

# NATIONAL TOURISM POLICY: THE POTENTIAL GAME CHANGER

Abhishek Mukherjee

To sustain India's remarkable performance in tourism sector, necessary improvement in India's service and hospitality industry is essential. The implementation of proposed National Tourism Policy will go a long way in removing the impediments associated with this particular sector and will provide a sustainable and conducive environment for the overall development of the tourism sector.

India is a vast country with varied culture, traditions, languages, festivals and rituals. The country sets up a perfect example in the world when it comes to unity in diversity. History in its ancient, medieval or modern form has provided evidence to the fact that India has been a country which has attracted global attention right from the days of Alexander the Great to the British raj. Some of the dynasties that have ruled our country have left indelible impression in art, culture, architecture and most importantly, has left us with a legacy that is still very much a part of India's day to day life. All of these have made India a hugely attractive tourist destination. A country which can offer mystic Himalayas, serene seas, enchanting wildlife, holy shrines and above all a very dynamic way of life in the same platter. Tourism has also been one of the major driving force of India's remarkable growth in recent past. As per the Report of World Travel & Tourism Council, India is the world's seventh largest tourism economy in terms of its total contribution to the country's GDP. According to the latest data available, Travel & Tourism generated INR14.1 trillion (USD208.9 billion) in 2016, which is the world's 7th largest in terms of absolute size, the sum is equivalent to 9.6% of the country's GDP.

Further, this sector is particularly important for employment generation. As per the latest data, travel and tourism sector has supported 40.3 million jobs in 2016, thus, making India global second in terms of total

employment supported by travel and tourism. This particular sector accounts for 9.3 per cent of the total jobs in the country. It is estimated that in 2017, there will be a growth of 6.7 per cent in travel and tourism sector in India. However, this remarkable growth of India's travel and tourism sector is being driven by domestic tourism which accounted for 88 per cent of the sector's contribution to GDP in 2016. Thus, there lies significant potential in India's tourism sector.

This paper will try to identify the bottlenecks that exist in Indian tourism industry in the light of the tourism policy and would also attempt to identify the potential areas where India can work on to increase its foreign tourist influx.

## Tourism Trends in recent years:

The following table highlights India's tourism statistics in recent years:



**Table I: Foreign Tourists Arrival in India:**

Year	Number of Foreign Tourists Arrival (in Millions)	Annual Growth Rate (%)
2014	7.68	10.2
2015	8.03	4.5
2016	8.80	9.7
2017(P) Jan-Jun 2017	4.89	17.2*(growth rate over same period in 2016)

(Source: India Tourism Statistics At a Glance, 2017)

The figures above clearly indicate India's rising demand in global tourism, thanks to conducive environment and pro tourist policy undertaken by the Government in recent years. If we look at the foreign exchange earnings from tourism in the same period (Table II below), we will see a steady increase.

**Table II: Foreign Exchange Earnings (FEE) from tourism in India:**

Year	FEE from Tourism in India (in US \$ Million)	Annual Growth Rate (%)
2014	20236	9.7
2015	21071	4.1
2016	22923	8.8
2017(P) Jan-Jun 2017	13230	22.3*(growth rate over same period in 2016)

(Source: India Tourism Statistics At a Glance, 2017)

What is really encouraging is that not only tourists from abroad but number of domestic tourists have also increased in the same time period. As it has already been stated earlier, domestic tourism constitutes about 88% of the total earnings from tourism in India. The following table shows the domestic tourism scenario of the country:

**Table III: Number of Domestic Tourist Visits**

Year	Domestic Tourist Visits (in Million)	Annual Growth Rate (%)
2014	1282.80	12.3
2015	1431.97	11.6
2016	1613.55	12.7

(Source: India Tourism Statistics At a Glance, 2017)

**Need for a tourism policy:**

As is evident from the figures above, Indian tourism industry is doing remarkably well but the major challenge lies in providing adequate infrastructural and logistic support to sustain this growth momentum. Tourism has evolved with time and presently it can be broadly classified into the following:

- **Medical Tourism:** Persons coming particularly to avail medical facilities. A large chunk of population from South Asian countries come to India to avail medical facilities here.
- **Education Tourism:** Prospective Students and their families coming for pursuing higher studies in Institutes of repute such as: IITs, IIMs, JNU etc.
- **Golf Tourism:** India boasts of world class golf courses to promote golf tourism in the country. Jammu and Kashmir, Chandigarh, New Delhi, Kochi, Bengaluru have excellent facilities and infrastructure which attract golf connoisseurs worldwide.
- **Eco-Tourism:** Ecotourism as defined by the International Ecotourism Society is "responsible travel to natural areas that conserves the environment, sustains the well-being of local people, and involves interpretation and education". Eco tourism is ecologically sustainable. The concept of ecological sustainability subsumes the environmental carrying capacity of a given area. Western Ghats, Indo-Burma border and Eastern Himalayas and Nicobar islands are bio-diversity hot spots eco region.

Apart from the above mentioned classifications, other forms of tourism that are gaining popularity are wedding; sports tourism; tea tourism and rural tourism.

Therefore, it is essential to provide adequate infrastructural and other supports to sustain and expand the tourism industry in the country, right from making provision for medical infrastructure to educational infrastructure; from communication infrastructure to ensuring safety and security of tourists; providing world class sports facilities; creating knowledge and awareness of Indian culture and traditions among the foreigners which may include promotion of yoga, Ayurveda; protection of monuments and shrines from environmental pollution etc. These are some of

the challenges faced by India in the tourism sector. But, most importantly, it is essential to ease the paper works that are required for obtaining Indian visa for foreign tourists.

Thus, there are several issues that need to be looked into. To address this need, a national tourism policy is essential. A policy that will highlight each issue and will lay down structured guidelines to address the issues individually for overall development of tourism sector.

### **National Tourism Policy:**

National Tourism Policy was formulated in 1982 in a closed economy with stringent licensing procedures. The policy however did not recognize the role of private sector and due to its formulation in the closed economy, foreign investment in tourism sector was not encouraged. Further, the policy did not adequately address the domestic tourism. To lay emphasis on tourism and address the loopholes in the previous policy, Government of India formulated National Tourism Development Policy in 2002. The main objectives of the policy were:

- To position tourism as a major engine of economic growth;
- To harness the direct and multiplier effects for employment and poverty eradication in an environmentally sustainable manner.
- To focus on domestic tourism as a major driver of tourism growth.
- To position India as one of the global brand to reap off benefits from the global tourism trade and to promote the untapped potential of India as a destination.
- To create and develop integrated tourism circuits based on cultural and socio economic aspects along with States, private sector and other agencies.
- To recognize the importance of private sector and private investment in tourism industry, with Government acting as a catalyst to boost up tourism earnings.

Considering the recent developments and advancements in the tourism sector across the World, a new draft tourism policy has been formulated by Government of India, which is yet to be approved. Some of the salient features of the new draft tourism policy are:

- Focus of the policy on employment generation and community participation in tourism development.
- Stress on development of tourism in sustainable and responsible manner.
- An all-compassing policy involving linkages with various Ministries, Departments, States/UTs and stakeholders.
- The Policy enshrines the vision of developing and positioning India as a “MUST EXPERIENCE” and “MUST RE-VISIT” destination for global travellers, while encouraging Indians to explore their own country.
- Development and promotion of varied tourism products including the rich Culture and Heritage of the country, as well as niche products such as Medical & Wellness, Meetings, Incentives, Conferences and Exhibitions (MICE), Adventure, Wildlife, etc.
- Development of core infrastructure (airways, railways, roadways, waterways, etc.) and Tourism Infrastructure.
- Developing quality human resources in the tourism and hospitality sectors across the spectrum of vocational to professional skills development and opportunity creation.
- Creating an enabling environment for investment in tourism and tourism-related infrastructure.
- Emphasis on technology enabled development in tourism.
- Focus on domestic tourism as a major driver of tourism growth.
- Focus on promotions in established source markets and potential markets, which are contributing significantly to global tourist traffic, with targeted and country specific campaigns.
- Emphasis on Tourism as the fulcrum of multi-sectoral activities and dovetailing of activities of the Ministry with important/flagship schemes of the Government of India.

The Draft Tourism Policy is fairly exhaustive. It has addressed all the important issues in tourism sector. The policy has also laid emphasis on the ‘repeat value’ of India-by incorporating “MUST RE-VISIT” destination for global travellers,

as one of its salient features. Targeted and country specific campaign is expected to boost up Indian tourism as it is a welcome departure from “one-size fits all” approach. The draft policy has also recognized the role of State and UT and is expected to establish linkages between State/UT, various ministries/ departments of Central Government and other concerned stakeholders. Cooperative federalism has been strongly encouraged by the policy. Tourism is one of the largest employment creators and generators in the country. Focus on employment generation and community participation will further enhance the possibility of creating employment in this particular sector.

### Rural Tourism

One of the main focus area of Ministry of Tourism is rural tourism. Rural tourism or village tourism provides a welcome relief from the mundane life of metro cities and other big cities. Growing interest in India’s heritage and culture, improved connectivity of rural areas and the urge to live a rural way of life have provided the necessary impetus for the development of rural tourism. Major types of rural tourism in India are:

- Agriculture Tourism: where agriculture as a way of life is explored.
- Food Routes: It’s tourism relating to food and knowing more about different staples of different places.
- Community Tourism: This type of tourism comes with a social cause, where, the main aim is to conserve the environment and improve the well-being of the local people.
- Ethno-tourism: Ethno-tourism is travel focusing on exploration of indigenous populations and their respective culture and traditions. Ethno-tourists usually seek to learn more about native peoples and their livelihoods.

In rural tourism, the primary interest is on understanding the rural culture. It interconnects with seasonality and local events and is based on preservation of culture, heritage and traditions. Under the SwadeshDarshan scheme of Ministry of Tourism, Government of India, theme based circuits are promoted. Rural circuit is one of the theme based circuit which emphasizes on revitalizing the rural economy through tourism and it also provides the opportunity to the foreign and domestic tourists to get a glance of rural India. Rural tourism also

encourages handlooms, art and craft and textiles industry by creating positive linkages with them. So far, 153 rural tourism projects in 28 States/Union Territories have been sanctioned by the Ministry of Tourism including 36 rural sites where UNDP has supported for capacity building. Ministry of Tourism’s Explore rural India sub brand supported by globally recognized Incredible India brand is strengthening the visitor’s attraction towards India in general and towards India’s countryside in particular.

### Conclusion:

India with its robust GDP growth and stable socio political environment provides the perfect platform for the growth of tourism sector. In the recently published World Bank Ranking on Ease of Doing Business, India has jumped 30 points to secure itself in top 100 nations, which is the result of several ongoing reforms that have taken place in the last one year. Reforms such as lesser paper work, extending the visa-on-arrival facility to other countries are expected to further boost up India’s tourism sector. To sustain India’s remarkable performance in tourism sector, necessary improvement in India’s service and hospitality industry is essential. The implementation of proposed National Tourism Policy will go a long way in removing the impediments associated with this particular sector and will provide a sustainable and conducive environment for the overall development of the tourism sector.

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*(The author is Senior Research Officer, NITI Ayog, New Delhi. Email: abhishek.mukherjee@nic.in)*