

Promoting South Asian Tourism

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This article is based on <u>"How India can take the lead in reviving tourism in South</u> <u>Asia</u>" which was published in The Hindustan Times on 05/11/2020. It talks about the challenges and opportunities for developing South Asian regional tourism.

According to the <u>World Travel & Tourism Council (WTTC)</u>, the travel and tourism sector accounted for 10.3% of global GDP and 330 million jobs in 2019. The sector has seen high growth in the last decade, which can be largely attributed to factors such as rising disposable incomes, the emergence of low-cost carriers, etc.

While the <u>Covid-19 pandemic</u> has affected all sectors of the economy, the travel and tourism (T&T) sector is among those expected to suffer the most prolonged impact.

However, the pandemic provides an opportunity for India to take the lead in promoting regional tourism in South Asia. Further, there is immense potential in the travel and tourism sector, which can be harnessed to contribute to the region's economic recovery.

Challenges for Regional Tourism

- **Disruption Caused by Covid-19:** Tourism as an industry is built around mobility and the enabling mechanisms of consumption that are mostly intangible. The challenge posed to these factors by the Covid-19 pandemic is unparalleled in many ways.
 - According to the World Bank estimates, South Asia's T&T sector has lost more than 10 million jobs and is further expected to incur losses of over \$50 billion in GDP.
 - This makes the countries most economically dependent on tourism, such as Bhutan, Maldives, and Sri Lanka, particularly vulnerable.
 - Further, post-pandemic, inter-regional mobility will remain limited due to reduced air connectivity, high costs, and a lack of willingness to travel long distances.

- **Informal Tourism Sector:** Nearly three-fourths of the tourism sector in the South Asian region are in the informal sector.
 - It is majorly dominated by bed & breakfast facilities, guest houses and other small-scale units.
- **Geo-Political Tensions:** Hostile political conditions in India's neighbourhood, especially between India & Pakistan, discourages development of a South Asian regional circuit.

Opportunities For the Regional Tourism

- **High Tourism Potential:** Over the last two decades, South Asia has emerged as an attractive tourist destination due to its natural and cultural diversity, and price competitiveness.
 - The region is home to tourism-based economies such as Bhutan, Maldives, Nepal, and Sri Lanka that attract high spending per traveller.
 - In 2019, the World Economic Forum's Travel and Tourism Competitiveness Index (TTCI) ranked South Asia as "the most improved region since 2017.
 - In South Asia, tourism was one of the fastest-growing sectors in the last decade, with double-digit growth leading to a contribution of \$234 billion or 6.6% of the region's Gross Domestic Product (GDP) in 2019.
- **Crisis Presents An Opportunity:** Recently, the COVID-19 pandemic has presented unforeseen challenges to global tourism. With geography gaining significance and the importance of shorter distances becoming more pronounced, regional tourism is likely to grow.

Such a push would also contribute locally through employment and revenue generation from foreign exchange earnings.

• **Niche Tourism:** There is an opportunity that can be explored to bring back the international traveler to the niche segment of South Asian Countries, Adventure Tourism circuit with Nepal, Bhutan and Sri Lanka

For example: India's medical, spiritual and Ayurveda tourism, Adventure Tourism circuit with Nepal, Bhutan and Sri Lanka.

• **Opportunity for India:** In the last decade, India has witnessed an increase in the share of South Asian tourist arrivals. Additionally, tourist spill-overs from India to the rest of the region contribute significantly to the regional tourism economy.

India, in particular, should leverage geographic proximity and the wide range of cultural similarities with its neighbours such as the regional Buddhist trail and pilgrimage, etc.

Way Forward

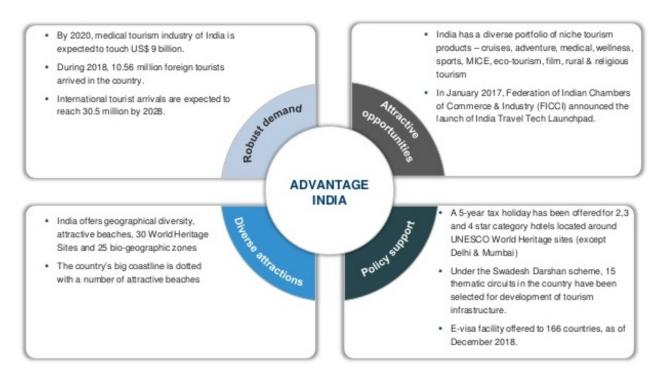
Several steps can be taken to ensure a seamless flow of tourists in India and its neighbourhood:

- E-visa Facility: Technical modernisation, upgradation and other improvements are needed in the Indian visa application and delivery system for South Asian nationals.
 - Currently, only China and Sri Lanka are eligible for an Indian e-visa.
 - Considering the rising share of tourists from the neighbourhood in India, the evisa facility should be extended to other countries in the region.
- **Investing in Digitisation in the Tourism Industry**: Due to the Covid-19 pandemic, there is an increasing focus on digitisation of various services to revive the tourism sector.
 - Contact-less transfers, hotel check-ins, site-visits etc. will be crucial for revival of the industry.
 - This requires participation from both public and private sector stakeholders and significant investment in digitisation to enhance secure travel and ensure revenue from foreign exchange.
- Inter-Ministerial Coordination to Enhance Infrastructural Connectivity: The Ministry of Tourism should actively work with other ministries such as the Ministry of Civil Aviation and Ministry of Home Affairs to undertake infrastructurerelated connectivity initiatives.
 - For example by further expanding the <u>UDAN Scheme</u> to neighbouring countries and supporting digital immigration services at the Integrated Check Posts.
 - Apart from this, the government must play a role in facilitating tourism infrastructural development supported by multilaterals such as the Asian Development Bank, World Bank, Japan International Cooperation Agency, etc.
- Tourism Promotion Through Regional Initiatives: India must take the lead in promoting intra-regional tourism through the South Asian Association for Regional Cooperation (SAARC), Bay of Bengal Initiative for Multi-sectoral, Technical and Economic Cooperation (BIMSTEC) or the Bangladesh, Bhutan, India and Nepal initiative (BBIN).
 - Following the example of the <u>Association of Southeast Asian Nations (ASEAN)</u>, India could host regional tourism summits and facilitate inter-regional cooperation among tour operators, for example with the Federation of ASEAN Travel Associations (FATA).
 - India should also work and cooperate bilaterally with other South Asian countries on joint tourism promotion and advertising campaigns, towards establishing the tourism industry as a regional value chain.

- **Promoting Religious Tourism Circuits:** The historical and cultural linkages between South Asian nations offer the potential to develop religious tourism circuits within the region.
 - There has been an interest towards developing a Buddhist circuit between India and Nepal, and a Ramayana circuit between India, Nepal and Sri Lanka.
 - India's regional governments will have to play a vital role in targeted outreach initiatives to promote their religious heritage to specific countries.

Conclusion

- India has been the preferred short-haul destination for tourists from its neighbourhood. Tourists visit India not only for leisure and medical reasons, but also use the country for transit to other regions.
- However, there is an urgent need to address the significant challenges towards promoting free and open intra-regional tourism such as visa-openness, gaps in cross-border infrastructure, etc.



Drishti Mains Answer

Developing South Asian regional tourism will not only help in boosting the economy of the region but bring people closer. Comment



https://youtu.be/qlo7Qwf5se8

This editorial is based on <u>"What is at stake in US Elections"</u> which was published in The Economic Times on November 03rd, 2020. Now watch this on our Youtube channel.