

## Financing for Sustainable Tourism development



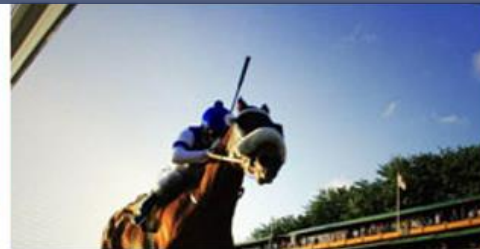
# AGENDA

1. Mauritius Model of Sustainability – A case study
2. Lessons Learnt
3. Financing Possibilities - Towards furthering sustainability

# MAURITIUS MODEL - A case study

- Continuity in policy making favoured the expansion of the industry
- Enlisting private sector to own the implementation space
- Clear demarcation in responsibilities of the State and Private Sector
- Equitable sharing of the pie : Common man a shareholder too

#unitedbyheart



# TOURISM INDUSTRY - Sustainable policy support to Tourism



**Tourism Policy**

**Opening of Air corridor**

**Blue Economy**

**SME Scheme**

**Environmental Friendly development**

**Government Policies**

**Expansion of the industry**

**Creation of employment**

**Environmental friendly development**

**Socio Economic Development**

**Private Sector Initiatives**

**Project Financing**

**Hotels**

**SME financing**

**Financial Institution**

**Investments**

**Properties**

**Business**

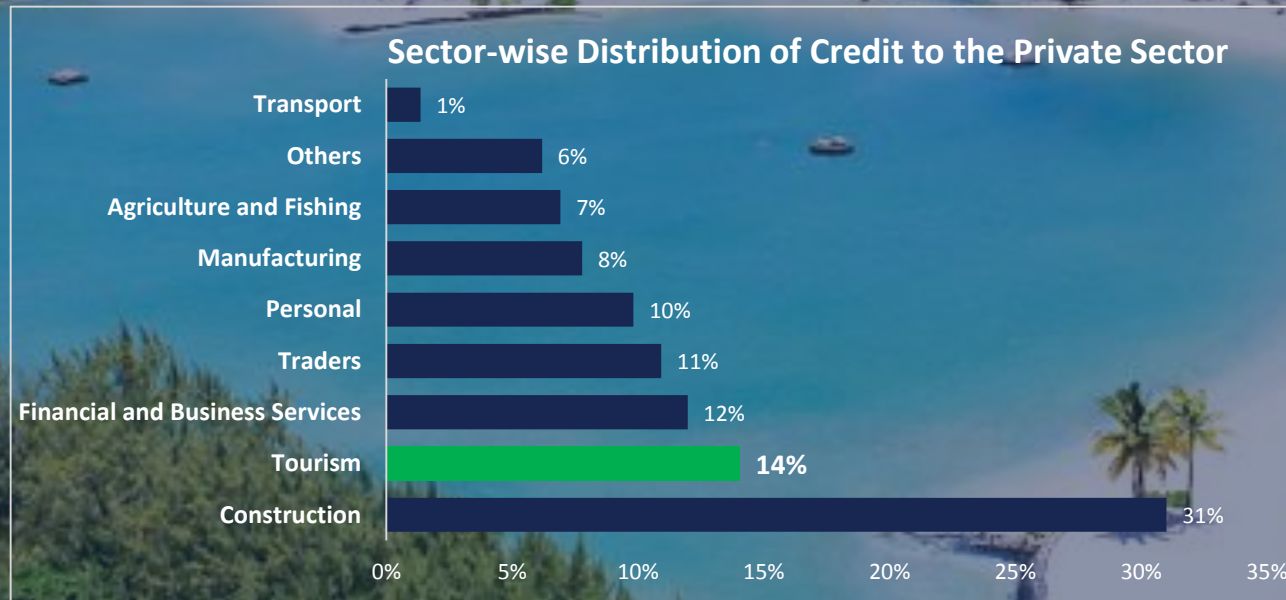
**Offshore**

**Foreign Investments**

# TOURISM INDUSTRY – Financing the Industry



The financial market has been dedicating 14% of their financing to the Tourism industry.



Type of Financed:

- Hotels
- Transport services
- IRS/ERS
- SME
- Traders

# TOURISM INDUSTRY – Direct and Indirect Contribution to the economy



# TOURISM INDUSTRY – Direct and Indirect Contribution to the economy



## Induced

**Spending of  
Direct and  
Indirect  
employees**

**Food and Beverage  
Recreation  
Clothing  
Housing  
Household goods**

## Indirect

**Other industry  
in the economy**

**Agriculture  
Fishing  
Manufacturing  
Government  
Transport  
SME**

## Indirect Contributors

The sector also contribute indirectly to other industries.

The Agricultural, Fishing, Manufacturing, Transport and SME are other sectors are key sectors who indirectly benefits from the inflow of tourism. Key players in the tourism industry are dependent on them to service their customers.

# TOURISM INDUSTRY – Direct and Indirect Contribution to the economy



## Induced

**Spending of  
Direct and  
Indirect  
employees**

**Food and Beverage  
Recreation  
Clothing  
Housing  
Household goods  
Education**

## Induced Sectors

The direct and indirect contributors of the industry boost other industries through their spending's.

Since the emergence of this sector, many regions around the hotels have developed into larger villages. Alongside, small business expansion have also been noted.



# Tangible outcomes



Tourist arrivals have been expanding consequently, rising from 18K at 1970, to 103K in 1977 and then to 1,775K in 2016.



Gross earnings from tourism raised from less than MUR 18M in 1970 to MUR 14.2Bn in year 2000 to reached MUR 55.8Bn in 2016.

# Sustainability works!



The Mauritius model shows that :

- Adaptive policy framework
- Independent Private Sector Implementation
- backed with stable financing options from banks, retained capital and FDI

makes sustainable Tourism an economic reality.

# Concluding thoughts on financing sustainable tourism



Preferential Financial support to agriculture



Preferential Financial support to handicraft products



Financial support for renewable energy & water, theme parks and other activities



Sharing the pie builds all-round solidarity for sustainability

Financing for  
Sustainable Tourism  
development

THANK YOU



# QUESTIONS

