

## THE WTTC ASIA PROGRAMME INDIA INITIATIVE

### MANIFESTO INDIA'S TRAVEL & TOURISM – AN ENORMOUS OPPORTUNITY "Prosperity for India through Travel & Tourism by 2005"

This Manifesto was adopted at the 1st Annual Regional Meeting of Founder Members of the WTTC India Initiative, which was held on 10th February 2000 in New Delhi, India. According to WTTC research, the Travel & Tourism Economy in India generates employment for 17.7 million people, some 5.6% of total employment in the year 2000. WTTC forecasts that, by the year 2010, global Travel & Tourism will generate 24.8 million jobs, accounting for 6.5% of total employment world-wide. If, by the year 2010, Indian Travel & Tourism were to generate the same level of employment as the world average, then a further 25 million jobs would be created in India over the next decade. Given India's outstanding wealth of natural reserves and rich cultural heritage, its thriving business community and high levels of entrepreneurship, India can seize this opportunity. However, the opportunity can only be grasped if a fundamentally new approach to tourism development is adopted. The India Initiative has been set up to define this new approach and the actions required. A start has been made. A number of major steps have already been taken, which have required forward-thinking co-operation of both the public and private sectors in India. These important steps include:

- A new aviation policy, helping to attract private investment into this sector.
- Leasing and privatisation of international airports.
- Privatisation of national carriers – Indian Airlines and Air India.
- Lowering the price of aviation turbine fuel for turbo props.
- The proposed dismantling of the Foreign Investment Board, which will lead to a more investment-friendly climate.
- Liberalisation of India's skies.
- Tourism Awareness Programme - launched by PATA in 1999.

The tourism product in India is mostly controlled by state governments. This covers all aspects of tourism such as local infrastructure, transport systems, municipal taxation, sanitation, hygiene, leisure and recreation, law and order, the preservation of local monuments, and the general well-being of tourists. Recognising that these crucial issues fall within the domain of the states, WTTC has determined that, when promoting tourism, it is as important to interact actively with state authorities as it is to interact with the Indian government, in order to create much closer co-operation between the public and private sectors. The India Initiative This Initiative brings together all sectors of the Travel & Tourism Industry on a national, regional and local basis. The India Initiative involves co-operation between sectors which will help the delivery of a seamless Travel & Tourism service, thereby enhancing the visitor's experience. There will be a unified industry voice, which will promote recognition of Travel & Tourism's importance to the national economy and demonstrate to national government the value to be gained by addressing broad policy areas across all key ministries. The WTTC will co-ordinate with major regional and local trade associations to assist them in their work, to intensify our own efforts and to avoid duplication of initiatives. The Initiative, with government participation, will foster an economically successful and sustainable industry which will benefit India as a whole. The WTTC Asia Programme - India Initiative brings together various stakeholders from the industry. The Founder Members of the Initiative include Mr P R S Oberoi (Chief Executive of the Oberoi group), Mr Krishna Kumar (Managing Director of the Taj Group) and Mr Lalit Suri (Chairman & Managing Director of Bharat Hotels Ltd). Mr Oberoi is a Member of both the WTTC Executive Committee and of the WTTC Membership Task Force, and will act as patron for the Initiative. Mr Krishna Kumar and Mr Lalit Suri are Global Members of the WTTC. Priority Areas The India Initiative has identified six priority areas, which are in line with WTTC's global policy framework for Travel & Tourism. These are:

- Championing the interests of one of India's strongest economic growth sectors and employment generators.
- Developing a modern and supportive infrastructure to sustain a modern Indian economy.
- Removing barriers to growth, stimulating Travel & Tourism growth and assisting liberalisation.
- Promoting a responsible industry that is the employer of choice and welcomed by host communities.
- Engendering an economically, culturally and environmentally sustainable industry.
- Making the most of emerging technologies and communications.

#### Proposals for Action

• Championing the interests of one of India's strongest economic growth sectors and employment generators.

1. Travel & Tourism must be placed high on the Indian government's priority list, thus driving

forward the new policies already under consideration, and ensuring the interests of the industry are integrated into broader policy decisions within the economy.

2. The India Initiative will support the approaches of other tourism organisations and associations to promote the social, environmental and economic benefits of tourism to all political parties.

• Developing a modern and supportive infrastructure to sustain a modern Indian economy including Travel & Tourism. WTTC will recommend:

1. Evolving public and private sector partnerships in order to combine government support and private sector initiatives.
2. Prioritising the funding of major improvements in to a broad range of basic infrastructure upon which Travel & Tourism relies, particularly transport links, roads, railways, airports, energy and water treatment plants.
3. Promoting the economic benefits of tourism across other private sector concerns like banking, utilities and manufacturing, to attract their investment into developing tourism related infrastructure.
4. Setting up partnerships with other private sector concerns such as banking, utilities and manufacturing, where all partners will benefit from the development of tourism infrastructure.
5. Prioritising improvements to airline connections and connectivity.
6. Establishing action initiatives for better airports and facilities.
7. Publishing a specialised report outlining policies and good practices for the sustainable development of the Indian aviation sector as well as key principles for safety and the environment.
8. Pushing plans forward for the effective privatisation of Indian aviation.
9. Ensuring that practical and internationally recognised environmental and health, safety and security considerations are given top priority with regard to tourism infrastructure development.
10. Implementing cost recovery mechanisms in order to provide the necessary capital to build, expand and maintain infrastructure.
11. Creating a consensus within government to ensure that user fees collected from Travel & Tourism are channelled into the development of basic infrastructure. The success of the industry will depend on such investments (including the protection of Indian heritage, roads, sewage plants, transport links and telecommunications).
12. Promoting private sector participation in Travel & Tourism related infrastructure developments, in order to build required hotel capacity and other related service provisions. Increased private sector involvement will improve quality, expand coverage and increase operating efficiencies in line with internationally accepted standards.

• Removing barriers, stimulating Travel & Tourism growth and assisting liberalisation. Actions will include:

1. The simplification and rationalisation of taxes in all sectors of the industry.
2. The reduction of customer taxation.
3. The reduction of bureaucratic immigration procedures for foreign visitors, including smoother border controls.
4. The elimination of visas for major identified tourism generating countries e.g. UK nationals, and visas on arrival for visitors from remaining countries.

• Promoting a responsible industry that is the employer of choice and welcomed by host communities. In this context WTTC will:

1. Achieve a consensus and raise awareness among tourism providers for the economic benefits of tourism.
2. Promote the introduction of flexible working practices to increase industry responsiveness.
3. Aim for a review of employment regulations resulting in employment growth.
4. Formulate policy mechanisms that enhance employment opportunities in rural, regional areas.
5. Introduce progressive liberalisation legislation for the Travel & Tourism industry.
6. Encourage investment in Human Resources development and training throughout the Travel & Tourism industry.
7. Raise customer service to international standards through training which will enhance local communities and quality of jobs.

• Engendering an economically, culturally and environmentally sustainable industry. WTTC will work towards:

1. Developing community responsible Travel & Tourism through involving local communities in key infrastructure developments.
2. Establishing partnerships between the public and private sectors in infrastructure development and natural and cultural heritage, with government involvement to safeguard public, cultural and environmental interests.
3. Promoting environmental, health, safety and security considerations to guide all Travel &

- Tourism developments.
4. The preservation and promotion of monuments and the national and cultural heritage.
- Making the most of emerging technologies and communications. WTTC will focus on:
    1. Making use of growing technological systems to smooth the immigration/visa and border control procedures.
    2. Encouraging distribution through the Internet, e-commerce and other emergent technologies.
    3. Monitoring technologies so that Travel & Tourism is at the forefront of the service sector.

### **Conclusion**

The government of India and the state governments need to recognise that the economic and job-creation benefits of a strong and growing Travel & Tourism sector can only be fully realised if a favourable and supportive regulatory framework is in place. They should ensure that this sector is at the heart of their policy-making. No single aspect of Travel & Tourism can exist without increasing co-operation between the public and private sectors. Partnerships bring together the public sector's function to safeguard public interest with the innovation and greater efficiency of private sector management. Such co-operative endeavours, within a supportive regulatory framework, are vital to the development of a sustainable Travel & Tourism sector. The World Travel & Tourism Council stands ready to advance this endeavour and to work together with the private and public sectors to achieve these objectives.

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