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Consumption Expenditure to Decline by 60-70 Bil Yen due to Non-acceptance of Spectators from Overseas at Tokyo Olympic / Paralympic Games.

Limited impact on Japanese economy seen even if overseas customers are not accepted

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Summary

- The government appears to have begun adjusting the Tokyo Olympic and Paralympic Games to forgo the acceptance of overseas spectators. Estimating the impact of this on the economy, domestic consumption expenditure is expected to decrease by 60-70 bil yen compared to what it would be under normal circumstances. In addition, if the capacity for Japanese visitors is limited to 50% of capacity, the amount of decrease is expected to grow to around 130 bil yen.
- Recently, there has been an increase in the number of international events held which accept players and spectators from overseas, such as the The Australian Open Tennis Championships, and so far, there has been no evidence that the spread of COVID-19 has been encouraged. The economic effects of holding the Tokyo Olympic and Paralympic Games may become manifest over a long period of time, in the form of legacy effects after the closing. In view of this, it is desirable from an economic perspective that the Tokyo Olympic and Paralympic Games be held with safety and security in mind, thoroughly implementing measures to prevent the spread of COVID-19.

Attention

This report is a summary translation. The official document is only in Japanese.