INVESTMENT AND INCENTIVE POLICIES FOR TOURISM PROJECTS

3RD EURO-ASIAN MOUNTAIN RESORTS CONFERENCE

APRIL 5, 2017 – TBLISSI - GEORGIA
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- What is Cluster Montagne?
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WHAT IS CLUSTER MONTAGNE?
FRANCE: 250 MOUNTAIN RESORTS OF ALL TYPES IN 6 DISTINCT MOUNTAIN RANGES
CLUSTER MONTAGNE?

- Created in **2012**
- A business **network** for mountain planning, development, & management: studies, equipment, services
- a **non profit public-private** organization
- 200 members

**MISSION:**

- Represent **French expertise** worldwide
- Support **mountain tourism** worldwide
200 MAJOR FRENCH ACTORS IN MOUNTAIN DEVELOPMENT

- Companies
- Education & Training
- Institutions
7 EXPERTISES
- Urban planning & architecture
- Winter development
- Summer development
- Natural hazards
- Environment
- Governance & public policies
- Operation, training & services

7 CHALLENGES
- more sustainable
- more accessible
- safer
- more playful
- more interactive
- more effective
A WORLDWIDE BUSINESS & INSTITUTIONAL NETWORK

- An organization recognized by public institutions
- A strong network abroad: French embassies, Business France...
- A gold-certified cluster
PUBLIC PRIVATE PARTNERSHIPS IN TOURISM PROJECTS
DIFFERENT TYPES OF CONTRACTS

- Concessions
- Lease contracts
- Long lease contracts (for buildings)
- French ski areas: mostly managed as concessions
KEYS POINTS OF P.P.P.

- Company supports important investments
- Fast implementation
- Technical know-how of specialized operators
- Control of local authority
- Brings financial means to the public authority
- Company bears operational risk
- Equipment returns to local authority at the end of the contract
P.P.P. IN FRENCH DEVELOPMENT

- “Snow Plan” winter sports resort development in the 1960s
- State control of tourism development in the 80s (Mountain Law)
- P.P.P. regulate development
- Qualitative approach
FINANCING TOOLS FOR TOURISM PROJECTS
FRENCH TOOLS

- A strategy developed by the French Ministry of Economy and Finance and the French Treasury Department
- 2 main instruments provide support to development projects: Treasury Loans & FASEP (Fonds d’Etude et d’Aide au Secteur Privé)
  - **Treasury Loan:** direct funding from the French State to provide support to development projects (loan) – since 2000: 100 projects in 27 countries have received support for a total of 4 billion €
  - **FASEP:** funding to help project managers to prepare infrastructure and investment strategies > studies – since 2000: 500 contracts involving more than 200 French companies in 84 countries for 300 M€
TREASURY LOANS - 2017
CO-INVESTMENT TOOLS

- **AFD: French Agency for Development**
  - Since 1941, AFD has served as the bilateral Development Bank of France
  - Partner for local and regional authorities “to shape a sustainable future”
  - Development assistance to 70 developing countries and overseas territories:
    - financing and support tools for development projects
      - infrastructure and urban development, water and sanitation, agriculture, education, health, environment and natural resources, private sector development
    - A subsidiary dedicated to private sector funding: PROPARCO
    - 8.3 billion € of financial support distributed in 2015, with a target of 12.5 billion € in 2020
AFD operates in most of the emerging and emerged markets.
INTERNATIONAL FUNDING TOOLS

- An international network for local and regional authorities and private actors
CLUSTER MONTAGNE’S ROLE IN TOURISM PROJECT DEVELOPMENT
FACILITATOR

- A key partner for connecting with French know-how and experts
- A simple organization to mobilize experts
- Acts as a facilitator between institutions and private actors
Mestia Valley
GEORGIA: MESTIA VALLEY

- Main challenges: roads, energy, tourism
- French experts
- Mission on site: natural hazards, infrastructure, ski area
- FASEP + Treasury Loan + in 2011
- Contact with local AFD representation
BOSNIA HERZEGOVINA

EYOF 2019
BOSNIA HERZEGOVINA

- Global mountain tourism project
- Main challenges: EYOF 2019 – 4-season development & appeal for Jahorina & Bjelasnica
- French delegation of experts
- Expertise mission on site: investment needs for renovation & development of infrastructure
- FASEP funding for feasibility study in 2017: 440,000 €
> SEE YOU AT MOUNTAIN PLANET

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THANK YOU FOR YOUR ATTENTION

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