



# Almaty-Bishkek Economic Corridor **Tourism Master Plan**

[www.almaty-bishkek.org](http://www.almaty-bishkek.org)

ADB

# Contents

**1** ABEC Master Plan Concept

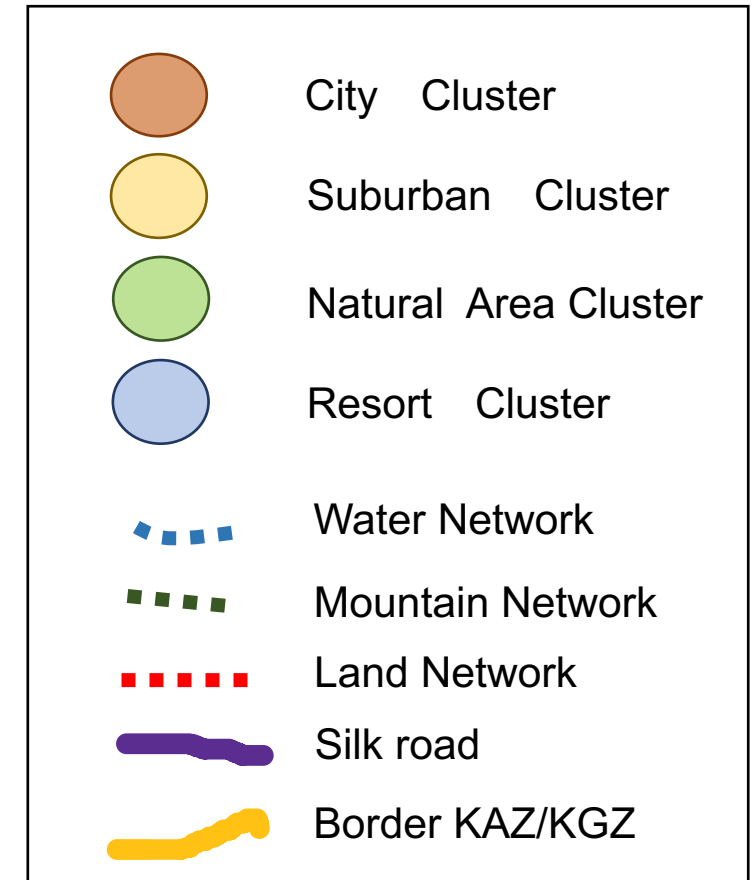
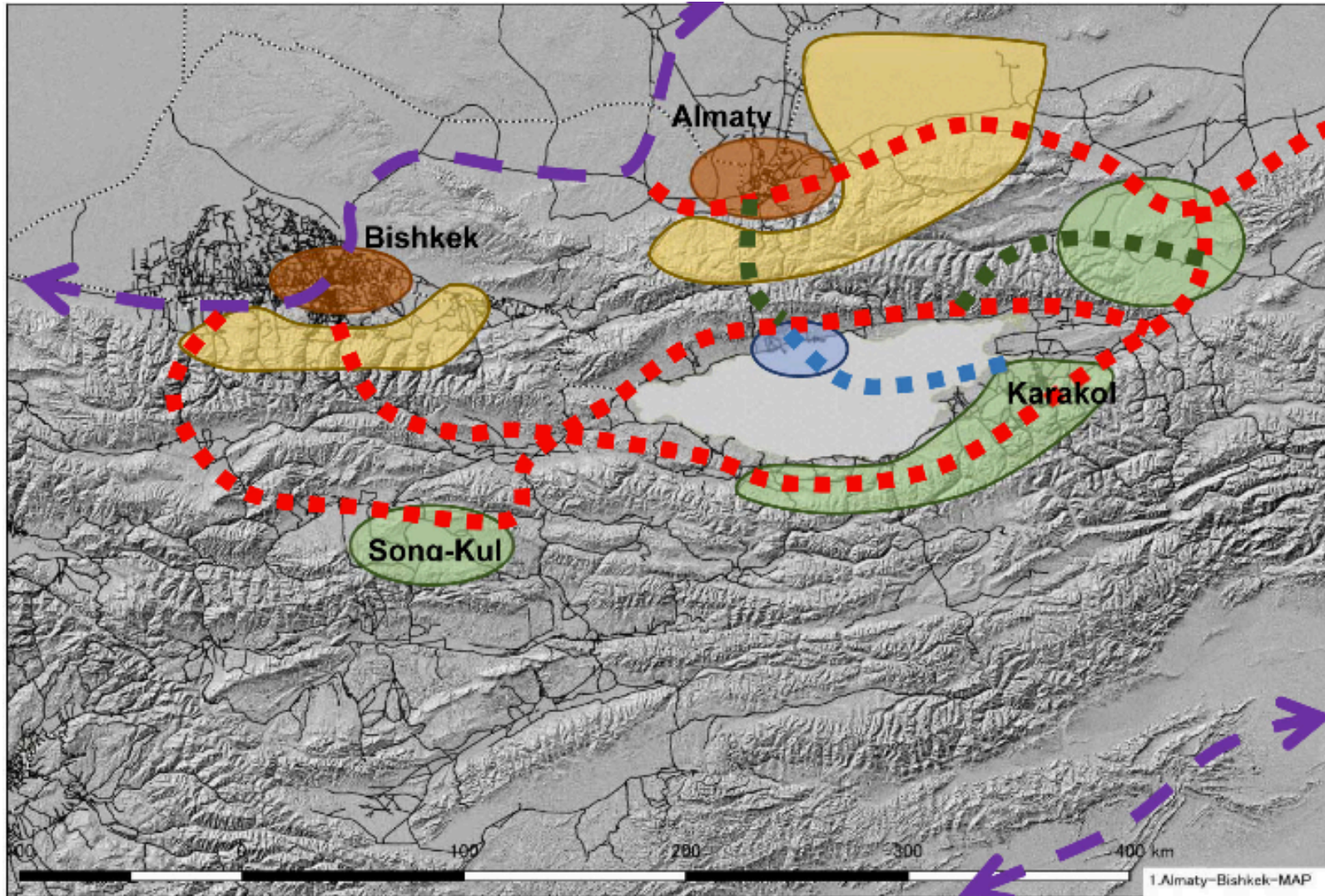
**2** Suggested Reforms

# ABEC Tourism Master Plan Assumptions

- ✓ Tourism is growing fast but from a low level
- ✓ Fiscal space for public investments in tourism limited
- ✓ The current model of tourism is not sustainable in the long term
- ✓ Set tourism on a long-term high-growth trajectory, with significant job creation, through:
  - attraction of high-risk transformative private investments; and
  - improved access and regulatory changes



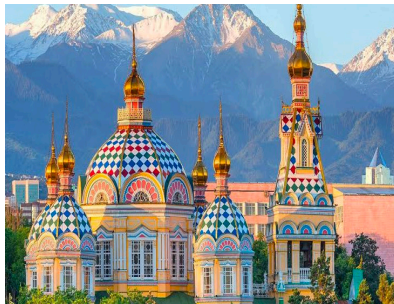
# ABEC Regional Tourism Development Concept





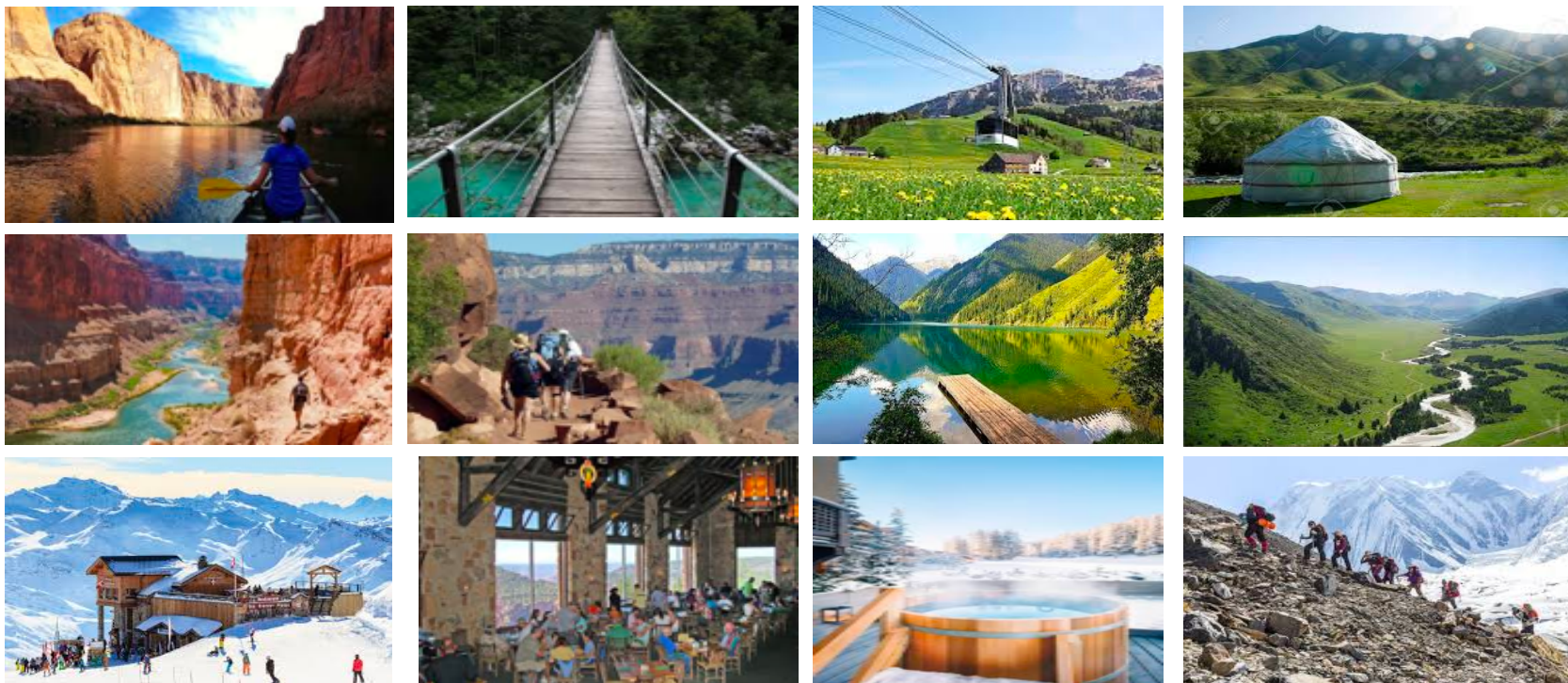
# Cluster Examples

**Bishkek City Cluster**: making it attractive for business and city break travellers, while enhancing the life quality of residents.



# Cluster Examples

**Karakol and Song-Kul Clusters:** Focus on adventure, sports, nature, culture, health and wellness





# Tourism Development Principles

## ✓ **Preservation of nature and culture as main assets**

- Functional spatial planning (regulation on where to build what and with which environmental standards)
- Prevention of environmental degradation (water quality, sewage treatment and solid waste management)
- Preservation of cultural assets

## ✓ **Institutional Development**

- Sector coordination institution (PPP design, enforcement, fees)
- Quality standards for the sector (service, education, branding)
- Reforms to improve access



# Why Regional Tourism Development?

- ✓ **Recognition of Kyrgyz Republic as part of Silk Road**
- ✓ **Multi-country trips for full experience** because of sparse density of touristic assets require
- ✓ **Branding and marketing cost savings**, specialization and developing complementarities
- ✓ **De-risking large investments** by creating large catchment area, coordinated regional air-hubs, and combination of winter and summer tourism, combined with all-year round city/business/shopping/conference segments

# Contents

## 1 ABEC Master Plan Concept

## 2 Suggested Reforms

# Suggested Decisions:



Among the identified investments in the ABEC Master Plan, 97% require reforms to be feasible/bankable and attractive for foreign investors.

## Institutional Framework

- ✓ Suggested one tourism development institution with powers to:
  - enforce preservation of natural and cultural assets
  - inter-ministerial/agency coordination
  - coordinate tourism asset development and cluster approach
  - serve as a one-stop shop for investors to negotiate concession design, incentives, and enforce service, environmental, and social obligations;
  - generate revenues and eventually setting up a tourism fund
  - develop a system of certification for accommodation, hospitality and tour guides in combination with skill development

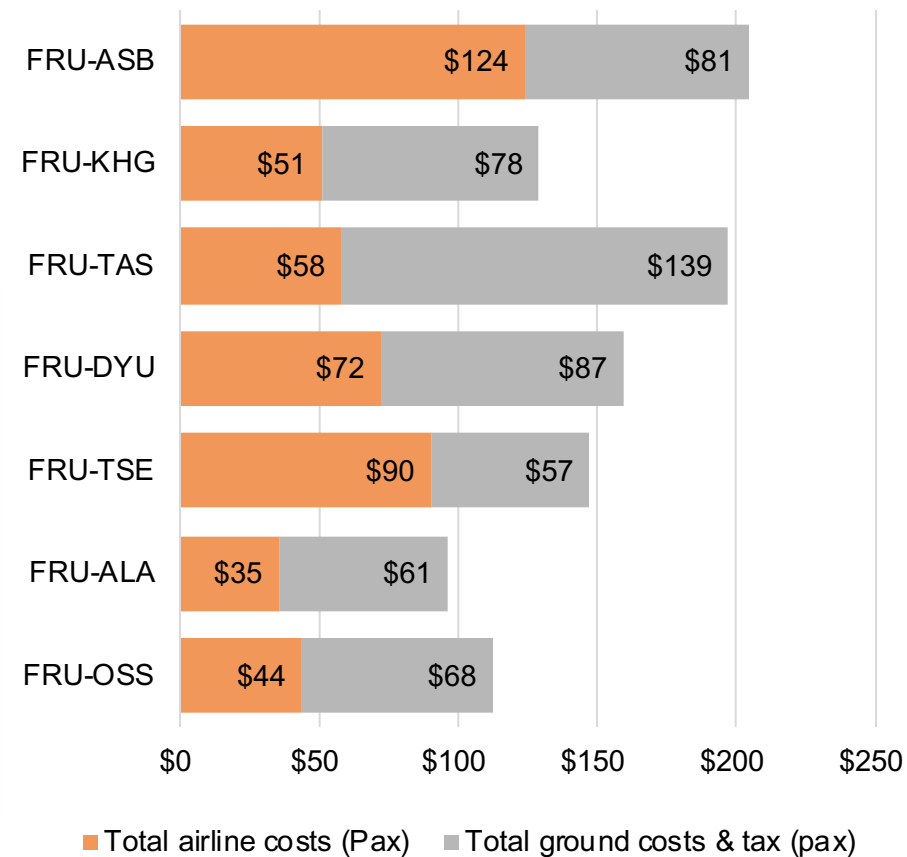
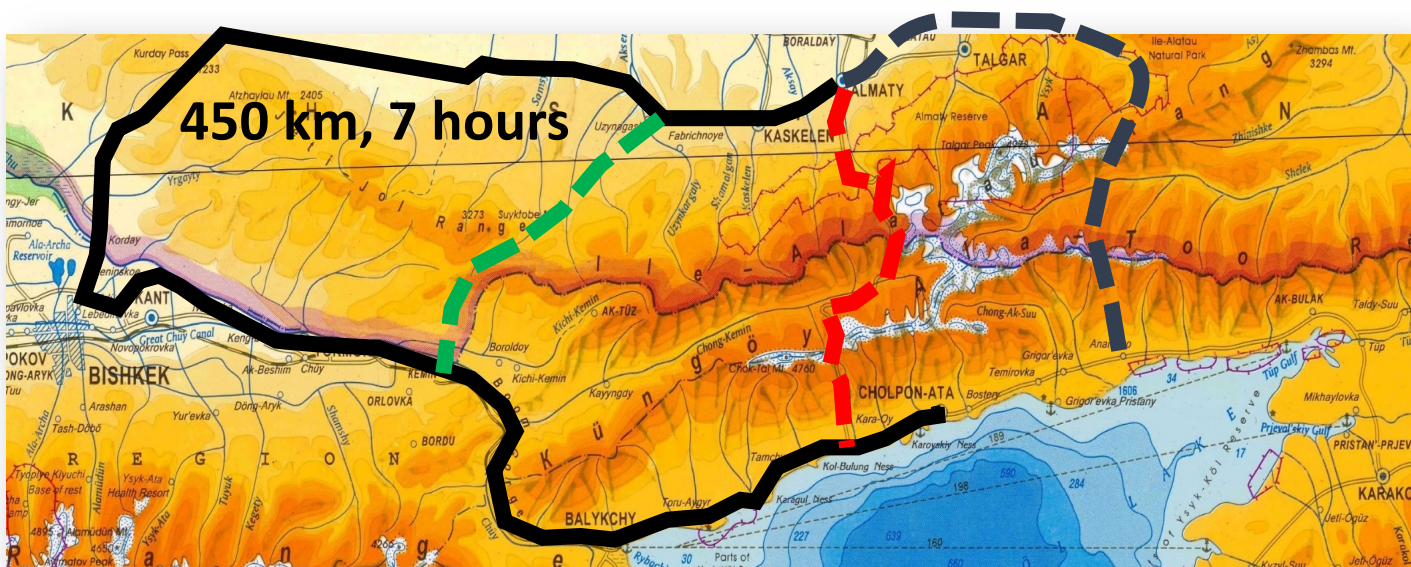


# Suggested Decisions:

- ✓ **Define a package of priority high impact investments**
  - Confirm investor requirements with world leading companies and conduct pre-feasibility studies to conceptualize concession design
  - Integrated support from development partners as honest brokers
  
- ✓ **Ensure better access through air and land connectivity**
  - Increase transparency of pricing by publishing schedule of charges for the airports and monitoring mechanism by the Civil Aviation Authority
  - considering regional low-cost airline, like Scandinavian Airlines;
  - Improvement of border-crossing point experience (including Karkyra-Kegen) and regular regional bus services

# Suggested Decisions:

- ✓ Cheaper and increased air access
- ✓ Faster road access



## Suggested Decisions:

- ✓ **Align foreign property ownership with international standards to attract large foreign investors and specify criteria for expropriation**
  - Criteria for fair price, how and whom appraises, declaration of public interest
- ✓ **Enforce the existing laws in the Issyk-Kul shore area**
  - Enforce compliance with the 300 meters construction from the shore to allow the building of a trail around Cholpon-Ata
  - Enforce sanitation standards to sustain good water quality
- ✓ **Resolve the open-air coal mining in Kara-Keche**
  - Include strict environmental requirements in license agreement and enforce with prohibitive fees



# Outcomes:



- ✓ **Reforms will provide assurances to private investors**
  - that the government will facilitate tourism sector growth
  - invested capital is protected through land ownership
  - natural and cultural tourism assets will be protected
  - transport access to the region will be cheaper for regional tourism products to attract large numbers of visitors
  - zoning and functional planning is consistent with tourism
  - intra-government coordination is done by one institution
  - public-private partnership concessions are reliable and include attractive exclusivity agreements for a certain amount of time

# ADB Support for Tourism Development



## National Support

- ✓ Project Loans/ Grants
- ✓ Technical Assistance
- ✓ Project Readiness Financing Grant (TAJ tourism project example)
- ✓ Small Expenditure Financing Facility Grant
- ✓ PPP Support

## Regional Initiatives

### Sustainable Tourism Development under the Central Asia Regional Economic Cooperation (CAREC) Program

- ✓ TA grant: \$2 million 2019–2021
- ✓ Strategic Analysis, CAREC Tourism Strategy 2030 & Regional Tourism Investment Framework 2021–2025
- ✓ Regional Project Conceptualization