



# Restoring Confidence

## Travel Insurance

### Summary

- The availability of affordable travel insurance with Covid-19 coverage is important to help to restore confidence in international travel
- States that mandate such insurance as a temporary entry requirement must communicate this widely and put in place an efficient electronic means for travelers to verify that they have a valid policy directly to local authorities
- Travelers that do not have valid insurance upon arrival in the country should not be treated as inadmissible passengers and should be offered the opportunity to purchase insurance locally
- Blanket or more specific Covid-19 travel insurance cover for inbound visitors is being used as a destination marketing incentive by some countries, regions and airlines

### The importance of confidence

It is clear from [survey data](#) that people want to travel and that they are reassured that the risk of contracting Covid-19 during air travel is low. However, even where borders are open, passengers remain concerned about what may happen if they contract Covid-19 during their travel or their stay, especially if this involves costs due to the need to quarantine, local medical treatment or emergency repatriation to their country of origin.

### The role of Covid-19 travel insurance

Cost-effective commercially available travel insurance that includes Covid-19 cover is an important part of a layered approach to restoring confidence for leisure travelers and companies that require employees to travel for business purposes. Where commercial schemes are not available, governments should underwrite such policies and make them available to arriving travelers at reasonable cost.

### Protecting local health care systems while supporting travel recovery

The aviation industry is committed to working with governments, public health authorities and other stakeholders to minimize the risk of transmission of Covid-19 during air travel. Airlines and airports have imposed strict [biosafety protocols](#) in line with guidance set by the International Civil Aviation Organization (ICAO). IATA has also called for the use of [systematic rapid testing](#) of all passengers on departure to ensure that wherever possible, those who have Covid-19 (including those who may be asymptomatic) do not travel. These measures are part of a multi-layered approach to mitigating transmission of the virus during air travel.

However, some States remain concerned at the risk that their domestic health insurance and health care systems could be overwhelmed by visiting travelers who may be diagnosed with Covid-19 during their stay. They are mandating valid Covid-19 related travel or health insurance as a condition of entry. Notwithstanding the mitigation measures outlined above, and low risk of importation of Covid-19 especially when rapid pre-departure testing is performed, IATA recognizes the sovereign right of governments to impose health insurance requirements on international visitors. However, in order to avoid damaging confidence and the recovery, where governments impose such requirements, they should:

- Ensure any Covid-19 health insurance requirements are temporary and only where there is high prevalence of local Covid-19 transmission

- Communicate such entry requirements (and details of the travel insurance requirements) on their government web portal and to travel stakeholders in a clear and timely manner
- Covid-19 insurance requirements should not be onerous and should not add significant cost that will act as another barrier to the recovery of travel and tourism (for example, some States have required medevac cover that makes insurance prohibitively expensive)
- Airlines should not be required to verify whether the passenger has the necessary travel insurance. It should be done as part of the pre-travel health authorisation process (on-line government portals where applicable) or upon arrival (e.g. at the immigration/border point)
- Where passengers do not have valid insurance upon arrival, they should not be treated as inadmissible passengers, but offered the opportunity to buy a health insurance product locally

## Covid-19 travel insurance as a destination marketing incentive

Some States and destinations have recognized that the provision of free Covid-19 medical insurance to visiting travelers is a powerful form of destination marketing that will help restore confidence and help to facilitate the recovery of business travel and tourism. For example, the Dominican Republic and the Spanish Canary Islands, have temporarily offered blanket health insurance to include Covid-19 emergency medical response services to provide assurance to travelers and to incentivize inbound travel. IATA urges more governments and destinations to consider this approach, particularly to support the early stages of the recovery of international travel.

## Conclusions

- As of November 2020, international air travel remains approximately 90% down compared to 2019 levels as a result of travel restrictions
- Once international borders are open, there is a need to rebuild confidence and commercially available travel insurance that includes Covid-19 cover has an important role
- Mandating such insurance as an entry requirement should be temporary, affordable and the process of validating should be done electronically between the traveler and government authorities.
- Governments wanting to incentivize inbound travel and tourism should consider offering blanket coverage to all arriving travelers