

# EUR 10 BILLION LOSS FOR TOURISM IN FRANCE!



The shortfall for the tourism sector in France is estimated at "about 10 billion euros for the first four months of the year", due to the coronavirus crisis, the Secretary of State for Tourism, Jean-Baptiste Lemoyne, announced last week.

The Secretary of State in charge of tourism says he is in favor of another measure which would allow tourism professionals, tour operators or travel agencies to no longer reimburse their customers directly as provided for in the tourism code, but to give them vouchers which are valid for the same trip or another one on another date. This is a system that has been implemented in Italy. Thus, **the idea of this system would be to preserve companies' cash flow without penalizing the customers.**

According to the Secretary of State, tourism in France is one of the first sectors affected by a coronavirus. According to the calculations, the shortfall will amount to around 10 billion euros for the first four months of the year for the tourism sector. In some hotels, the cancellations amount to 60, 70% for March and April. The government thus announced a number of measures to support businesses with the aim to preserve jobs and companies.

Currently, Mr. Lemoyne is in contact with the representatives of the European Commission to achieve the voucher system instead of reimbursing. "It has to be applicable as soon as possible. It's a matter of days. We are in a fight, I would say almost hour by hour, day by day, to save businesses. This is why the Head of State also didn't want social security contributions and taxes made for companies.

According to the president of the Merchant Aviation Federation, **the consequences of coronavirus for tourism in France and for air transport would be 10 to 20 times greater than during September 11 and during the Gulf War.**

Mr. Lemoyne confirmed that the impact is and will be massive. "The drop in air travel is around 30% at least and the momentum is increasing. As you've seen, a certain number of countries are refusing access to European nationals. Again, our support will be overwhelming for this industry. And then, perhaps this crisis may allow us to rethink our model of economic development," he said. "I believe that we must transform our economic model so that we have more security in our supplies, as well as relocating production to France. And then, of course, accelerate the ecological and full transition," explained Mr. Lemoyne.

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