

# London Olympics: Good for sport, bad for tourism

British athletes may be picking up gold at the London Olympics, but takings are down at the capital's main tourist attractions

The sporting event is said to be putting off regular visitors. There had been fears that London would

struggle to cope with the crowds. "We are seeing at least a 30 percent decline in attendance at attractions,"



Overall visitor numbers to London have declined sharply despite the influx of tourists flocking to the Olympics 2012

said Tom Jenkins, from the European Tour Operators Association.

"We are seeing sharp falls in usage of restaurants, we are seeing a big fall in the use of sightseeing companies. You can come in here and you can get individual attention from a Beefeater

at the Tower of London and the British Museum is comparatively empty." One London hotel manager put the disappointment down to too much hype ahead of the Games. "The projections were very high, the buzz around the Olympics in London was great," said

Robin Chadha, from CitizenM Hotels.

"There were a lot of warnings also to stay out of the city because of traffic, so it may have scared people off. Maybe people said 'we are going to leave London', especially the locals. Maybe some people did not want to

deal with the hassle of coming into a city which is at full capacity," he continued. This is an exceptionally quiet August for London. So, if the London 2012 Olympics are not for you, the city's many attractions are much less crowded and ready to welcome you.



Volkswagen's plan to take full control of sports-car maker Porsche AG

## Porsche Volkswagen tie-up completed

Germany's Volkswagen and Porsche have completed their long-awaited tie-up

That came one day after Porsche posted a six-month profit of 1.15bn Euros, compared to a 149m Euro profit a year earlier. Once integration is completed, the two expect to gain over 700m Euros in savings in development, purchasing and production and erase Porsche's 2.5bn Euros of debt.

Volkswagen's purchase of the second half of Porsche adds the super luxury — and super profitable — sports cars such as the iconic 911 model to its line-up. VW is already Europe's biggest carmaker. It is aiming to be the world number one by 2018.

Both companies already

cooperate in many areas. VW, which also includes luxury division Audi, makes the bodies for the Cayenne SUV and Panamera coupe, Porsche's two best-selling vehicles. They will jointly develop Porsche's next model, the Macan compact SUV, due to hit showrooms in 2014.

The two manufacturers had first agreed a full merger in August 2009, after Porsche racked up more than 10bn Euros of debt in a failed attempt to take over VW, sparking feuds among the Porsche and Piech family dynasties. VW bought 49.9 percent of Porsche's sports car operations

in December 2009 for 3.9bn Euros and had sought to acquire the remainder through a share-swap with the holding company.

The car makers dropped the merger plan last year because of US and German investor lawsuits accusing Porsche of covertly amassing VW shares, causing short-sellers to lose billions. But on July 4th, VW and Porsche agreed a deal allowing the Wolfsburg-based manufacturer to buy the remaining half of Porsche for 4.46bn Euros and avoid a tax bill of up to 1.5bn Euros by transferring a single VW share to Porsche.

## ECB's 'Save the Euro' moves some way off

**Under pressure to 'Save the Euro' the European Central Bank is gearing up to buy Italian and Spanish government bonds on the open market — but not yet**

ECB President Mario Draghi said it will only act after Eurozone governments activate EU bailout funds to also buy bonds. There will be no ECB intervention before September and countries being helped will have to accept strict conditions and supervision. Draghi also outlined more moves that may be taken to support the Euro, "The governing council will consider further non-standard monetary policy measures according to what is required to repair monetary policy transmission. In the coming

weeks we will design the appropriate modalities for such policy measures"

The ECB Chief admitted the German Central Bank Chief Jens Weidmann has reservations about bond-buying and that further efforts will be needed to persuade the Bun-



Mario Draghi

desbank before there is a final vote to take action. Financial markets seemed underwhelmed by the announcements, with some investors having interpreted Draghi's recent comments as a sign of imminent rather than future and conditional action.

At that time he said that the ECB would do whatever it takes within its mandate to protect the currency bloc from collapse adding "and believe me, it will be enough. The ECB did not cut interest rates this month. They were kept at a record low 0.75 percent despite the Bank's experts concluding that Eurozone economic growth is weak and will recover only very gradually as uncertainty about the outlook is sapping confidence.

## Morocco hybrid energy

**With over 300 days of sunshine per year, Ain Beni Mathar in Morocco, near the border with Algeria, was the perfect site to build a thermal and solar hybrid plant**

The first of its kind in Africa, Ain Beni Mathar is a real opportunity for Morocco to explore alternative sources. The country suffers greatly from its energy dependence, importing 97 percent of its coal and oil energy needs.

The total output of the power plant is 472 mega-

watts, 20MW of which is solar, allowing it to satisfy about 10 percent of the country's energy demand. Ain Beni Mathar is supplied with natural gas by the Maghreb / Europe pipeline. The plant uses an innovative cooling system. The giant fans are air-cooled condensers. They reduce water consumption by 5.3 million cubic metres per year and from at least one million cubic metres per year, there'll be an 80 percent saving of water.

The solar array occupies

88,160 hectares of the site: the 3,688 cylindrical and parabolic panels follow the sun's path. The site is a testing ground for Morocco. A 100% solar plant with a capacity of 2GW (giga watt) will soon come to Ouarzazate. The plant meets strict environmental standards — allowing Morocco to save 12,000 tonnes of fuel oil per year. To halt its energy dependence, Morocco has implemented plans to produce 40 percent of renewable energy by 2020.