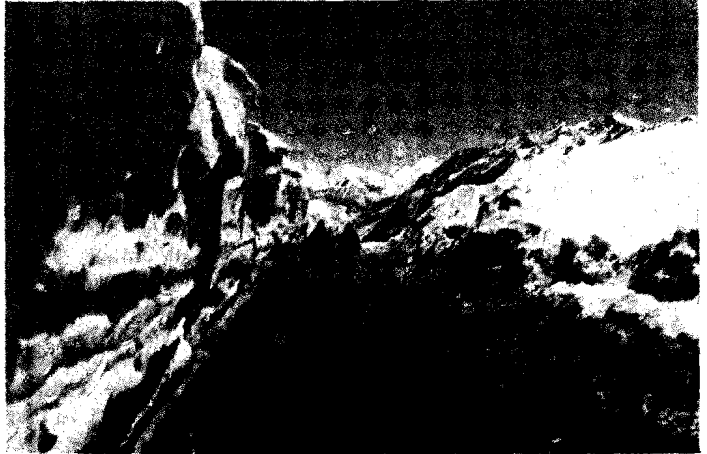

UNIT 29 TOURISM POLICY AND PLANNING

Structure

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- 29.1 Introduction
- 29.2 Need for Tourism Policy and Planning
- 29.3 Policy Initiatives 1982
- 29.4 Tourism and Planning Commission
 - 29.4.1 Recommendations of NCT 1988
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- 29.5 National Action Plan, 1992
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29.0 OBJECTIVES

After reading this Unit you will be able to:

- appreciate the need for tourism policy,
- know the importance of planning in tourism,
- learn about the tourism policy of the Government of India, and
- know about the salient features of the **National Action Plan** on tourism.

29.1 INTRODUCTION

In Unit-5 we had discussed about the role and functions of the National Tourist Organisation. Framing tourism policy and preparing plans to achieve the policy objectives is a prime function in this regard. Years of experience has shown that tourism development has to be based on a policy and careful planning. This Unit starts with a discussion on the need for tourism policy and planning. It goes on to identify the areas for planning, the various stages and evaluation. Further, the Unit takes into account the Tourism Policy of the **Government of India** with emphasis on the **National Action Plan** on Tourism and Special Areas Development programmes.

29.2 NEED FOR TOURISM POLICY AND PLANNING

In Unit-3, while discussing the history of tourism, it has already been pointed out how different modern tourism is from the tourism of the past. Similarly, the constituents of the Tourism Industry are also varied and there is intense competition among the destinations to attract tourists. **Though many countries may be late entrants in the business of tourism, they have the advantage of evaluating and using to their own benefit the experience of others in this area.** In order to direct the development of tourism in a country or at a destination there has to be a policy with identified targets and a plan to achieve them. This is more so necessary in order to maximise the benefits, remove or prevent the negative impact of uncontrolled mass tourism and go in for sustainable development. Hence, tourism planning is needed for a variety of reasons like:

- to coordinate the role of public and private sectors,
- to properly direct development,
- to demarcate the areas for development,

- to determine the types of tourism to be promoted,
- to prevent negative impact,
- to regulate and legislate,
- to improve the quality of services,
- to train human resources, and
- to market a destination, etc.

More and more governments are giving priority to tourism policy formation and setting of goals. To achieve the goals their ought to be proper planning and monitoring of the plan. Even the planning process includes various steps like:

1. **Study Preparation** i.e. identifying the project of study and its terms of reference.
2. **Determining the Goals** i.e. setting the objectives and goals of the project (they may be modified later depending on the nature of feed back).
3. **Surveys** i.e. having an inventory of the development area in terms of the prevailing situation, etc.
4. **Analysis** i.e. analysing and synthesising the survey out comes, as to what kind of approach is required, etc.
5. **Plan Formulation** i.e. formulating a policy for development along with operational aspects, in other words a blue print keeping in view the resources available.
6. **Recommendations**, i.e. how to go about.
7. **Implementation**, i.e. putting the plan and recommendations into operation.
8. **Monitoring**, i.e. continuous feed back on the implementation.
9. **Evaluation**, i.e. whether things are going in the desired direction.
10. **Modification and Reassessment**, i.e. to analyse whether any changes are required.

In the subsequent Sections we shall be discussing the tourism policy and plans of the Indian Government. However, as tourism professionals you must remember that **policy and planning is essential for every enterprise and service in tourism**. Hotels, airlines, travel agencies, tour operators, shopping outlets, local bodies etc. all formulate their own policies and plans of action.

Check Your Progress-1

1. What is the need for tourism policy?

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2. What do you understand by the following terms in planning:

- a) Determining the goals
- b) Survey
- c) Monitoring
- d) Evaluation

29.3 POLICY INITIATIVES 1982

In November 1982, the Government of India announced for the first time its Tourism Policy. The main thrust was aimed at presenting India to the foreign tourists as the ultimate holiday resort. The measures suggested in the policy included:

- granting Export Industry status to tourism,
- adopting a selective approach for developing tourist circuits,
- inviting private sector participation, and
- utilisation of national heritage for attracting tourists, etc.

The objectives defined were to so develop tourism that:

- i) It becomes a unifying force nationally and internationally fostering better understanding through travel.
- ii) It helps to preserve, retain and enrich our world-view and life-style, our cultural expressions and heritage in all its manifestations. The prosperity that tourism brings must cause **accretion and strength** rather than damage to our social and cultural values and depletion of our natural resources. **In tourism, India must present itself on its own terms—not as an echo or imitation of other countries, other cultures and other lifestyles.**
- iii) It brings socio-economic benefits to the community and the State in terms of employment opportunities, income generation, revenue generation for the States, foreign exchange earnings and, in general, causes human habitat improvement.
- iv) It gives a direction and opportunity to the youth of the country, both through international and domestic tourism, to understand the aspirations and viewpoints of others and thus to bring about a greater national integration and cohesion.
- v) It also offers opportunities to the youth of the country not only for employment but also for taking up activities of nation building character like sports, adventure and the like. Thus, as a programme for the moulding of the youth of the country, tourism is of inestimable value.

The policy recognised the importance of international tourism in earning foreign exchange and accorded high priority to its development. As regards domestic tourism it was stated that domestic tourists travelling within their country form the bulk of world tourist traffic. While domestic tourist statistics are not available at present on all India basis, the volume of passenger traffic carried by our Railways and the road transportation system is indicative of the enormous size of domestic tourism in India. For the large number of our people who travel on pilgrimage or as tourists for other motivations, the facilities provided are minimal. Hence, it will be the Governments endeavour to substantially improve and expand facilities for domestic tourists.

As regards to the relevance of Cultural Tourism it was acknowledged that various surveys and studies have confirmed that the biggest element in attracting international tourists to India is our archaeological and monumental wealth. Although the maintenance and upkeep of the monuments is the responsibility of the **Archaeological Survey of India** and the **State Departments of Archaeology**, it was proposed to provide adequate tourist facilities at the major centres of cultural interest in a planned manner. This was to be done in co-ordination with the other concerned agencies including the State Governments. The intention has been to fully exploit the rich heritage of archaeological monuments, religious centres dear to the followers of various religions of the world as well as the rich heritage in the field of performing arts, the variety of which could itself be the sole objective of the tourist's visit to India.

It was mentioned that tourism would be a common endeavour not only of the Centre and State Sectors but of the Private Sector Also, along with other agencies like educational and cultural organisations etc. While evaluating the economic impact it was stated that while the overall impact of tourism on a national scale may be difficult to measure as it is a pervasive activity rather than a tangible commodity, it can be more easily assessed in

specific situations where the parameters can be more precisely defined. For example, the cost/benefit study of the Gulmarg Winter Sport Project has shown that the net social benefit accruing from winter sports development as envisaged would be around Rs. 600 crores over a period of 25 to 30 years, the multiplier effect being 3.3. In a similar study of the Kovalam Beach Resort Project, the multiplier effect was found to be 2.5. In the field of international tourism, foreign exchange earned from tourism in 1979-80 showed an increase of 20.4 per cent as against an increase of 12.8 per cent growth rate in India. The Committee on Export Strategy 1980's in its report mentions that while India's exports altogether constituted 10.42 per cent of the total world exports in 1979, India's share of the world tourism receipts was 0.58 per cent. This despite the fact that 1979 was one of the poorest years for tourism to India. The fact remains that given the opportunity tourism can make an effective contribution towards reducing the country's deficits in international trade. Equally, it can bring sizeable socio-economic benefits to those regions of the country which are rich in tourism potential.

The plan of action suggested in the tourism policy included to involve the youth of the country in national integration and make tourism a vehicle for achieving this objective, Youth hostel activity will be given significant importance in the plan of action. It was felt that this will facilitate the youth from different parts of the country exchanging views and ideas, getting themselves exposed to the various parts of the country and thus bringing about greater understanding between youths of all parts of the country, apart from catalysing international understanding through the youth movement.

It was also suggested that "every endeavour will be made to secure fiscal and other incentives from the concerned Ministries of Government in order to make investment in the tourism industry worthwhile. In this process an endeavour will also be made to highlight the fact that in the context of the country needing substantial foreign exchange for its developmental activities, tourism industry will constitute a major agency/industry for the acquisition of foreign exchange of a sizeable quantum not incomparable to and in due course expect to exceed, the contribution of foreign exchange made by the engineering goods industries, Handloom and Handicraft industries and such other major foreign exchange earning export oriented industries. In this context an endeavour will also have to be made to obtain for tourism industry the status of an export-oriented industry."

The policy advocated to maintain a balance between conservation and development in order to check the:

- disruption in the eco-systems of environmentally sensitive regions, and
- despoliation of archaeological monuments, etc.

Check Your Progress-2

1. Mention the objectives of the Tourism Policy of 1982.

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2. Mention the suggestions made with regard to domestic tourism in the Policy of 1982.

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29.4 TOURISM AND PLANNING COMMISSION

In June 1982, the Planning Commission recognised tourism as an industry. In the Seventh and Eighth Plans tourism planning got due importance. A **National Committee on Tourism (NCT)** was set up by the Planning Commission in July, 1986 to evolve a plan for the coming years. The Committee submitted its report in 1988.

29.4.1 Recommendations of NCT 1988

Some of the major recommendations were as follows:

1. The **development strategy** for the tourism sector should be based on the principle of:
 - **low-cost economy,**
 - **higher levels of productivity,**
 - **improvement in efficiency of infrastructure, and**
 - **promoting competition.**

In determining the spread of funds over different tourism development projects, it would be useful to work out capital labour ratio and capital resource cost per dollar earned and per tourist served. Besides, a selective approach should be adopted for developing destinations within the country as there is scarcity of capital.

For a balanced development of tourism in India, it is necessary to:

- (a) Develop selected tourist circuits/centres instead of spreading limited resources thinkly over a large number of circuits,
- (b) Diversify tourism to India from the traditional sight-seeing tours centred primarily on places of cultural tourism interest towards the more rapidly growing holiday tourism markets within the framework of the country's milieu with a conscious attention to the aesthetic, environmental and socio-cultural integration of tourism projects.
- (c) Develop non-traditional areas such as trekking, winter sports, wildlife tourism, beach resort tourism so as to attract more tourists and to lengthen their period of stay in the country.
- (d) Restore and develop national heritage projects and utilise tourism as a major force in support of conservation of national heritage.
- (e) Explore new tourist generating markets, particularly in countries which have a broad spectrum of cultural affinity with India. India should also attract large number of foreign tourists of Indian origin by launching special campaigns like **discover your roots.**

While implementing these measures the following should be considered:

- **Anti-poverty and area development programmes should be integrated with tourism development** in those areas which have a high tourism potential. This will generate employment and supplementary income at local level.
- **Backward Areas in tourism** should imply not just a "no industry district" but a district with high tourism potential.

It was recommended that a Tourism Finance Corporation with an initial equity of Rs. 100 crore be set up to provide loans to the tourism industry and cater to its specialised needs. As a result the Tourism Finance Corporation of India was set up.

In the field of **accommodation** the recommendation were:

- Encouragement, through suitable incentives, to supplementary accommodation like private guest houses, tourist bungalows, forest lodges etc.
- Construction of Yatri Niwases to be left to the private sector.
- Youth hostels to be provided in as many places as possible.
- Suitable incentives to be given to revive and maintain national assets like palaces, old **havelis**, villas etc. in order to augment accommodation.
- The accommodation sector be provided with **monetary incentives** to ease the borrowing and repayment of loans; **fiscal incentives** to improve the profitability and **operational input incentives** for greater efficiency in operation and management.

In the field of **transport** is was recommended:

- A liberal policy should be adopted to allow foreign airlines to meet the projected demand of travel to and fro from India.
- Air India should be converted into a joint stock company. This would help to give the airline much desired commercial orientation and user sensitivity.
- Air-charters should be liberally allowed.
- Indian Airlines should be partially privatised.
- Travel agencies should be provided terminals linked to the reservation system of airlines and railways.
- Special tourist trains on the model of **Palace on Wheels** be introduced in other circuits.
- Ministry of Railways should have a full fledged tourism directorate.
- Adequate attention should be given for upgrading road transportation. Four land highways and motorways with suitable midway facilities should be developed.
- The potential for river cruises be fully tapped.

In relation to checking the **damage to environment** it was accepted that no serious efforts have been undertaken either to know the extant of damage or work for preservation. The recommendations in this regard included:

- Assessing the **carrying capacity** of each area in which tourism is sought to be promoted.
- Closing off certain areas completely to tourism if it is established that they are too fragile or important to be exposed to such activity (e.g. most of the Andaman and Nicobar islands).
- Creating specific tourism zones within areas, where the majority of tourist activity can be concentrated (as in some national parks, where the tourist zone diverts pressure from the ecologically more important core zone).
- Rotating areas open to tourists so that an area opened for some time may be closed and allowed to recuperate while another is opened.
- Allowing only a limited number of tourists at any given time.
- Allowing only certain kinds of tourism, e.g. only trekking.
- Developing tourist facilities which are in harmony with the local ecosystems. Thus, for instance, alternatives to large-scale road construction in the hills, like bridle paths, cycle tracks, ropeways, etc. must be explored.
- Non-governmental organisations, especially ecological and adventure groups have an important role to play in this regard and their services should be availed of.

In order to increase India's share in International tourism receipts the recommendations were:

- India should attempt to absorb a greater share in the spill over of tourism from Europe and North America which have reached a saturation level.

- India has the potential to attract the “off beat travellers” and efforts should be made in this regard.
- In key markets a national image-building and marketing plan should be launched by pooling resources of the various public and private agencies.
- Adequate resources should be provided to select tourist offices abroad; post officers with strong marketing orientation and professionalism.
- Technological development in the field of communications and computers should be used for establishing a Tourist Information Network.
- A Market Development Fund should be set-up with the purpose of promoting tourism and giving the travel trade a competitive edge in its marketing effort.

The recommendations also included improvements in the existing organisational structure of the **Department of Tourism, Government of India.**

The importance of human resources development was acknowledged in qualitative and quantitative terms. Hence certain recommendations were made to improve tourism training and education.

29.4.2 The Eighth Plan 1992-97

In May 1992, the Govt. of India tabled in Lok Sabha. **The National Action Plan For Tourism** which formed the basis of the Eighth Plan document (we will discuss NAP in Section 29.5 separately). Some of the major Eighth Plan recommendations in relation to tourism are:

- 1) The future growth of tourism should be achieved mainly through **private initiative.**
- 2) The role of the state in contributing to tourism can be:
 - planning broad strategies of development,
 - providing fiscal and monetary incentives to catalyse private sector investments,
 - Devising effective regulatory and supervisory mechanisms to protect the interest of the industry, the consumer and the environment.

The focus and promotional strategy during the Eighth Plan should be on high spending tourists from areas like Europe, USA and Japan; Encouraging Private Sector to invest in developing tourist transport, etc.

Infact the basic thrust in the Eighth Plan document is on encouraging Private Sector participation and luring high spending tourists.

Check Your Progress-3

1. Mention the recommendations of the NCT in relation to environment.

2. What is the trust in the Eighth Plan regarding tourism?

29.5 NATIONAL ACTION PLAN 1992

In this Section we reproduce the Government of India's National Action Plan for Tourism:

1. Objectives

The objectives of the new Action Plan for Tourism are delineated below:

a) Socio-economic Development of Areas

Tourism conferred considerable socio-economic benefits to the community thereby uplifting the quality of life. It can further foster development even in areas where other economic activities would be difficult to sustain.

b) Increasing Employment Opportunities

Tourism industry generates employment, directly and indirectly, for about 13-14 million persons. Employment opportunities should be atleast double the present level before the turn of the century.

c) Developing Domestic Tourism Especially for the Budget Category:

Domestic tourists form the bulk of world tourist traffic. In India also, facilities for domestic tourists will be improved and expanded, particularly the budget category so as to ensure an affordable holiday for them.

d) Preservation of National Heritage and Environment

Tourism would be developed in a manner that our cultural expression and heritage are preserved in all its manifestations including support to arts and crafts. Preservation and enrichment of environment should also form an integral part of tourism development.

e) Development of International Tourism and Optimisation of Foreign Exchange Earnings

International tourism contributes substantially to foreign exchange earnings and keeping in view the country's requirements, tourism will be so developed that foreign exchange earnings increase from Rs. 2,440 crores to Rs. 10,000 crores by the end of the century.

f) Diversification of the Tourism Product

While retaining the traditional image of cultural tourism that India enjoys, diversification of the tourism product would continue, particularly in the field of leisure, adventure, convention and incentive tourism, thereby responding to the changing consumer needs.

g) Increase in India's Share in World Tourism

Presently the foreign tourist arrivals in India constitute only about 0.4% of the total foreign tourists movement all over the world. One of the objectives of the action plan would be to increase India's share to 1% within the next five years.

2. Strategy for Development

The strategy for achieving the objectives is outlined below:

- Improvement of tourism infrastructure.
- Developing areas on a selective basis for integrated growth along with marketing of destinations to ensure optimal use of existing infrastructure.

- Restructuring and strengthening the institutions for development of human resources.
- Evolving a suitable policy for increasing foreign tourist arrivals and foreign exchange earnings.

3. Improvement of Tourist Infrastructure

The State has made substantial contribution in the service sector which is best left to private initiative and investment. The policy now would be to encourage private investment, both domestic and foreign, for accelerated growth. The role of Ministry of Tourism would be to conceptualise and deal with policy issues mainly.

4. Accommodation

Hotels form an important and vital segment of the tourism infrastructure in the country. It has been estimated that the present capacity of 44,405 hotel rooms in the approved category needs to be at least doubled in the next three years. The Government has already initiated steps in this direction. Fiscal concessions had been given under Section 80 HHD of the Income Tax Act whereby 50% of the income earned on account of the foreign exchange earnings of a hotel are exempt from income tax and the remaining 50% also exempt if reinvested in the tourism industry. This has had a positive impact on the pace of growth of hotels. However, this trend is particularly noticeable in metropolitan cities and commercial cities than in tourist destinations per se. In order to stimulate growth at tourist places also, the Government has given a concession that hotels set up in rural areas, hill stations, pilgrim centres and specified tourist destinations will be exempt from expenditure tax and 50% of income tax for ten years.

The Government is also giving an interest subsidy on loans for construction of hotels. It is 1% for loans upto 75 lakhs for 4-5 star hotels and 3% for all other approved hotels. The interest subsidy to all 4-5 star hotels and all hotels in the metropolitan cities will now be discontinued. In special areas and specified destinations, however, the interest subsidy will be increased to 5% for all 1, 2 and 3 star hotels to stimulate their growth.

There are a large number of palaces, big and small, and havelies which can be very conveniently converted into hotels. Many of these are in a state of disrepair and their conversion into hotels will assist in preservation of this national heritage. It has, therefore, been decided to encourage the growth of these heritage hotels. In relaxation of their norms, the Tourism Finance Corporation of India will now advance loans for heritage hotel projects of Rs. 50 lakhs and above. The Government will also give an interest subsidy of 5% on loans advance for construction of new heritage hotels. A new scheme will be launched whereby this category of hotels will also be given a capital subsidy of Rs. 5 lakhs or 25% of the cost, whichever is less. For havelies located in rural areas, there is an added incentive of 10 year holiday from expenditure tax and 50% from income tax. It is hoped that these concessions will spur a rapid growth of heritage hotels in the country.

5. Encouraging Domestic Tourism

Measures are afoot to facilitate domestic tourism, a new scheme for development of camping sites will be started specially for the low budget tourists. Central assistance is being provided to enable State Tourism Development Corporations investing in tented accommodation and other facilities necessary for setting up adventure camps. A scheme of Paying Guest Accommodation will also be introduced in as many places as possible to provide affordable and hygienic accommodation, both for domestic and foreign tourists. Similarly, classification rules will be suitably altered to recognise apartment hotels as these also provide affordable holidays to the domestic tourists. Further, rules will be amended to provide for recognition to tour operators engaged in domestic tourism. In fact, it will be prescribed that all recognised tour operators/travel agents do a certain percentage of their turnover in domestic tourism. These measures will, no doubt, give a fillip to growth of low-budgeted tourism.

6. Pilgrim Tourism

Pilgrim flows account for a very large percentage of domestic tourism. Infrastructure facilities for tourists for pilgrim centres need to be substantially improved. For this

purpose, the Central Government will earmark a sum of Rs. 5.00 crores as Central assistance every year to enable State Tourism Development Corporations/private entrepreneurs to set up or improve accommodation facilities, way-side amenities and transport systems at important pilgrim centres.

7. Crafts Villages

The Surajkund Crafts Mela and Shilpgram, Udaipur, have been a tremendous draw with the tourists. Looking at the success of these centres, the Department intends to set up Crafts Villages in different parts of the country and provide a boost to the traditional handicrafts of these regions.

8. Fairs and Festivals

The fairs and festivals not only reflect the vast cultural heritage of India but have over the years become big attractions for tourists. These have been identified by the Ministry of Tourism and assistance is given to develop and publicise them to attract even foreign tourists. Fairs like Pushkar Fair, Sonapur Cattle Fair, Kite Festival, Alleppey Boat Race, Dussehra Festival in Mysore and Kulu and others have already become a big attraction for tourists. Ministry will give liberal financial assistance to develop these traditional fairs and festivals all over the country and promote them aggressively in the international markets.

India's rich culture and heritage has been one of the major attractions for the international tourists who visit our country to experience different cultures, traditions and customs. At important tourist centres there are no structured arrangements for organising cultural evenings which could provide an experience or a glimpse of Indian culture to the visiting foreign tourists. It will be the endeavour of the Government to have a tie-up with the Zonal Cultural Centres for making arrangements at important tourist destinations to organise cultural evenings, son-et-lumieres, craft bazars, food plazas and fairs & festivals all round the year. Such activities will be organised in coordination with the Department of Culture and Archaeological Survey of India.

9. Road Transport

The other important segment of tourist infrastructure is road transport. The Govt. will be importing coaches for Buddhist circuit in Uttar Pradesh and Bihar as also 300 airconditioned units for the travel trade at concessional duties over the next two years. This will ensure that the tourist coaches are adequately equipped to meet the needs of the tourists. It is recognised that international quality luxury coaches/cars are essential for facilitating tourist movement to different parts of the country. Unfortunately most of the existing transport units are now old and have outlived the utility and need to be replaced. Government will introduce some suitable scheme by which this important felt need in tourism can be fulfilled.

10. Travel Trade

Travel Agents and tour operators constitute an important segment of tourism industry. Looking to the size of the country it is imperative to encourage the travel trade in such a fashion that more and more people could come within the fold of travel trade. It would be the endeavour of the Govt. to streamline and liberalise rules and procedures for recognising travel agents and tour operators.

11. Facilitating Tourist Movement

Government has announced liberalised charter policy and the Director General (Civil Aviation) automatically grants permission expeditiously for charter flights in keeping with the guidelines prescribed. Charter flights have significantly added to tourism traffic to the country and it is hoped that they will be disbursed to tourism destinations in different parts of the country. The recently introduced air taxi scheme will augment the efforts of the national carriers and facilitate movement of tourists within the country. Foreign tourists are greatly attracted to travelling by the railways and the Palace-on-Wheels in Rajasthan has been an unqualified success. Govt. has recently announced a new tourist train on the lines of the Palace-on-Wheels to operate in the coming tourist season between Goa and Mysore. Efforts will also be made to encourage tourist movement by water transport. The private sector will be encouraged to introduce cruises both river runs and along the coastal stretches.

12. Foreign Investment

Hotels and Tourism related industry have been listed at Item-4 in Appendix-III of the new Industrial Policy which provided for automatic approval of foreign investment in equity upto 51%. With this liberalisation it is imperative that special efforts are made to attract foreign investment in the tourism sector. The Government has set up a Committee under the chairmanship of the Principal Secretary to the Prime Minister to negotiate with parties abroad for investment in the country. Another Sub-Committee to service the main Committee will be set up in this Ministry chaired by Secretary (Tourism) to obtain and concretise foreign investment in the tourism sector.

13. Convention Tourism

Convention and Conference Tourism has assumed a great significance. In order to encourage convention tourism it would be desirable to set up fully integrated convention complexes in the country so that more and more international conferences and conventions could be attracted to India. It would be the endeavour of the Govt. to set up a convention city with all facilities of international standard.

14. Developing Areas on a Selective Basis for Integrated Growth

Hitherto Central assistance for development of tourism infrastructure to the States has been spared thinly over a large number of schemes/projects. Consequently, the desired level of development in places which have high potential has not taken place. Given this scenario, it has been decided that instead of spreading resources thinly, only special circuits/destinations will be taken up for intensive development. In the first instance Govt. has identified 15 circuits/destinations for concentrated development both through Central assistance and investment by State Govts/private sector. These circuits are listed in point 18. As and when these circuits/destinations reach the prescribed level of development, new circuits/destinations could be added so that there is a uniform spread of tourist facilities in different parts of the country.

The Govt. in conjunction with selected State Govts. also proposes to notify a few Special Tourism Areas for integrated development of tourism facilities. The proposed Special Tourism Areas will be similar to the scheme of setting up notified Export Processing Zones designed to give a fillip to industries catering to export production. The selected Special Tourism Areas would have identifiable boundaries notified by the State Governments where land would be allotted for hotels and tourism related industries at concessional rates to prospective investors according to the Master Plan prepared. A Special Area Development Authority would be constituted by the State Governments to administer the Special Tourism Area with full delegation of powers under different statutes of the State Government. The Special Area Development Authority would prepare the Master Plan for the area and provide single window clearance facility to the investors. The State Government would provide basic infrastructure in terms of roads, transport, bus terminals wayside amenities, electrical grids, water supply, law and order and municipal services. The Central Govt. would provide infrastructural support such as airports and airline services, railway stations, communications network and post/telegraph/banking services. Both the Central and State Governments would grant exemption from specified Central/State Taxes and freeze rates on water and electric supply for atleast 10 years in order to attract investment

The selection of Special Tourism Areas would be done by the Central Govt. in consultation with those State Governments who are willing to offer the maximum facilities for the successful functioning of such Special Tourism Areas.

Special efforts will be made to attract foreign investment in these areas.

A scheme for giving Assistance for Specified Tourism areas (ASTA) will be started to provide financial assistance for equity and other tourism related activities in such areas as are specified by the Government.

The Government will lay special emphasis on the development of island tourism in places such as the Andamans and Lakshadweep. A decision has recently been taken to selectively

open out some of the islands for tourism purposes. This will be done keeping in mind the carrying capacity and the need to preserve the environment. The emphasis will be on high value low volume tourism traffic to the selected islands and the facilities to be provided would blend with the natural beauty of the islands.

15. Restructuring and Strengthening Institutions for Manpower Development

At present there are 15 institutions of Hotel Management and Catering Technology and 16 Foodcraft Institutes in the country. The combined turnover of trained personnel is estimated at 8,500 in the accommodation and hospitality sector as against the annual requirement of 28,00 trained personnel. The Government will, therefore, restructure and strengthen the training programme to meet this shortfall.

The Foodcraft Institutes which provide general training to the students have served a useful purpose in the initial years. There is an urgent need to supplement these activities with certain specialised Institutes like Chef Training Institutes. A National Culinary Institute will be set up to meet the requirements of trained manpower in the country and the region.

The Institutes of Hotel Management and Catering Technology have fulfilled an important need and students from these Institutes find ready employment in the hotel industry. However, a survey has shown that these students take up jobs mainly in the metros. Consequently the hotel industry in the smaller places does not get trained manpower. To correct this imbalance, regional institutes would be set up. Students will be admitted on regional basis and encouraged to take up jobs in these areas.

The Indian Institute of Tourism and Travel Management will be strengthened both in staff and equipment to become the premier institution for providing trained manpower for the travel trade in the country. National Universities will also be involved in this effort and would be given financial and other assistance for introducing tourism courses in the country.

16. Marketing and Overseas Publicity

In the field of marketing and overseas publicity, the Department will coordinate its activities with Air India and other agencies operating in foreign countries to obtain optimum results. Emphasis will now be on direct promotion by way of going directly to the consumer. Familiarisation tours, joint promotion with departmental stores and other organisations; and assistance to tour operators promoting India will constitute the major planks of the publicity strategy.

The marketing of India as a generalised destination has obvious drawbacks since foreign travellers do not get in depth focus of local tourist attractions. A major change in strategy is specific destination marketing which concentrates on specified circuits/destinations in the overseas publicity programme. This year, for example, through special concentration on South India, tourism flows were increased by almost 35% to South Indian destinations and helped diversify tourism away from the traditional destinations.

In many countries tourism trade fairs have become an annual feature where different segments of tourism industry inter-act with one another and the tourism product is sold to wholesalers and retailers. Often a large number of consumers also participate in such trade fairs. In order to promote tourism to India a tourism trade fair could be held once in three years where the indigenous industry and foreign travel agents/tour operators could fruitfully interact.

The Government have introduced tourist information service-TOURNET in their domestic offices and certain selected countries. It is proposed to make available a computerised multilingual tourist information service which could be installed at different outlets like airports, hotels and trade counters apart from the tourist offices of Government of India. The service could give instant information on mode of transport, food, accommodation, place of interest and cost of services in different languages to the tourists visiting the country.

17. Summary of the Action Plan

Based on the prescriptions contained in the foregoing paragraphs, a summary outline of the Action Plan for Tourism proposed to be implemented, is indicated in the subsequent paragraphs.

The items which pertain to the Ministry of Tourism are as below:

- a) Creation of Special Tourism Areas as notified zones for intensive investment and development.
- b) Starting the Scheme for giving Assistance for Specified Tourism Areas (ASTA) for providing finances for tourism and tourism related industry in specified areas/circuits.
- c) Special category of Heritage Hotels/health resorts to be created and provided:
 - technical/consultancy help,
 - loans from financial institutions,
 - interest subsidy, and
 - marketing and operational expertise.
- d) Tourist trains to be started on important tourist routes based on the success of the Palance-on Wheels.
- e) River cruises to be operated in specified circuits.
- f) Revamping of foreign offices to make them more accountable in terms of specified targets.
- g) Information revolution; information system to be revamped to provide positive projection of India in all leading markets.
- h) Special airline/hotel packages for selected tourist destinations.
- i) Provision of information counter for airlines, trains, hotels, tourist information at major international airports.

Items which pertain to other Ministries:

- a) Tourist facilities at major international airports:
 - Immigration
 - Customs
 - Luggage
 - Money changing facilities
 - Airport coaches/taxis
- b) Liberalized charters through announced policy and automatic clearance.
- c) Open sky policy for routes on which Air India does not operate or operates in a limited fashion.

18. Circuits-cum-Destinations Identified for Intensive Development

A) Travel Circuits

1. Kulu-Manali-Leh
2. Gwalior-Shivpuri-Orchha-Khajuraho
3. Bagdogra-Sikkim-Darjeeling-Kalimpong
4. Bhubaneswar-Puri-Konark
5. Hyderabad-Nagarjunasagar-Tirupati
6. Madras-Mamallapuram-Pondicherry

7. Rishikesh-Narender Nagar-Gangotri-Badrinath
8. Indore-Ujjain-Maheshwar-Omkareshwar-Mandu
9. Jaisalmer-Jodhpur-Bikaner-Barmer

B) Destinations

1. Lakshadweep Islands
2. Andaman Islands
3. Manali (Soland-Nalah)
4. Bekal Beach
5. Muttukadu Beach
6. Kangra (Pong Dam)

Check Your Progress-4

1. What are the objectives of NAP?

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2. What do you understand by Special Tourism Areas?

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29.6 LET US SUM UP

The Unit introduced you to the need of Policy formation and Planning in tourism. The Tourism policy of the Government of India was discussed to give you an idea about the process of tourism policy formation in our country. You will read about the role of State Government in Unit-27 of TS-2. **Here we did not offer a critique of the policy and planning because partly it has been dealt in Block-9 and the rest will be dealt in other courses of advance levels.** However, we should take note of the ongoing debate on tourism development between the policy makers, host population, environmentalists and tourism activists. The Government should also devise methods for constant monitoring and evaluation of its programmes at the operational stage also. You should also keep yourself updated on latest policy decisions and declarations which are reported in newspapers from time to time.

29.7 KEY WORDS

Accretion	: growing of separate things into one
Endeavour	: effort
Envisage	: contemplate as desirable or possible
Infrastructure	: the basic foundations
Monitor	: maintain regular guard
Parameter	: measurable feature
River Cruise	: motorboat ride in a river
Subsidy	: money granted by the state to keep down the price
Tangible	: clearly understandable

29.8 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress-1

1. Base your answer on Sec. 29.2.
2. Pick your answers after reading the various steps of planning mentioned in Sec. 29.2.

Check Your Progress-2

1. Preservation of social and cultural values, socio-economic benefits, encourage domestic tourism, increase in foreign exchange, etc. Read Sec. 29.3.
2. Read the passages related to domestic tourists in Sec. 29.3.

Check Your Progress-3

1. Mention the concern expressed in this regard and measures to be adopted after reading Sub-sec. 29.4.1.
2. Encouraging Private Sector and attracting high spenders from abroad See Sub-sec. 29.4.2.

Check Your Progress-4

1. Increase in employment; developing domestic tourism; foreign exchange earnings etc. See Sec. 29.5.
2. Areas that have been marked for intensive development on selective basis, certain incentives and concessions are to be provided in these areas. See Sec. 29.5.