On April 19, 2021, the US Department of State’s Travel Advisory announced that 80% of countries were designated with a Level 4: Do Not Travel advisory rating. Even in those countries where essential business travel is permitted, restrictions and requirements are hampering business travelers. Depending on the country, state or locale, quarantine requirements vary widely, as do testing requirements.

For large corporations looking to increase global business travel, it spells more of the same workarounds to in-person meetings and conferences — virtual meetings and business conducted via video conferencing. Global business travel spending in 2020 dropped by 61%, from $1.29 trillion USD spent in 2019 to a mere $504 billion in 2020. Even domestically, business travel has taken a sizable hit. US business travel spending dropped from nearly $348 billion in 2019 to just $103 billion in 2020, a 70% dip in business trips.

Internationally, despite the State Department warnings, some countries are welcoming US travelers. In April 2021, the European Union announced plans to allow vaccinated Americans to travel to EU countries under certain conditions.

STAY OR GO?

That opening up of borders, despite US travel warnings, could put corporations in the driver’s seat when it comes to business travel. Business will be the driving force in how quickly business travel resumes, and at what level. For some businesses, remote meetings could make the most sense. However, the organizations that benefit most from in-person meetings will likely be resuming travel, and potentially seeking ways to lobby foreign governments into easing restrictions or speeding reopening.

That also means understanding how to protect both employees and travel budgets in an unpredictable, shifting environment. NFP travel specialists understand the requirements in each port of entry, locale and country. NFP can provide answers to questions such as: Are your employees going to need to quarantine? Will current trip insurance adequately protect your company from canceled or delayed travel?

We recommend that for all business travel, corporations start setting up meetings and travel reservations three weeks to a month in advance. Know the testing requirements for business travelers in each location, and ensure that they have proper documentation for the trip.

Also, review your insurance. The onset of the pandemic and the subsequent cancellations drove home the need for trip and cancellation insurance. Many organizations lost revenue on nonrefundable flight and hotel charges. While many booking sites waived a portion of the change fees, organizations were still paying for part of canceled reservations.
Yet not all trip insurance policies are the same. Exclusions on a typical trip policy include:

- Changing plans
- Bad weather predictions (such as hurricane)
- Pre-existing medical condition
- Travel that goes against government travel warnings

With the current State Department warnings against travel in much of the world, a standard trip insurance policy will not protect your organization against cancellation or any incident that would cause your trip to be delayed or rescheduled.

NFP travel experts recommend all corporations opt for a Cancel for Any Reason (CFAR) addition to the standard trip insurance policy. CFAR is an additional coverage operation that reimburses policyholders for canceled plans, no matter the reason. The CFAR endorsement reimburses for:

- Flights
- Hotels
- Baggage fees

Also, work with your insurance broker to help educate your traveling employees. They should know which documents are required for travel into the country in question, what the quarantine requirements are, and what local ordinances are regarding traveling in or out of the region.

As international business travel resumes, organizations should stay current on the travel restrictions in both the US and in the countries to which employees will be traveling. Work with a broker like NFP to stay on top of the ever-changing requirements, and to ensure that each trip, and each employee, is protected.

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Sources