

TRAVEL RISK OUTLOOK

BY BCD TRAVEL RESEARCH & INNOVATION

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April 2022





INTRODUCTION

In our recently published report, [Business Travel Trends 2022](#), we identified eight trends we think travel managers (and their travelers) should watch out for this year. One of these trends, *A Broader Set of Risks*, provided a reminder, that as travel resumes, there will be a wider range of risks to be faced, beyond those associated with the pandemic. Clearly it would be premature to ignore COVID-19 and the broader concerns surrounding traveler health and wellbeing. But it's time to revisit the other issues that may impact travel programs and the employees traveling within them. Events in Ukraine have provided a sobering reminder of the disruptive power retained by some of these other risk factors and how quickly they can escalate.

Business travel remains exposed to risk

The number of **travel-related incidents halved** in 2020, which is unsurprising given the sharp reduction in activity.¹ However, even as travel started its recovery, the number of incidents remained largely unchanged during 2021. Do travelers face fewer risks? It doesn't necessarily appear that way. On a per trip basis (based on IATA's annual air travel demand), incidents per million passengers increased by **35%** in 2020, accelerating on the previous year's **20%** growth (Fig. 1). While there were **15%** fewer incidents per million passengers in 2021, the level of incidents was still **14%** above the pre-pandemic situation. This would be consistent with an underlying trend of rising travel risk per trip taken.

With this trend in mind, **travel managers** should ensure their organization has a **travel risk management policy in place** to ensure travelers are supported and prepared for the risks they may face when on a business trip.

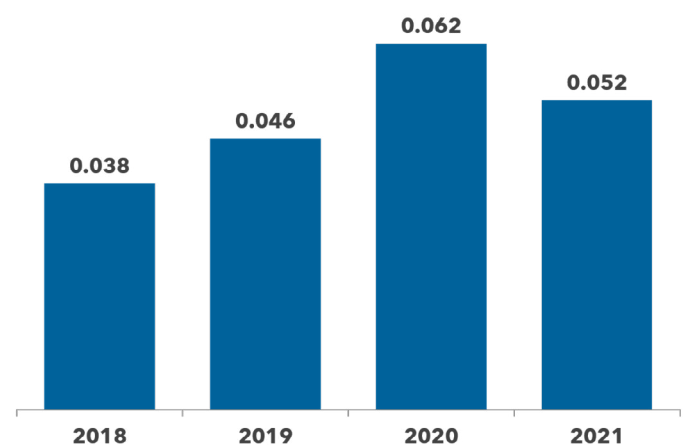
¹ BCD Travel, Global Crisis Management Team



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In this new report, we build upon some of the risks we previously identified in *Business Travel Trends 2022* and introduce some others that we didn't cover at the time.

FIGURE 1:
Incidents per million airline passengers

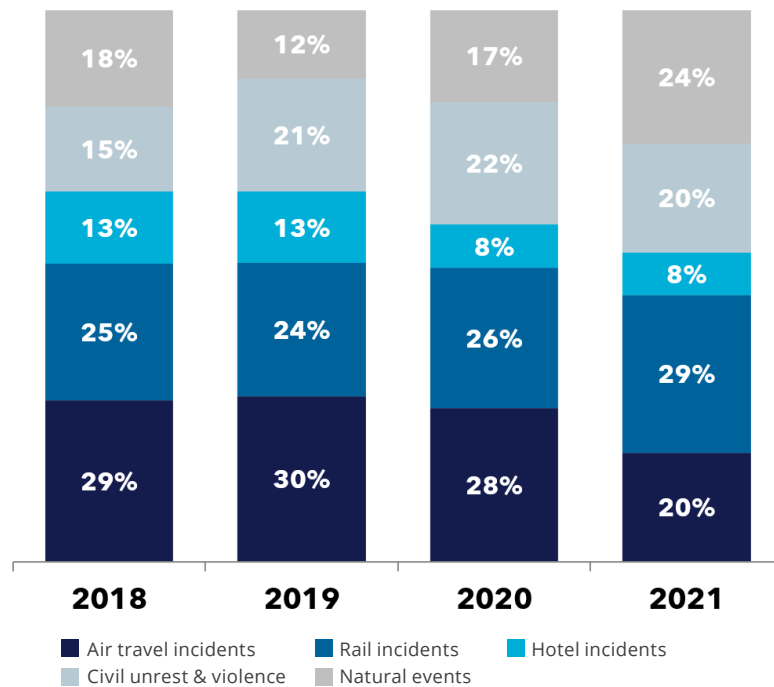


Source: BCD Travel, Global Crisis Management Team

Over the last four years, the nature of travel risk has seen some changes, although some may have been specifically pandemic-related. Natural events are proving to be more disruptive, with extreme weather, earthquakes and wildfires accounting for almost **one quarter** of all incidents in 2021, up from **18%** in 2018 (Fig. 2). Incidents relating to air travel consistently accounted for **30%** of all events between 2018 and 2020, with airline failures featuring prominently in 2020. A fall in this figure to just **20%** in 2021 doesn't necessarily mean fewer flight disruptions; it could be that travelers are using alternative means of transportation or are taking fewer trips that require a flight to reach their destination. Rail's increased share of travel incidents may support this view.

Civil unrest and incidents of violence together have accounted for around one-fifth of all risk-related events since 2019. This shows that it's not just the act of traveling to/from a destination that creates risk; travelers are at risk while at the destination as well and will need the support of travel managers for the entire duration of their business trip.

FIGURE 2:
Travel incidents by type 2018-2021



Source: BCD Travel, Global Crisis Management Team



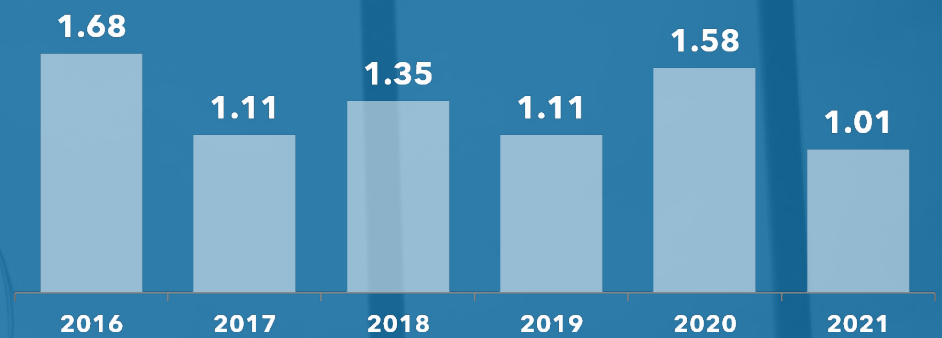
Risk is not confined to the journey to/from a destination. Travelers are just as much at risk at the destination. They need the support of travel managers for the entire trip.

Air travel remains a safe option

While employees clearly face a variety of risks when away on a business trip, one thing seems clear: Travel by air remains a relatively safe form of travel. That’s the view of the International Air Transport Association (IATA), which also concludes that **air travel is becoming safer**.² In 2016, IATA recorded 1.68 aircraft accidents per million flights. Aside from a rise in 2020, the figure has been generally trending down, reaching 1.01 in 2021 (Fig. 3). That’s equivalent to one accident occurring every 0.99 million flights. And there were just **seven** accidents involving fatalities in 2021.

But there are still some **precautions that travel managers can take** to keep their travelers even safer when a business trip involves a flight. Accident rates vary considerably depending on the nationality of the operating airline. African airlines and those based in the Commonwealth of Independent States (CIS – mainly Russia) suffer around **five times** as many accidents per million departures as those based in Europe or North America. And the type of aircraft matters too (Fig. 4).

FIGURE 3:
Global air accidents per million flights



Source: IATA Airline Safety Reports

FIGURE 4:
Air accident rate by aircraft type
Hull losses per million flights



Source: IATA Airline Safety Reports

² [IATA](#), March 2, 2022

While jet aircraft losses per million departures have remained low and fairly stable, the same cannot be said of turboprop aircraft. Although sectors flown by turboprop aircraft represented **11%** of the total, accidents involving them represented **50%** of all accidents, **86%** of fatal accidents and **49%** of fatalities in 2021. The vulnerability of turboprop-operated flights has been acknowledged by IATA, with the organization's Director General, Willie Walsh, supporting efforts to reduce incidents.



Willie Walsh,
Director General
Image credit: IATA

Spotlight on ISO 31030:2021

Companies and employees looking for guidance on the best ways to manage travel risk may find the International Organization for Standardization's (ISO) new [ISO 31030:2021](#) Travel Risk Management useful. The **guidance** it offers applies to any type of organization, whatever the sector or size.

ISO 31030 provides a structured approach for the development, implementation, evaluation and review of policy, program development, threat and hazard identification, opportunities and strengths, risk assessment, and prevention and mitigation strategies,

You can find out more about ISO 3130: 2021 in this [video](#) featuring Jorge Mesa, BCD Travel's Director, Global Crisis Management. Further guidance and support on managing travel risk can be obtained from BCD Travel's Global Crisis Management team.



[WATCH VIDEO](#)

Travel managers should reassess their current security program to ensure it aligns with ISO 31030. BCD's Global Crisis Management team can help by conducting a [Traveler Security Program Assessment](#). During the assessment, BCD Travel's experts meet with a client's key stakeholders to conduct a comprehensive program review of 11 key process areas, forming the basis for a comprehensive analysis with recommendations to enhance their program, to further reduce risk and help alignment with ISO 31030.

You can find out more about the risks facing travelers and travel programs in the year ahead in the rest of this report. These include risks associated with the economic outlook, climate change and extreme weather, geopolitical developments, personal risk, cybersecurity, health threats, and the emergence of new types of transportation and the new realities of travel.

ECONOMIC OUTLOOK

The health of the economy matters to business travel. It affects consumption of the products and services that companies supply. It affects business confidence and investment sentiment. It may be the biggest underlying challenge faced by travel programs, as it influences the degree of pressure companies face to control their costs and therefore their travel budgets.

Pandemic less damaging than originally feared

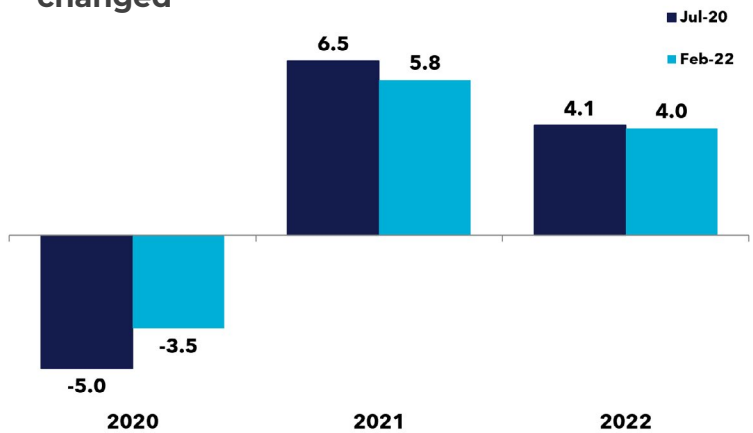
The impact of the COVID-19 pandemic on the global economy may not prove to be as damaging as was originally feared. In its July 2020 forecast, Oxford Economics predicted a **5%** contraction in global economic activity (GDP – gross domestic product) in **2020**, followed by growth of **6.5%** in **2021** and **4.1%** in **2022** (Fig. 5).

More recent estimates (Feb. 2022) suggest that the global economy experienced a smaller, **3.5%** contraction in **2020**. The rebound expected in **2021** may have been weaker than previously predicted, at **5.8%**. In part, this may reflect base effects, with 2021's GDP now assessed against a larger figure in 2020 than had been assumed in the July 2020 forecast. The good news is that despite waves of infections that had not been anticipated back in 2020, the outlook for 2022 has remained largely unchanged, with 4% expansion forecasted (before Russia invaded Ukraine).

This all adds up a world economy that was expected to be 6% larger in 2022 than it was in 2019. This is a better outcome than the outlook created early in the pandemic, putting the figure at 5.4%.



FIGURE 5:
How annual economic growth forecasts changed



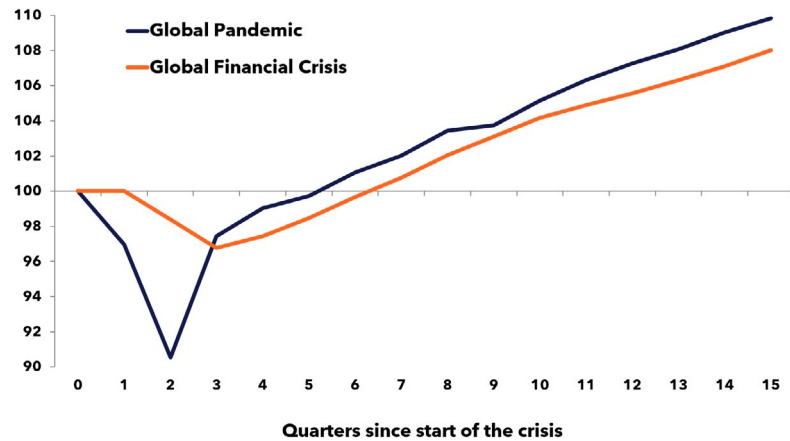
Source: Oxford Economics

The worst economic crisis of recent times?

While the pandemic has clearly done significant damage to the global economy, the pre-Ukraine conflict post-pandemic outlook compares favorably to the recovery following a previous economic shock, the global financial crisis (GFC) that began in **September 2008** (Fig. 6). The downturn caused by the pandemic was initially significantly deeper, and the loss of economic activity may prove to be two times that caused by the GFC. But the return to pre-crisis levels of activity occurred one quarter earlier than after the GFC and subsequent growth may be marginally stronger too.

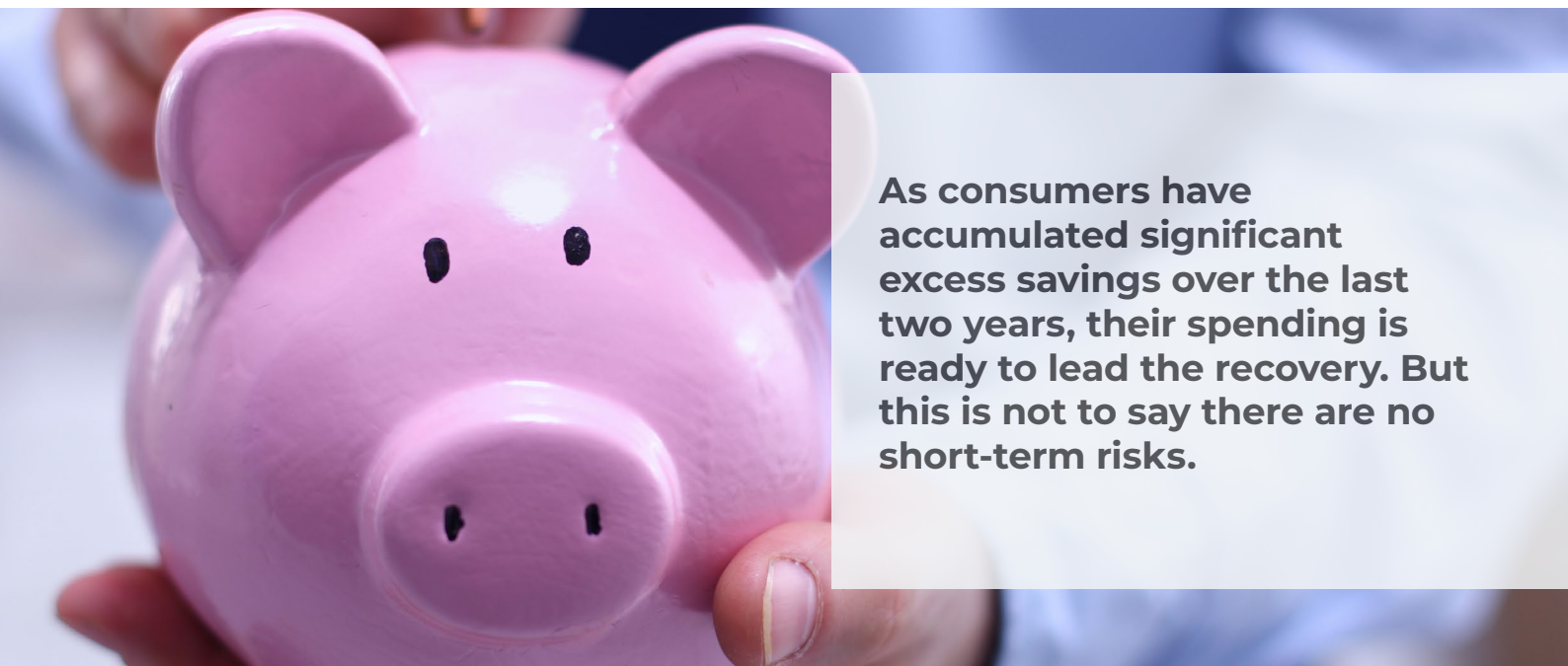
Oxford Economics' prediction for **5.8%** growth in 2021 and **4%** in 2022 suggests the global economy was to enjoy a two-year rebound at rates of expansion not seen in the last **50 years**. While restrictions and lockdowns switched off consumption for long periods of time, government policies, including furloughs and direct financial support for companies, helped to largely preserve the supply side of the economy.

FIGURE 6:
Economic recovery: crises compared
GDP pre-crisis = 100



Source: Oxford Economics

This means that the economy was ready to bounce back, largely intact. And as consumers have accumulated significant excess savings over the last two years, their spending is ready to lead the recovery. But this is not to say there are no short-term risks.



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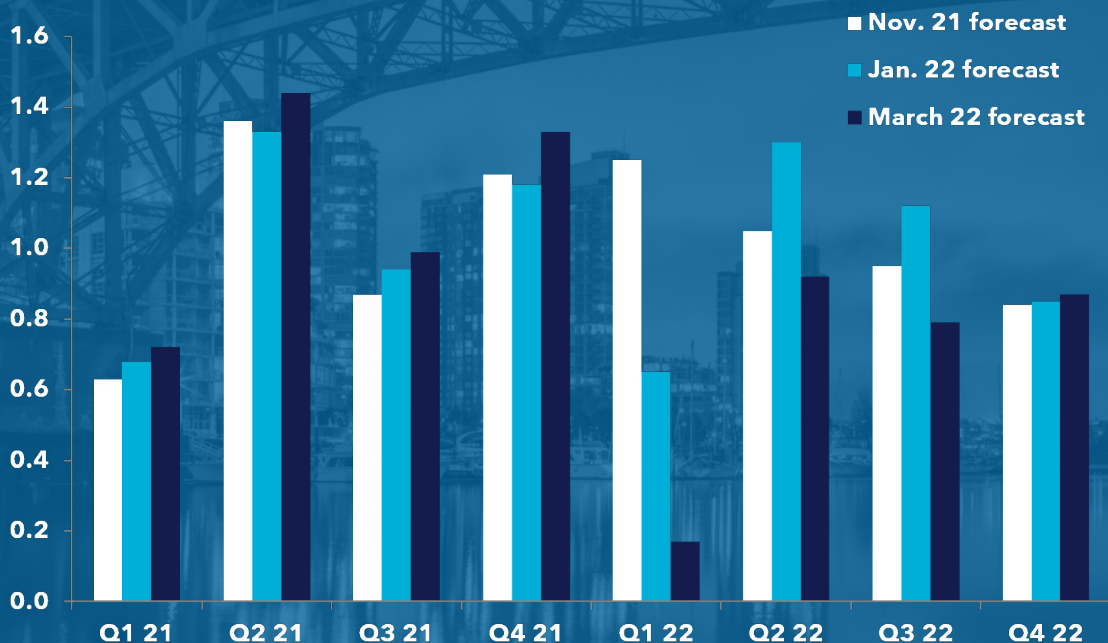
Some risks remain in the near term

An unexpectedly large surge in global COVID-19 cases produced by the Omicron variant made people more cautious and caused significant disruption to some businesses. With the health implications of Omicron not believed to be as severe as previous variants, the return of restrictions was largely limited in terms of their duration and severity. But the sheer scale of infections suggests more significant consequences for the economy, resulting from an increase in voluntary social distancing and disruption to businesses from staff who are required or decide to self-isolate. Lockdowns in China in response to a new wave of infections renewed concerns about supply chain issues confounding the recovery. The emergence of Omicron has impacted expectations for growth in the first quarter of 2022, which were initially scaled back from **1.25%** to just **0.65%** (Fig. 7).³

As with previous COVID-19 waves, activity should bounce back quickly once case numbers start to retreat. However, Russia's subsequent invasion Ukraine has since prompted a more severe adjustment to the outlook, with growth expectations for quarter one now reduced to **0.17%**, with weaker than previously forecasted growth following in quarters two and three.

Businesses hate uncertainty, but the fallout from the latest COVID-19 wave, when combined with the possible consequences of events in Ukraine, suggests they may have to contend with downward and upward revisions to the outlook for some time. This affects their planning, business decisions, revenue and profits, and inevitably their travel. **And there's more for travel managers to be concerned about.**

FIGURE 7:
Near-term outlook for the global economy
GDP quarter-on-quarter %



Source: Oxford Economics

³ [Oxford Economics](#), World Economic Prospects, Jan.-Feb. 2022



While consumption was expected to drive the economic rebound, it's being held back from achieving its true potential by **supply chain** issues, which are themselves being amplified by the speed at which demand was bouncing back. The shortages in both products and services this is creating are increasing inflationary pressures, which in turn could remove some momentum from the rebound. The conflict in Ukraine can now be added to the pressures weighing down on the outlook. Consumers have become more cautious, and when faced with the prospect of steeply rising inflation (driven up by a surge in energy and food prices associated with the conflict), they may be inclined to use less of their excess savings to fuel the recovery.

Travel is exposed in a number of ways. The release of pent-up demand for leisure travel was expected to drive up airfares and hotel rates in certain markets. If demand does not now prove to be as strong as expected, higher energy prices will pick up the slack in driving up travel costs. Airlines were already having to deal with higher fuel costs, as the prospects of a post-pandemic recovery drove up oil prices. Among some major U.S. airlines, fuel prices in the fourth quarter of 2021 were more than **80%** higher year-over-year, and above 2019 levels. This pressure has been compounded by sanctions against Russia, which have pushed oil prices up by around 50% since the beginning of 2022. Higher oil prices will inevitably feed through to higher airfares, and in some markets, the return of fuel surcharges.



CLIMATE CHANGE AND EXTREME WEATHER EVENTS

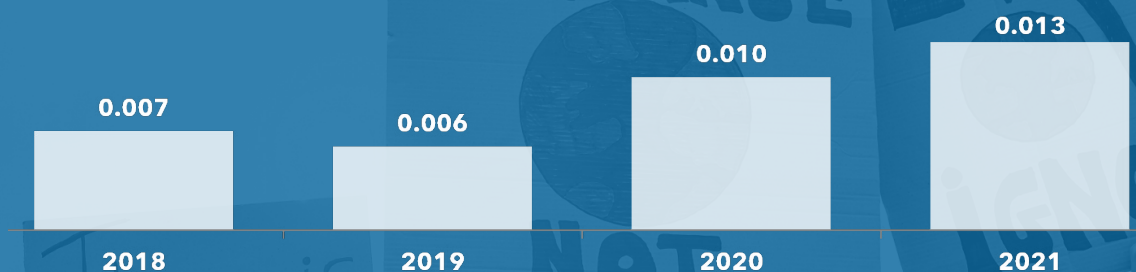
Climate change is a mounting threat

According to the Intergovernmental Panel on Climate Change (IPCC), climate change is causing dangerous and widespread disruption, affecting the lives of billions of people around the world.⁴ It believes the next two decades will herald unavoidable multiple climate hazards, many resulting in severe impacts. Risks for society will increase, impacting infrastructure and areas that are prone to flooding. And the costs of these events are rising too. According to Insurance Insider, **global losses from catastrophic weather events** increased from \$89 billion in 2020 to over \$105 billion in 2021.⁵

During 2021, we saw record-high temperatures in a number of locations, with much of Western North America hit by an extreme heat wave in June and July.⁶ Drought conditions increased the frequency of wildfires, which proved to be particularly destructive and disruptive in as diverse a range of locations as northern Siberia, California, Argentina and Indonesia.⁷

Extreme weather events are starting to have a more significant impact, with consequences reaching beyond the event itself. For example, more frequent and heavier rainfall in one location increases the risk of flooding elsewhere. At the end of 2021, a winter storm, when combined with COVID-19 effects on staffing levels, forced U.S. airlines to cancel around 2,700 flights per day. JetBlue Airways and Southwest Airlines each cancelled **12-13% of their entire schedules**.⁸ Evidence from BCD Travel's own Global Crisis Management Team supports the view of increased travel disruption from natural events (Fig. 8). In 2020, the number of incidents per million airline passengers increased by **82%** year-over-year, with a further **23%** rise recorded in 2021.

FIGURE 8:
Natural event travel incidents per million pax 2018-2021



Source: BCD Travel, Global Crisis Management Team

⁴IPCC, Feb. 28, 2022

⁵Hotels, March 16, 2022

⁶Reuters, June 16, 2021

⁷Reuters, Feb 23, 2022

⁸USNews, Jan. 3, 2022

There are some longer-term risks associated with climate change, which may have been temporarily suppressed by restrictions related to the pandemic. As these ease, we might see more pronounced migration flows (from regions threatened by drought or flooding, or more immediately conflict in Ukraine). Continued deforestation could also put more animals in direct contact with humans, increasing the transmission risk of new diseases, for which we may have little immunity. At first glance, these may not seem to be of immediate threat to business travel, but COVID-19 has clearly shown how situations can quickly **spiral out of control** with global consequences.

Extreme weather events are the new norm

This is the view of the World Meteorological Organization (WMO).⁹ In its State of the Climate report for 2021, it claims 20-year average temperatures are on course to exceed 1°C above pre-industrial levels for the first time and that global sea levels rose to a new high in 2021.

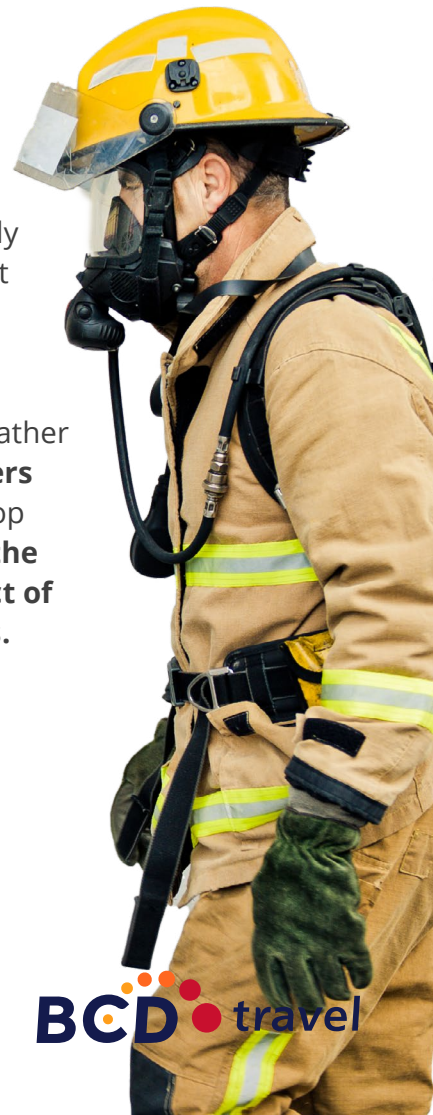
Temperatures are rising as greenhouse gases reach record concentrations in the atmosphere, and this is being linked with a number of extreme weather events in 2021:¹⁰

- It rained – rather than snowed - for the first time on record at the peak of the Greenland ice sheet
- A heatwave in Canada pushed temperatures close to 50°C in British Columbia
- Temperatures in Death Valley, California, reached 54.4°C
- Periods of exceptional heat were often accompanied by devastating and highly disruptive wildfires
- One area of China recorded one month's worth of rainfall in a few hours

Be it immediate dangers or disruption, or the indirect consequences of extreme natural events, it's more important than ever for travel managers to **evaluate destination-risks, inform employees, and advise what action they need to take.**

- Parts of Europe were hit by severe flooding
- A second successive year of drought in subtropical South America reduced river flows, hitting agriculture, energy production and transportation

The alarm bells that these events are ringing are increasing the calls for action, and these calls are likely to resonate throughout the travel industry. As well as preparing to manage the disruption caused by extreme weather events, **travel managers** will also need to develop **strategies to reduce the environmental impact of their travel programs.**



⁹ [BBC](#), Oct. 31, 2021

¹⁰ [World Meteorological Organization](#), Oct. 31, 2021

GEO-POLITICAL DEVELOPMENTS

Localized developments

At the local level, protests against the establishment may resume as lockdown restrictions ease, increasing the risks and disruption faced by travelers. Anti-vaccination and climate change show that sufficient issues of importance still exist for people to feel the need to protest. The so-called Freedom Convoy protests in Canada disrupted transportation and saw the downtowns of several provincial capitals blockaded. Courtesy of social media, the protests spread to a number of countries, and were often hijacked by extremist political groups.

Travel managers will need to ensure they keep abreast of such events and alert traveling employees, whenever they risk being impacted.

Structural change may also impact travel. In Europe, Brexit has already happened, with the U.K. no longer a member of the European Union (EU). The consequences of its new status as a third country continue to play out, as more areas of the relationship fully exit their transition periods, and the U.K. seeks a solution for trade across its border with Ireland. Within the EU, developments in Hungary and Poland suggest some discord between remaining member states. Such developments may result in reduced freedoms to travel and trade.

Changing world order

Globally, with the U.S. less prominent on the geopolitical stage, other major powers have for some time been expected to try and fill the void this created. In February 2022, Russia's unilateral recognition of the breakaway regions of Donetsk and Luhansk provided it with the pretext to send its soldiers as peacekeepers into Ukraine, without a wider international remit. The global response to an invasion of a sovereign state has so far failed to deter Russia, even though it finds itself largely isolated. Other aspiring global players will be watching closely, as they weigh up the risks of pursuing their own regional ambitions. China, which maintains claims on Taiwan and parts of the South China Sea, while expressing concerns about the Aukus defense pact between Australia, the U.K. and U.S., has so far remained largely neutral on events in Ukraine.

As events unfolded in Ukraine, travel managers faced the challenge of urgently repatriating employees, as airlines suspended all services to the country. Airlines less familiar to their travel programs, such as Ukraine International Airlines, briefly stepped in with extra capacity. Adherence to travel policy preferences may have been suspended in favor of simply getting employees to safer locations. Depending on how the situation plays out in Ukraine, **travel managers** may need to plan for **similar situations emerging in other disputed territories**. And with direct air services between Russia and a number of destinations suspended, employees looking to make a journey to/from Russia must explore more innovative travel solutions.



Events such as the conflict in Ukraine are not just about ensuring the safety of travelers and managing any disruption, although both are critically important. Russia's attack on Ukraine resulted in a jump in oil prices to its highest level in seven years, which, if sustained, will drive up airline costs and inevitably airfares.

As the world order and national values change, it's important for travel managers to consider the individual risk profile of each and every traveler and the specific risks they could encounter today at each destination.

Return of Africa's Coup Belt

Coups appear to be making a comeback in West and Central Africa.¹¹ The last two years have seen military takeovers in Burkina Faso, Chad, Guinea and Mali, as well as an attempted coup in Guinea-Bissau in February 2022. There are clearly immediate risks to travelers when coups occur, with travel to/from the countries made almost impossible by border closures or airlines stopping flying for safety reasons. **Travel managers** should have **incident management plans** in place to ensure employees can be evacuated.

If sanctions are imposed on the new regimes, future trade and travel becomes more challenging. And with regime changes often accompanied by the reversal democratic gains, travelers should be aware that some of the freedoms they previously enjoyed when doing business in these countries may no longer be there.

Upcoming presidential elections are due in a number of countries across Africa, including Angola, Kenya and Libya. This increases risks associated with difficult transitions of power, the breakdown of governance during periods of transition, civil unrest from dissatisfaction with election results, and in extreme cases, eruption of civil conflict.



¹¹ [BBC](#), Feb. 2, 2022

PERSONAL RISK

Threat of kidnap

The risk of being kidnapped for ransom has always been a concern for organizations and their employees traveling abroad, particularly when visiting certain destinations. But the risks are likely to grow in 2022, as an easing of travel restrictions allows more business trips to resume, and disaffected individuals and groups capitalize on the socio-economic, political and security fallout from the pandemic. With this in mind, affected travel programs should incorporate **kidnap and ransom insurance**, while travel managers should offer **specialized training** to employees visiting kidnap and ransom hotspots.

In the Americas, Mexico will remain the hotspot for ransom motivated kidnappings.¹² But their frequency is likely to increase, as economic activity resumes and travel restrictions ease. As business travel resumes, kidnappers are likely to switch their focus away from wealthy Mexican nationals towards corporate targets. Foreign business travelers will most likely face an increased threat of **express kidnapping**, where an abducted individual is forced to withdraw money from ATMs and hand over credit cards. Abductions typically happen during a taxi journey, when the victim is joined by other uninvited passengers *en route*. While complying with abductors' demands and trying to remain calm should improve the chances of surviving a kidnapping, there are a number of actions that can be taken to reduce the risks of being kidnapped in the first place. When at the destination, travelers should **remain vigilant**, vary their daily schedules and itineraries, and refrain from sharing personal information. This should reduce the risk of being targeted by kidnappers. **Travel managers have a role to play too.** They should ensure travelers receive pre-trip briefings and advice



Travel managers should ensure travelers receive pre-trip briefings and advice on risk mitigation measures whenever they are traveling to high risk destinations. And they can help to minimize the risk of express kidnapping by arranging trusted, secure ground transportation for their business travelers.

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Elsewhere in the Americas, a dramatic rise in kidnapping incidents in Haiti is likely to continue, with local gangs targeting wealthy locals and business people, particularly in capital city Port-au-Prince. Continued political instability and the profitability of the crime will ensure kidnapping for ransom remains a real threat.

In Africa, South Africa is challenging traditional locations in Central, Northern and Western parts as the continent's kidnapping hotspot. A combination of socio-economic factors and a weak security environment provide the perfect conditions for the growth of kidnap for ransom. Most kidnappings happen in or near towns and cities, such as Cape Town, Durban, Johannesburg and Pretoria, and are often conducted in a violent manner in the most public of circumstances.

¹² [Crisis24](#), 2022 Global Risk Forecast

Terrorism

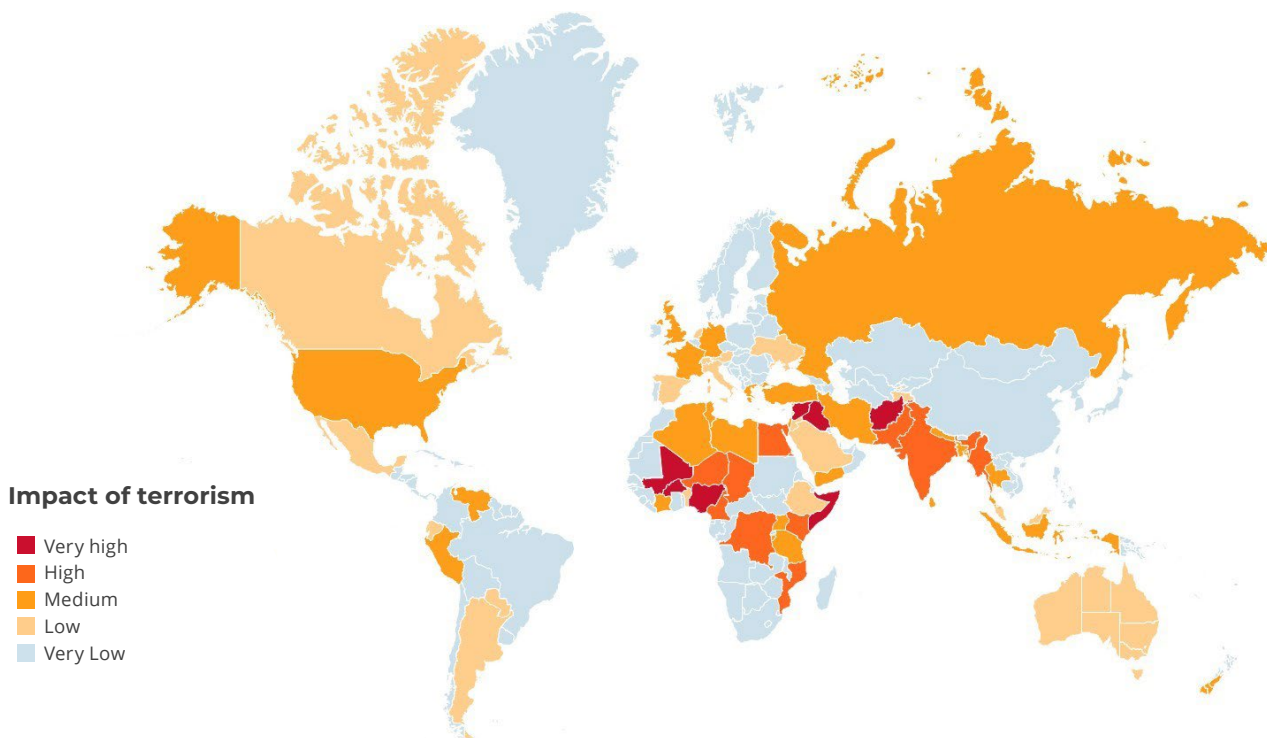
Terrorism takes many forms and has many motivations. Attacks may be state-sponsored, inspired by political views, religious beliefs or some other rationale. They can be organized and planned or spontaneous attacks by individuals.

During 2021, global deaths from terrorism fell by just 1.2% to 7,142, but this was despite a 17% increase in the number of attacks to 5,226.¹³ What this means is that **the lethality of attacks has decreased** (from 1.6 deaths per attack to 1.4). During 2021, 44 countries suffered fatal terrorist attacks. The good news is that **105 countries recorded no deaths or terrorist attacks** - the highest number since 2007.

The countries where terrorism appears to have had the biggest impact appear to be concentrated in Sub-Saharan Africa and in the Middle East (Fig. 9).



FIGURE 9:
2022 Global Terrorism Impact Index



Source: Institute for Economic & Peace

¹³ [Reliefweb](#), Global Terrorism Index 2022, March 2, 2022

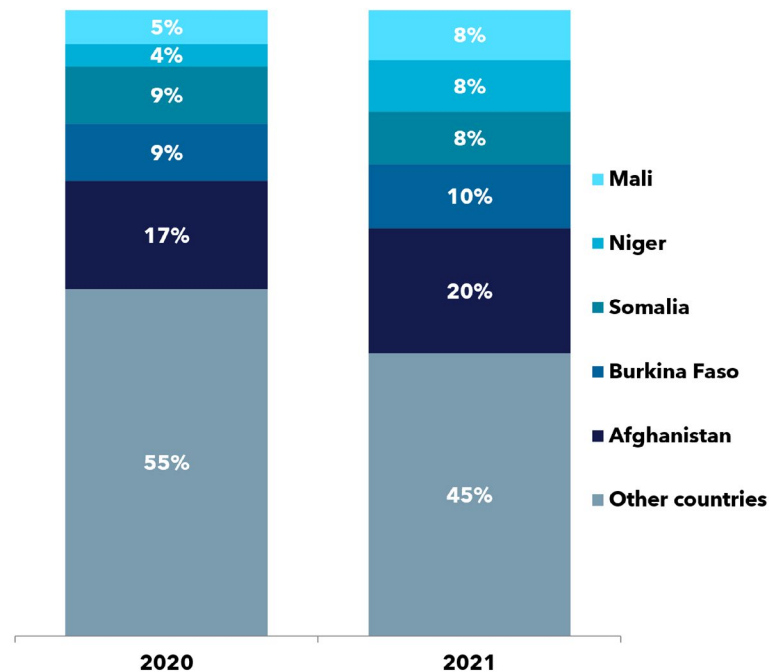


Terrorism has become more concentrated in regions and countries suffering from political instability and conflict.¹⁴ Together, Afghanistan, Burkina Faso, Somalia, Mali and Niger accounted for **45% of global deaths from terrorism** in 2020; this rose to 55% in 2021, with Afghanistan alone accounting for 20% of all deaths (Fig. 10). Keeping business travelers away from **areas experiencing violent conflict** will clearly help to significantly reduce risks to personal safety presented by terrorism, given that 97% of terrorist attacks occurred in such locations in 2021.

In more stable countries, the number of terrorist attacks has fallen substantially over the last three years. The 59 attacks and ten deaths recorded in 2021 were around **70% lower** than 2018's peak.¹⁴ In Europe, Germany was most impacted with 19 attacks, followed by Italy with six; the U.S. suffered seven attacks in 2021, the lowest level since 2015, with none attributed to any known terrorist group.

The COVID-19 pandemic may have helped reduce terrorist activity in the West since 2019, as restrictions on movement, travel and public gatherings made it harder for terrorists to operate and denied them suitable targets. During this lull in activity, extremists may instead have paved the way for future attacks by sowing discontent among groups resenting mandatory measures introduced to tackle the pandemic. An easing of restrictions may be accompanied by a rise in terrorism. As recent events in Tokyo, the Norwegian town of Kongsberg and Southend-on-Sea in the U.K. have shown, incidents involving homegrown, **lone-wolf attacks** remain an unpredictable risk wherever one travels. The random nature of these events makes **locating and communicating with every business traveler** a vital part of a travel manager's efforts to keep all travelers safe, as terrorist attacks can happen anywhere.

FIGURE 10:
Share of global terrorism deaths by country



Source: Institute for Economic & Peace

As regular travel returns, business travelers will need to be extra vigilant and take time to refamiliarize themselves with the day-to-day risks they faced pre-pandemic. We've created a series of infographics providing tips to travelers to help keep them safe.

[READ MORE](#)



¹⁴ [Institute for Economics & Peace](#), GTI 2022

CYBERSECURITY

Pandemic increases exposure to attack

Existing digital trends were accelerated by the COVID-19 pandemic, which propelled the global population on a faster path towards digitalization and interconnectedness in their everyday lives.¹⁵ But this has been accompanied by more frequent and increasingly costly and damaging cyber incidents, whose impact ranges from individuals right up to entire critical infrastructures. And there's **no sign of a slowdown in this trend**, as more sophisticated tools and methods become more readily available, and at a relatively low cost to those posing a threat. Indeed, events in Ukraine may even encourage an escalation of cyberattacks.



The forces at play

Three underlying trends are currently shaping the ever-evolving cyber threat landscape:¹⁶

Ransomware attacks escalate

Since mid-2020, there's been an almost eleven-fold increase in ransomware attacks.¹⁷ As well as becoming more frequent, the potential damage has also increased significantly, with a shift to higher impact attacks. The attack that crippled the Colonial Pipeline in the U.S., causing travel disruption on the East Coast, could be the shape of things to come and could see cyberattacks impact daily life more than ever. The US Department of Justice is reportedly considering giving such attacks the same priority as terror attacks.

Advanced persistent cybercrime

Cybercrime groups are well-funded and organized. Increased sophistication is making it more difficult to defend against ransomware attacks.

State sponsored attacks

Almost half of U.S. technology executives believe state-sponsored cyber warfare pose the biggest danger to their companies.¹⁸



¹⁵ World Economic Forum, Global Cybersecurity Outlook 2022, Jan. 2022

¹⁶ [Fortinet](#), 2022 IT Trends and Cybersecurity Challenges Part 1

¹⁷ [Fortinet](#), Global Threat Landscape Report, Aug. 2021

¹⁸ [CNBC](#) Technology Executive Council Survey, March 29, 2021

The COVID-19 pandemic encouraged millions of office workers around the world to work from home or from some other remote location. This sudden transition multiplied the exposure of company IT systems to external threats. During the initial *en masse* migration to remote working, **60%** of organizations saw attempts to breach cybersecurity increase, with around **half of these resulting in actual breaches.**¹⁹ The risks are unlikely to disappear, with **31%** of all employees worldwide expected to be hybrid or fully-remote workers in 2022.²⁰ The figure could be as high as **52%** in the U.S. and U.K.

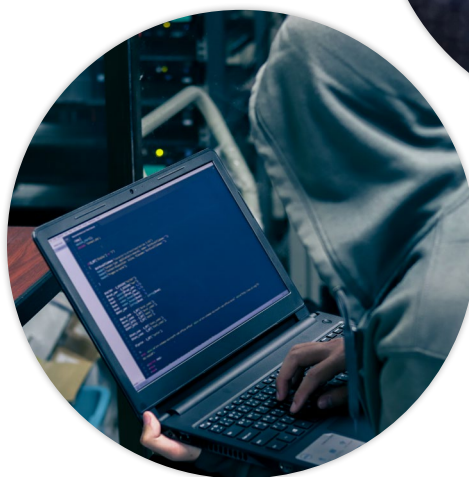
Travel is exposed

In recent years, cybercriminals and hackers have targeted a number of leading travel brands. These have affected all aspects of travel – airlines, hotel companies, IT companies, travel agencies, airports, fuel suppliers. These headline-grabbing incidents distract from the large number of smaller-scale attacks. The transactional nature of the travel industry, and the legacy systems on which many companies still rely heavily, makes it an attractive target. As the industry recovers, hackers are likely to see it as a **lucrative target** once again.

The motivations for cybercrime vary, and this is equally true for attacks on travel suppliers. Financial gain isn't the only motivation. Sometimes hackers commit an attack simply to prove that they can. In more sinister circumstances, state sponsored attacks on companies and infrastructure may be part of some bigger geopolitical strategy.

¹⁹ Fortinet, Remote Workforce Cybersecurity Report, June 2020

²⁰ [Gartner](#), June 22, 2021



A series of attacks on a leading global hotel chain compromised more than **500,000** payment card accounts, resulting in more than **\$10 million** in fraudulent payments. A more recent attack on another leading hotel chain saw hackers gain access to almost **500 million customer records**, including credit card and passport numbers. And yet on this occasion customers appear to have been unaffected, suggesting the attack may have been state sponsored purely to gain access to a huge data lake of information.

Travel managers can protect their company and travelers

Travel managers have a role to play in protecting their company and travelers from the active cyberthreats they face on a daily basis. They must first **recognize cybersecurity as a daily risk to travel** and take responsibility for tackling it. **Prevention**, or least minimizing the impact, will pay dividends over simply responding to cyber incidents after the damage has been done.

As the employee is often the weakest point in a company's defenses, travel managers can help by ensuring travelers receive **proper training**, are aware of hackers' tactics and are subject to strict user policies. For example, ensuring any personal devices used for work on a remote-basis are carefully screened for malware before being allowed to connect to any corporate network. And when visiting countries where concerns exist about state-sponsored cyberattacks, travelers may be advised to **leave certain mobile devices at home** and take "clean" devices with them instead.



The travel manager's role doesn't end with the traveler.

They can use their experiences looking after business travelers to support homeworkers, hybrid workers and other types of remote employee. Like business travelers, these non-traveling employees are working away from the office. They're looking for a consistent user experience and security protection wherever they work – in the office, on the road or at home. This is something travel managers can help with, leveraging their experience in satisfying this need for business travelers.



Travelers have a cybersecurity role to play too

Travelers can expect to be the focus of cybersecurity more than ever. There are so many basic preventative measures that should become habitual. The list is long and growing, but there are six simple actions they can take to avoid cyber fraud when traveling on business and in their everyday lives:

- Safeguard login credentials and watch out for anyone trying to steal a glance of them. Better still, use biometric security features, such as facial recognition or thumbprints
- Never log in to corporate accounts over free public Wi-Fi hotspots.
- Go paperless: Keep itineraries and travel documents on a password-protected mobile device.
- Don't divulge travel dates and locations on social media.
- Lookout for "phishing" emails that appear to come from airlines, loyalty programs and banks. Never divulge any personal information; don't click on any links; delete immediately.
- Change passwords frequently and use alpha-numeric combinations.

And it's important to **take extra care of mobile devices**. While they might not always contain (accessible) sensitive data, they can act as gateways to a virtual private network, which could prove to be even more damaging (for the traveler's company).²¹ A stolen laptop or mobile phone may simply be the means for fraudsters to access corporate infrastructure.

²¹ [BTN Europe](#), Feb. 22, 2022

HEALTH THREATS

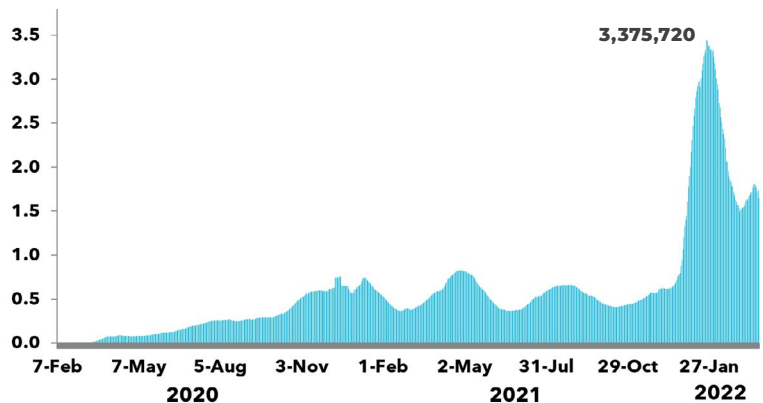
COVID-19: The sting in the pandemic's tail

Just as the world was coming to terms with the implications COVID-19's Delta variant, along came Omicron. Its speed of spread and scale of infections took everyone by surprise, dwarfing all previous waves (Fig. 11). More than **45%** of total global cases counted since the start of the pandemic have been recorded since the end of **November 2021**.²² Such a sudden surge came as some countries were still dealing with the height of the Delta wave, resulting in an oft referred to perfect storm. This inevitably caused severe disruption, just as people hoped things were about to improve.

It's clear that 2022 started with a **massive global wave of COVID-19**, and while case numbers have retreated from their peak, the emergence of further variants was always a concern.²³ At the beginning of February 2022, scientists confirmed a sub-variant of Omicron, referred to as BA.2. It appears to have a growth advantage over the original BA.1 Omicron variant and was quickly detected in more than 60 countries, according to the World Health Organization (WHO). While there's not believed to be any difference in vaccine effectiveness, its increased transmissibility, combined with the removal of restrictions in many countries, is likely to have been behind a new wave of COVID-19 cases emerging in March 2022 and persisting during April.

Omicron BA.2 infections were one of the factors behind airport and airline staff shortages causing disruption to travelers around the world in April.

FIGURE 11:
Global COVID-19 cases
Average daily cases (million)



Source: Ourworldindata

Omicron may be an important milestone for the pandemic

Omicron represents an important point in the evolution of sentiment towards the pandemic, as its appearance could either boost or dampen confidence. On the upside, the more limited impact of Omicron on health may suggest that vaccines and medical advances are working in the fight against COVID-19. This could be the start of a genuine erosion of the health threat posed by the virus. As the Omicron wave eases, the higher levels of immunity that have been built up could dramatically reduce the impact of any further waves, allowing a quicker return to normality.

There is of course a downside too. The speed and magnitude of the Omicron wave provides a timely reminder of the risks presented by new variants and the disruption they might cause. With little notice, countries around the world closed their borders to arrivals from a number of African countries. Such concerns about COVID-19, if allowed to persist, could lead to more cautious behavior by consumers, businesses and travelers, potentially dampening the recovery from the pandemic and the pace at which "normal" conditions return.

²² Ourworldindata, March 24, 2022

²³ [New Scientist](#), Dec. 24, 2021

Zero tolerance doesn't mean zero cases

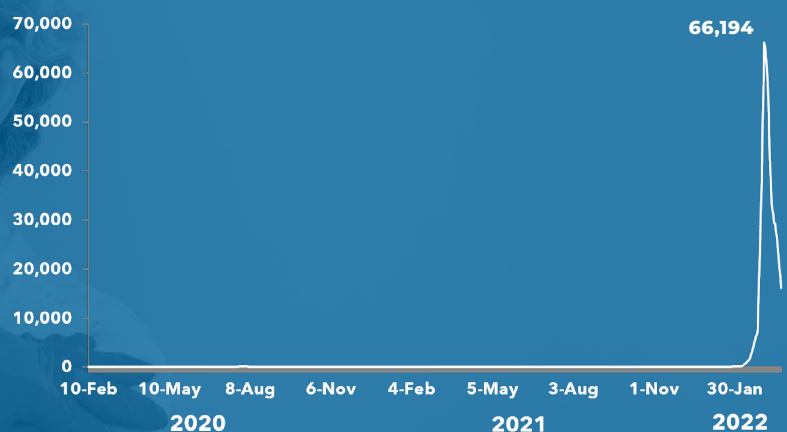
Scientists continue to be concerned that a new variant will emerge, which is capable of evading the immunity built up by past infection and vaccination. David Nabarro, special envoy on COVID-19 for the World Health Organization (WHO), has warned that there will be more variants after Omicron.²⁴ As it's possible for coronaviruses to merge together, it's impossible to rule out a variant that's highly transmissible and capable of evading existing vaccines. While this would be a serious and damaging development, authorities and health organizations have learned a lot about pandemic response and management over the last two years.

Looking to protect themselves from the disruption caused by Omicron and the risks associated with further new variants, some countries, particularly in Asia, continue to pursue a zero tolerance policy towards

COVID-19. In China, authorities are prepared to take extreme measures to contain the spread, sometimes causing significant disruption, as entire cities or provinces are closed down with little or no notice. As Hong Kong has shown, zero COVID-19 policies can't work forever, and the response to outbreaks can be even more disruptive.²⁵

Despite some of the world's toughest virus restrictions, Hong Kong saw record numbers of infections during February 2022 (Fig. 12). Other countries, particularly across Asia, have decided to pursue zero tolerance. While the number of adherents is diminishing, some still maintain this approach. What happened in Hong Kong has shown that COVID-19 can breach even the strongest defenses, and with dire consequences. New Zealand has seen a similar spike in cases, while China was trying to contain widespread outbreaks during March and April 2022.

FIGURE 12:
COVID-19 cases in Hong Kong
Average daily cases



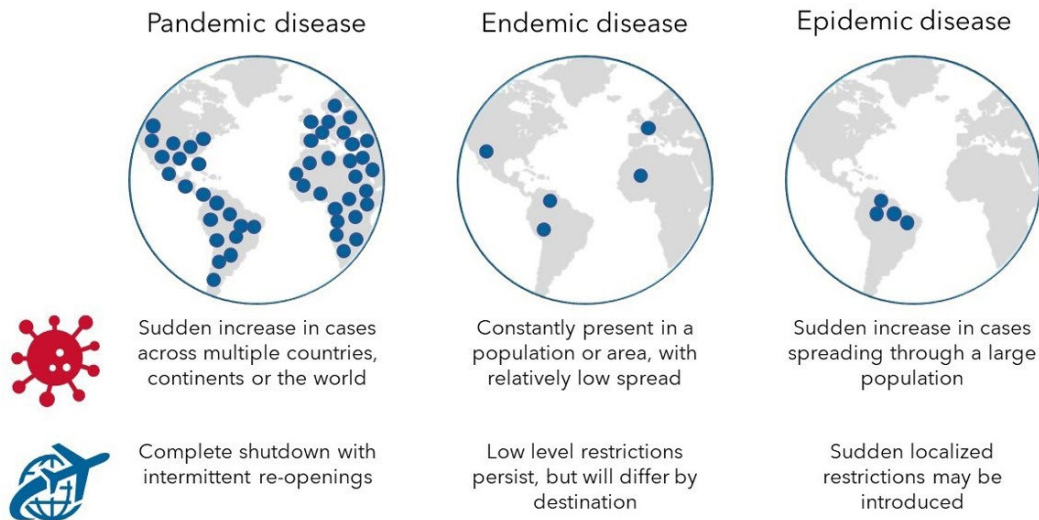
Source: Ourworldindata

²⁴ [The Observer](#), Feb. 12, 2022

²⁵ [BBC](#), Feb. 10, 2022

From pandemic to endemic

Over time, COVID-19 will move from a pandemic to an endemic state.²⁶ The virus will then be constantly present within a population, with largely predictable patterns of infection. Occasionally there may be COVID-19 epidemics, with a sudden increase in cases among populations within a defined area or region. The different states of the disease have different implications for business travelers (see below).



During the pandemic phase, travelers were faced with **complete shutdowns** of national transport systems, with intermittent re-openings of international and regional borders. As we move into the endemic phase, authorities may be inclined to retain some restrictions, such as **proof of vaccination status, travel lanes for vaccinated travelers, or simple testing**, until it becomes more certain that the pandemic has ended. Countries will enter the endemic phase at different times, because of a number of variable factors, so this will not be a globally synchronized event. Epidemic outbreaks of disease are also a possibility, particularly in areas that have relied on zero COVID-19 policies or have low vaccination rates. Authorities will likely respond with a tightening or reintroduction of restrictions. For some time, this means a **patchwork of ever changing restrictions** may persist around the world for some time.

Travel managers will need to ensure they and their travelers continue to have access to the latest, accurate information on travel requirements and restrictions, and retain effective disruption management plans. This information can be found in our COVID-19 Information Hub, a part of BCD Travel's commitment to support informed, confident and safe travel decisions.

COVID-19 INFORMATION HUB

²⁶ [World Economic Forum](#), Sept. 23, 2021



Misconceptions about the COVID-19 virus

According to Prof. Lawrence Young of Warwick University, it would be incorrect to think that there has been some sort of linear evolution of COVID-19 from the Alpha to Beta to Delta to Omicron variants.²⁷

It's misleading to assume that with each new variant, the virus becomes milder. The Omicron variant did not mutate from the Delta variant. It came from a different part of the virus's family tree. It's hard to predict

from which part of the family tree the next variant might originate. This means it's impossible to anticipate how pathogenic it might be.



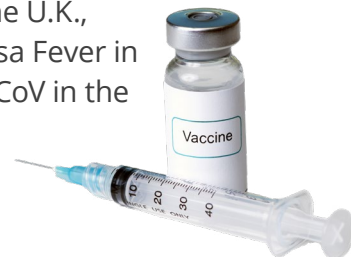
Professor Lawrence Young,
Warwick Medical School
Image credit:
University of Warwick

Travel managers should remind their travelers of the other vaccinations beyond COVID-19 that they may require for travel.

Other diseases make a comeback

Vaccine hesitancy and the diversion of medical resources to deal with the pandemic have increased the risks associated with traditional diseases, such as measles. Indeed, the Centers for Disease Control and Prevention claims COVID-19 has increased the risk of measles outbreaks, with 41 countries having so far delayed their vaccination campaigns.²⁸ Before the arrival of COVID-19, concerns had been raised that low inoculation rates in Europe and North America meant that wherever they traveled, travelers could be exposed to diseases such as measles, mumps and rubella that once were considered under control. In 2019, the WHO listed Belgium, France, Germany and Italy among the European countries suffering measles endemics.²⁹ These are serious diseases. In 2019 the Pacific island of Samoa declared a state of emergency following more than 60 deaths associated with a measles outbreak.

Business travelers need to reacquaint themselves with the risks and check for health alerts, even when traveling to familiar destinations. And travel managers need to remind them of some of the diseases they may once again be exposed to as they resume their travels. Beyond COVID-19, travel managers should remind travelers of other vaccinations required for travel. Some destinations will require proof of vaccination for Yellow Fever, Hepatitis A/B, Typhoid, etc. Since the beginning of December 2021, the World Health Organization (WHO) has issued alerts about outbreaks of Cholera in Benin and Cameroon, Dengue Fever in Pakistan and Timor-Leste, Hepatitis E in Chad and South Sudan, Influenza A (H5) in the U.K., Measles in Afghanistan, Lassa Fever in Nigeria and the U.K., MERS-CoV in the U.A.E. and Yellow Fever in Central and West Africa.³⁰



²⁷ [The Observer](#), Feb. 12, 2022

²⁸ [CDC](#), Feb. 8, 2022

²⁹ [World Health Organization](#), May 9, 2019

³⁰ [WHO](#), Disease Outbreak News, Feb. 21, 2022



NEW WORLD, NEW TRAVEL RISKS

A newly mobile workforce

COVID-19 acted as an important catalyst in the shift towards increased remote working. While many workers will have since returned to the office, hybrid working, which combines office and remote working, looks set to continue. But **remote working brings with it increased challenges and risks.** Cybersecurity is the most apparent risk, as remote working has significantly increased the number of employees accessing company systems using devices that may be more vulnerable to attack. But the risks to the employee and employer may be much less obvious than this. Take the case of the German worker who slipped and broke his back when walking from his bedroom to his home office. As he was judged to be technically commuting, a federal social court allowed a claim on workplace accident insurance.³¹ In many countries, **companies have a duty of care to employees, wherever they are working.**

As business travelers regularly work remotely, travel managers may be called on to deploy their own experience to help mitigate or resolve issues associated with remote working among typically non-traveling employees. As well as sharing their **insights on good cybersecurity and risk management practices**

when employees are away from the office, travel managers may also need to address concerns caused by an increase in remote working at a time when freedom

of movement, and particularly if working internationally, has been tightened. Visas, work permits, and tax compliance have always been issues for employees working across borders, but they've now been brought into greater focus amid the globalization reset. Travel has become more complex from a regulatory perspective and travel managers will need to take steps to improve mobility compliance.³² For example, the European Travel Information and Authorization System (ETIAS) is due to be fully implemented on January 1, 2023. Non-EU residents traveling to the Schengen Area, and who are exempt from visa requirements, will then need an ETIAS before travel. It'll be much like applying for a visa waiver under the ESTA scheme when traveling to the U.S. ETIAS will cost €7 and be valid for three years for multiple entries. This means extra cost and added complexity for travelers and travel managers.

To ensure that all employees, and not just business travelers, are protected when working remotely (and the company is not exposed), businesses should consider a shift from **travel to people risk management. You can find out more about this in our recently published report, **Business Travel Trends 2022**.**

[READ MORE](#)



³¹ [The Guardian](#), Dec. 9, 2021

³² [BTN Europe](#), 2022 Hotlist

Urban air mobility

Calls for environmentally sustainable solutions for urban mobility have led to a surge in investment in suitable options, with the development of electric vertical take-off and landing (eVTOL) vehicles making particular progress. The first examples could be operational as early as 2024 or 2025. The advent of the eVTOL will require a completely new ecosystem, with which **travel managers** will need to familiarize themselves, in order **to appreciate the new risks to which their travelers may be exposed**. They can expect their employees initially to be offered an eVTOL ride to/from the airport to a network of vertiports and for short trips within the destination.

When looking to set guidelines for eVTOL use, travel managers may find existing policies for the use of helicopters for business trips **a good starting point**. These are likely to be relevant as eVTOL companies are targeting helicopter operators, claiming their vehicles to be quieter, more sustainable and more cost-effective than existing rotary aircraft. Indeed, Eve Air Mobility has already received tentative orders from Australian helicopter operators Aviair and HeliSpirit.³³

Further consideration around the implications for passenger safety will be needed for trips in the fully-automated eVTOLs that are being developed, such as Wisk's Cora autonomous aircraft.³⁴ The differences don't end at piloted v automated. Different eVTOL designs incorporate different safety redundancies. The Joby S4 has a fixed wing and six tilting propellers. The fix wing provides lift for gliding in the event of engine failure. Other designs rely on multiple propellers for safety redundancy.

Confidence in this new technology may have been dented by the February 2022 crash of a

remotely piloted prototype eVTOL aircraft being developed by Joby Aviation. The full investigation by the US National Transportation Safety Board (NTSB) could take 12 to 18 months, although preliminary results could be available in a matter of weeks. While accidents are an unfortunate feature of experimental flight test programs, the incident and subsequent investigation are unhelpful.

The good news (for travel managers) is that the U.S. and the U.K. are jointly working on regulations for the certification, production, continued airworthiness, operations and personnel licensing for eVTOL operations. This will help to ensure the **highest safety standards are maintained**, and by basing the new regulations on existing frameworks, eVTOL should be required to operate under the same safety fundamentals as existing aviation.



New frontiers, new risks

Commercial space travel became **a reality in 2021**. While it seems likely to remain for some time the preserve of an exclusive group of the ultra-wealthy or highly-skilled, this could quickly change. In February 2022, Virgin Galactic opened ticket sales to the public for the first time.³⁵ At this stage, travel programs may find this option of little appeal, not least because of the **\$450,000 price tag**, and limited to flying passengers to the edge of space (and back). But Virgin Galactic's move could be the first important step towards a wider commercial use of space travel technology. **Travel managers**, particularly those working in aerospace and defense companies, but also in construction, mining, general engineering and more, may need to **start thinking** about what this means, as their employees are likely to form the vanguard of pioneering business space travelers.

³³ [Eve Air Mobility](#), Feb. 15, 2022

³⁴ [eVTOL News](#)

³⁵ [Breaking Travel News](#), Feb. 16, 2022



SUMMARY

Don't lose sight of the wider risks

The COVID-19 pandemic has put duty of care and wellbeing firmly at the top of travel managers' priorities for the last two years. As travel restrictions ease, there's a temptation to scale back this focus on the wellbeing of travelers, but this could prove to be a **major mistake**. Duty of care is about more than offering pandemic support to a much-reduced program of travel.

As business travel rebounds and the world returns to the path towards normality, travelers and travel programs will be exposed to a wider range of risks, for which they may be less prepared. The pandemic has **elevated travelers' expectations** for how companies should help them stay safe and deal with disruptions. Strong partnerships between businesses and their travel management companies can pave the way for mitigating risks, complying with duty of care and increasing traveler satisfaction.



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Do you have questions or comments regarding this report? Please email [Mike Eggleton](#) or [Jorge Mesa](#) to share your thoughts.



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About BCD Travel

BCD Travel helps companies make the most of what they spend on travel. We give travelers innovative tools that keep them safe and productive and help them make good choices on the road. We partner with travel and procurement leaders to simplify the complexities of business travel, drive savings and satisfaction, and move whole companies toward their goals. In short, we help our clients travel smart and achieve more. We make this happen in 109 countries with a global client retention rate of 98%, the highest in the industry. For more information, visit www.bcdtravel.com.

About BCD Group

BCD Group is a market leader in the travel industry. The privately-owned company was founded in 1975 by John Fentener van Vlissingen and consists of BCD Travel (global corporate travel management and its subsidiary BCD Meetings & Events, global meetings and events agency), Park 'N Fly (off-airport parking) and Airtrade (consolidation and fulfillment). For more information, visit www.bcdgroup.com.



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