 2019, 24.4 million people visited our country, including 1.9 million (7.8 per cent) from China. The gross value added of the tourism industry totaled 2.8 trillion Rubles (in current prices) which accounts for 2.8 per cent of GDP. Most Chinese tourists visited Russia in group tours under a visa-free agreement. However, this was temporarily suspended in 2020 due to the pandemic.

The scale and degree of COVID-19 restrictions in Russia were not as severe as in China due to the fact that vaccination, reasonable safety barrier restrictions, such as wearing masks, keeping

distance between people, as well as prevention and general health promotion measures, etc. were adopted as the main programme to combat the coronavirus. However, global lockdowns and travel restrictions in Russia, as well as in other countries, significantly reduced the revenues of the national tourism industry and related spheres. According to estimates of Russian experts, in the first half of 2020 alone, Russian tourism industry lost nearly 1.5 trillion Rubles, including 500 billion Rubles² from the closure of state borders for foreign tourists.

As a result of the reduction in the inbound tourist traffic, the consequences hit not only domestic tour operators and travel agencies that lost foreign clients bringing foreign currency revenue, but also Russian hospitality business, excursions and museums, catering, transport and cruise sector, as well as the field of personnel training for the industry [2]. The largest Russian air carrier Aeroflot in 2020–2021 suffered record losses in its history, the main factor of which was the plummet in demand for air travel due to pandemic restrictions.³

However, as a result of the continued ability to travel throughout the vast territories of Russia, domestic tourism grew most active at this period of time. In 2021, due to the gradual easing of restrictions, external tourism started to acquire a normalising tendency: Russia resumed round-trip air flights with Turkey, Tanzania, the UK and Switzerland.

PECULIARITIES OF THE RECOVERY OF THE GLOBAL TOURISM INDUSTRY

According to the data of World Tourism Organisation (UNWTO), international tourist travels recovered 89 per cent of the 2019 level in 2023 and 97 per cent in the first quarter of 2024. Revenues from exports of international tourism and related passenger transport services

reached 1.7 trillion USD in 2023, which is 96 per cent of pre-pandemic levels. The UN Tourism forecast for 2024 indicated the possibility of full recovery and even a growth in international tourism worldwide, driven by increasing demand for tourism services and the corresponding expansion of air traffic, especially from such densely populated country, as China and other Asian states, which make a category of active travelers in the global tourism market.⁴

UNWTO has a positive outlook of prospects for China in terms of regaining its position as one of the leaders in the world's tourism in terms of both expenditures from outbound tourism and revenues from inbound tourism. However, meanwhile China has indeed become a record-holder in outbound tourism in 2023, spending 196.5 billion USD (the largest amount among all countries), the inertia of previous restrictions has prevented China, as well as its closest Asian neighbours, from achieving the same results in inbound tourism. At the end of the first quarter of 2024, North-East Asian countries had restored only 75 per cent of their pre-pandemic level of international inbound tourism, although this amount is by 181 per cent higher than the corresponding figure for the same period in 2023 (*Table 2*).

As a consequence of the pandemic, and the human and economic losses it caused, the global characteristics and standards of travel services have changed. Nowadays, an average traveler prioritises an all-round safety, including hygiene and all health-related aspects. Travelers demand a high quality service and prefer to trust well-known travel brands. Statistics indicate a decrease in spontaneous trips and an increase in pre-planned trips and travel purchases. The range of niche areas of tourism has expanded: sightseeing, entertainment, health and medical, ecological, industrial, rural, automobile, adventure, cultural trips etc., so that everyone can fo-

² URL: <https://www.rbc.ru/society/04/08/2020/5f291c059a794724ea66f930>

³ URL: <https://ir.aeroflot.ru/ru/company-overview/traffic-and-financial-highlights/>

⁴ URL: <https://www.unwto.org/news/china-recovers-its-position-as-top-spender-in-2023-as-asia-and-the-pacific-reopens-to-tourism>

Table 2

2023–2024: The tourism industry recovery level in different macro regions (compared to 2019 in terms of the number of inbound tourists in %)

Macro region / Time period	2023				2024	
	January	April	July	October	January	March
North-East Asia	–72	–54	–39	–30	–31	–25
South-East Asia	–39	–31	–24	–27	–12	–11
North America	–12	–16	–14	–11	–4	–7
Europe	–5	–5	–1	–2	–1	3
Middle East	29	21	29	34	37	30
World	–19	–15	–7	–6	–5	–3

Source: compiled by the authors on: URL: <https://www.unwto.org/news/china-recovers-its-position-as-top-spender-in-2023-as-asia-and-the-pacific-reopens-to-tourism>

cus on getting exactly the impressions they were initially aimed for, which reduces the possibility to be disappointed after the trip or a chance of various unforeseen consequences. The combined requirements for safety and positive impressions fully correspond to the nature of cooperation that is in the current stage of development between Russia and China. This is confirmed by the given scientific research work [2, 3].

RUSSIA-CHINA: RESTORATION OF TOURIST TRAFFIC

Currently, a number of factors determine the relevance of the development of bilateral cooperation in the tourism sphere between Russia and China. Firstly, both countries have a long-time history of economic co-operation, as well as a rich cultural and historical heritage which arouses vivid interest among of each of the nation, and which also contributes to growing interaction and mutual understanding, to preserving friendliness in political relations. Secondly, both countries have a significant, untapped potential for the development of inbound tourism, which contributes to strength-

ening economic, financial, industrial and investment ties. The main principles for formation of international tourism in both Russian-Chinese and Chinese-Russian directions are based on expanding the range of tourist services, improving the quality of services, including by means of the introduction of modern technologies in business processes, enlarging the 'comfort zone' of holidaymakers at all stages of their leisure time in the host country [4].

A number of regulatory documents are in force within the framework of cooperation in tourism, including: the Agreement between the Governments of the Russian Federation and the People's Republic of China on visa-free group tourist travel of February 29, 2000,⁵ as well as the Memorandum of Understanding between the Federal Agency for Tourism (of the Russian Federation) and Union Pay International (of the People's Republic of China) dated December 17, 2015.⁶ Joint tourism forums, advertising campaigns, and conferences on new routes are held

⁵ URL: https://www.consultant.ru/document/cons_doc_LAW_125123/

⁶ URL: <http://government.ru/news/21123/>

Table 3

Directions for developing tourism cooperation between Russia and China according to the UNWTO quality criteria for tourist attractions

Criterion	Areas for development
1. Availability of natural resources	Recreational, ecological, rural and other types of tourism related to the careful use of natural resources
2. Promotion and preservation of cultural resources	Various tours and excursions, educational, leisure, entertainment and spectacular tourism
3. Economic sustainability	Improving the quality of the all-round services related to tourist services
4. Social sustainability	Ensuring the comfort of traveling/communication and social safety for foreign tourists in the host country
5. Environmental sustainability	Providing the ability of recreational resources to recover
6. Tourism development and sustainable value chain integration	Establishment of joint ventures and implementation of joint activities to provide a wide range of tourism services
7. Tourism governance and setting priorities	Designing strategic programmes and initiatives, setting up norms for tourism in both countries
8. Infrastructures and potential for connectivity	Building tourism, transport and financial infrastructures for domestic and international activities
9. Health, safety and security	Provision of medical and sanitary control, biological safety measures for tourism activities

Source: compiled by the authors on: URL: <https://www.unwto.org/news/china-recovers-its-position-as-top-spender-in-2023-as-asia-and-the-pacific-reopens-to-tourism>

on a regular basis. Chinese representatives are traditionally present among the most numerous delegations at the annual St-Petersburg International Economic Forum and the Eastern Economic Forum in Vladivostok. Russia acts as an important link of co-operation within the framework of China's "One Belt, One Road" initiative, complementing it with Russian initiative framework "Greater Eurasian Partnership".

Table 3 presents the list of directions for developing cooperation between Russia and China in the sphere of tourism in accordance with the UNWTO quality criteria of tourist sites.

Since China opened its borders in January 2023, the average monthly number of Russian tourists has grown by 197 per cent.⁷ In January-March 2024, about 60 per cent of them chose the Hainan resort for their holidays, 30 per

cent visited Beijing and Shanghai [5]. The most popular destinations for Russians are traditionally Beijing, the capital of the China, a modern metropolis with a rich history and culture, Shanghai, the most densely populated city of the country and its financial centre, as well as Guangzhou, the third largest city and an important trade centre. Then follow Hong Kong, a specific place and administrative region of China and Hainan, a sub-tropical island well-known for its resorts and beach recreation sites. Our compatriots are also interested to visit such ancient cities as Xi'an, Lijiang, Pingyao, Guilin and natural sightseeing locations, including: Huangshan and Emeishan mountains, Yangtze River, Tibetan plateau, Beidaihe beach resort, as well as Yabuli and Qingcheng Shan ski resorts.

Among Far East residents the most popular places to visit are the north-eastern cities of Harbin and Dalian, as well as the border cities

⁷ URL: <https://rosstat.gov.ru/statistics/turizm>

of Suifēnhé, Hēihé, and Hongchun, which were created and keep developing due to trade, economic and tourist co-operation with the Far-East region of Russia. Nowadays, there are direct and regular weekly flights from Vladivostok to Harbin (nine flights a week), Beijing (eight flights), Dalian (four flights), Shanghai (two flights). According to Chinese scholars, the importance of cross-border tourism is becoming still more and more considerable, and its status in external economic, social and cultural exchange is constantly increasing for both countries [6].

It should be taken into account that after the pandemic, other previously traditionally popular destinations were re-opened for Russian tourists: Thailand, the Arab Emirates, and Central Asian countries, which historically managed to create a favourable tourist environment long before China. However, China is actively expanding and updating its routes, developing domestic tourism in parallel with external tourism, the level of which, judging by the volume of air traffic and the number of trips, exceeds the pre-pandemic level in 2024.⁸ A newly founded trend in the tourism industry has become new integrated itineraries that include more than one, but two or even more countries to visit.

⁸ URL: <https://rst.ru/novosti/novosti-turizma/rst-chislo-vyezshayushhih-za-rubezh-kitajskih-turistov-poka-daleko-ot-dopandemijnyh-pokazatelej.html>

Before and after the pandemic, Chinese citizens were not the predominant leaders in the overall countries' list of foreigners visiting Russia, but they were and still remain the backbone of classic inbound tourism, mainly seeking for sightseeing, shopping, recreation, entertainment, as well as oriented for educational purposes. Despite the fact, that according to experts, the recovery of tourist traffic from China develops slower than expected, and this process will end only in 2025,⁹ we can already point out the active export of Russian tourist services to China, because Russia reveals a more noticeable interest there after the wrap up of the pandemic (*Table 4*).

If earlier the most popular destinations were Moscow, St. Petersburg, the cities of the Golden Ring, Sochi and Kazan, nowadays, according to the 2023 statistics, nearly 70 per cent of Chinese tourists visit the Far East, in particular Vladivostok, Khabarovsk and Blagoveshchensk [7]. In addition, they are more involved in ecological tourism, traveling to Lake Baikal, northern Arctic routes, volcanoes of Kamchatka etc. Wealthy travelers take adventure icebreakers-driven trips to visit the National Park "Russian Arctic".

It should be noted, tourism is of a prominent significance for the economy of the Far Eastern regions of the Russian Federation, and, first of all,

⁹ Ibid.

Table 4

2019–2024: Dynamics of the number of foreign tourists in Russia, based on the number of tourist trips (in thousands of people)

Descriptor / Year	2019	2020	2021	2022	2023	2024 (1st quarter)	2024 (forecast)
Total number of tourist trips of foreign citizens to Russia	24 419	6 359	7 080	8 243	8 210	1 765	8 470
including from China	1 883	82	18	30	477	181	880
The share of Chinese tourists (in per cent)	7.7	1.3	0.3	0.4	5.8	10.3	10.4

Source: compiled by the authors on: URL: <https://rosstat.gov.ru/statistics/turizm>

for Primorsky and Khabarovsk Territories, Amur Region, as well as for north-eastern provinces of China, including Heilongjiang, Jilin and Inner Mongolia. Russia builds relevant infrastructures and actively supports the industry, both within the framework of the national project “Tourism and Hospitality” and also as a part of a unified subsidy for the regions and preferential lending programmes. The allocated subsidies are channeled to accommodation funds and non-hotel accommodation sites, to develop transportation links between the region and neighbouring countries and ensure adequate solutions for security issues. To finance construction of 20 large hotels and a high-class international-level resort in Kamchatka 76 billion Rubles were allocated for the Far Eastern Federal Region, which is 9.6 per cent of the all-Russian volume of preferential loan portfolio in the hospitality sector [7].

It is also planned to invest 188.5 billion Rubles in the development of tourism in the major cities of the Far East by 2030,¹⁰ which is 4.4 per cent of the total national volume of investments. Amusement Park and a Park-Hotel are among the largest investment projects (with 32 and 36 billion Rubles correspondingly) of integrated tourist facilities in the south of Primorsky Krai [8, p. 20]. Besides, the operational game zone “Primorye” is also a world class integrated entertainment health resort and the most significant tourist project in the region at the moment very popular among foreign tourists, the majority of which are traditionally Chinese citizens.¹¹ All these giant projects in the south-east of Russia may represent one of the most large-scale tourist zones in the country, providing a variety of popular entertainment, leisure and socio-cultural facilities.

Definitely, both countries plan to expand the territory of presence for Chinese tourists in Russia from Kamchatka to Kaliningrad [9], however,

international inbound tourism in Primorye is regarded as one of the drivers for regional economic growth. Regular contacts between the Primorsky Krai government and the leadership of the neighbouring Chinese provinces include business discussions of a whole range of issues regarding the development of cross-border co-operation in tourism and culture.

As a result of such region's activity, 129.500 Chinese citizens in 2023 and 49.100 more in the first quarter of 2024 visited Primorsky Krai both on individual visas and as part of visa-free groups. In February 2024, for the first time ever since the pandemic, Chinese tourist traffic in Primorye exceeded Russian outbound tourist traffic. As Governor O.N. Kozhemyako pointed out, cruise tourism in the Pacific regions of Russia, as well as to Kamchatka and the Kuril Islands, would become a popular destination in the near future. In 2024, the number of Chinese travelers in Primorsky Krai may almost double, and the region is ready to welcome them¹².

CONCLUSIONS

International inbound tourism is an important sector of Russian and Chinese national economies, the development of which was interrupted by the COVID-19 pandemic and revived relatively only in the recent time. As a result of severe restrictive measures taken by many countries to prevent the spread of the coronavirus, the recovery process of the global tourism industry will take some more time.

Russia and China are acting not just only in accordance with their economic interests, but also jointly in line with the general trend of strengthening comprehensive cooperation and in the spirit of good-neighbour friendly relations. In the long term, we envisage a growing bilateral tourist traffic, as well as the development of routes, types and forms of tourist services, improving their quality, safety, spectacular appeal and technological feasibility.

¹⁰ URL: <https://xn-25-flcdf3dabp.xn--p1ai/>

¹¹ URL: <https://primorsky.ru>; <https://invest.primorsky.ru/ru/projects/>

¹² URL: <https://tass.ru/obschestvo/20902495>

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