

**Government of India**  
**Ministry of Development of North Eastern Region**

**4<sup>th</sup> SECTORAL SUMMIT OF THE NORTH EASTERN COUNCIL TO  
REVIEW TOURISM AND HOSPITALITY SECTOR PROGRAMMES IN THE  
NER**

**Introduction**

The NEC at its 53<sup>rd</sup> meeting held at New Delhi on 15-16 November , 2006 had decided to take up review of major Central sector programmes being implemented in the North East Region (NER). A Calendar of 16 such sectoral meetings was drawn up and is hosted on the Ministry of DoNER's website [www.mdoner.gov.in](http://www.mdoner.gov.in)

So far three sector summits have been held. The 1<sup>st</sup> summit held at Pasighat on 16-17 January, 2007 reviewed the power sector programme. The 2<sup>nd</sup> summit held at Shillong on 8-9 February, 2007 reviewed the road sector programmes. The 3<sup>rd</sup> summit was held at Guwahati from 9-11 March, 2007. A comprehensive review of the activities of the Commodity Boards, viz., Tea, Rubber, Spices and Coffee and the APEDA was taken up on the first day. This was followed by a review of the Inland Water Transport (IWT) and the Flood Control and Irrigation Sectors. The Pasighat Proclamation on Power adopted after the power sector review at Pasighat and the Shillong Statement on Roads and Highways finalized after the review of the Road Sector at Shillong as also documents listing the issues that emerged during the discussions and the conclusions arrived at the first three Summits have been circulated and are also hosted on the Ministry of DoNER website [www.mdoner.gov.in](http://www.mdoner.gov.in)

The 4<sup>th</sup> Sectoral Summit was held at Gangtok on 27-28 April, 2007 to review Tourism and Hospitality Sector Industry programmes being implemented in the N.E.R. The issues that emerged and the conclusions arrived at are detailed below :

## Issues

1. The North East Region (NER) is a natural tourism destination with enormous potential. There is a need to identify the problems that stand in the way of the region becoming a sought after tourist destination.
2. The target groups for promotion should be both domestic and foreign tourists.
3. Tourism in the Northeast could be structured within four concentric circles as follows :
  - a. State based or intra State tourism
  - b. Inter-State tourism with clearly identified multi State tourism circuits
  - c. Pan-regional tourism involving developing of linkages between the NER and other regions of the country particularly East India
  - d. International Tourism with connectivity from within the NER to neighbouring and other foreign countries. It has to be recognized that Southeast Asia begins in the Northeast
4. Domestic tourist traffic has increased from 250 million to 400 million and foreign tourist traffic is estimated to be between 2 to 3 million per annum. This requires that the thrust should be on domestic tourists.
5. Bengalis and Gujaratis are known to be great travellers; hence they should be the target of promotional efforts.
6. Efforts should be made through consultations to arrive at a consensus on relaxation of the restrictive ILP/RAP/PAP regime.
7. For attracting domestic tourists, the emphasis should be on developing dharmashalas, one room accommodation, low cost/low budget hotels, accommodation along rivers and near sanctuaries.
8. Poor connectivity is one of the impediments to the development of tourism in the NER. Government of India would be investing about Rs.50,000 crores on construction of roads in the next five years.
9. Air connectivity is critical to the region because of its terrain, spread and weak surface communication infrastructure. The NER has highest density of airports-11 are operational and at

least 5 more are proposed to be made operational during the XI<sup>th</sup> Plan besides green field airports for Gangtok, Itanagar, Kohima, Tawang and Kokhrajhar.

10. Issues relating to funding of green field airports and upgradation of non operational airports need to be resolved. This is of critical importance to the development of green field airport at Pakyong near Gangtok for which Rs. 100 crores awarded by the XII<sup>th</sup> Finance Commission could not be utilized due to lack of decision on provision of the balance Rs. 240 crores.
11. NEC has reviewed its arrangements with Alliance Air and is in the process of inviting open expressions of interest for a dedicated Airline for improving intra-region connectivity, particularly air connectivity between the capital cities.
12. The Ministry of Power and the Central power sector PSUs are also going to invest considerable funds to tap the vast hydro potential and developing thermal power projects. It is expected that the NER will become power surplus at the end of the XI<sup>th</sup> Plan. This would ensure reliable 24 hour power supply to domestic, commercial and industrial establishment including hotels and other tourism related projects.
13. To improve connectivity, the Ministry of Railways has declared certain Railway projects like the Rail-cum-Road bridge at Bogibeel and the gauge conversion of the railway line from Rangia to Murkongselek as national projects; hence these would be provided budgetary support by the Government.
14. Development of inland water transport on the Brahmaputra, Barak and other rivers would lead to river tourism. IWAI will make the Brahmaputra fully navigational within 2008 and also take up night navigation facilities. Proposal for declaration of the Barak river as National Waterway -VI is under process.
15. Ministry of DoNER & NEC have been funding Capacity Building schemes which include sponsoring candidate for trainings for pilots, aircraft maintenance engineers and the hospitality sector.
16. The forte of NE tourism lies in Eco-tourism, Adventure-tourism, Heritage-tourism and Religious-tourism.

17. Tourist footfalls (3.5 million domestic and 0.37 million foreign during 2005) indicate that tourists currently visit mainly Assam, Sikkim and Meghalaya. Sikkim and Nagaland have been making good use of funds available under Ministry of Tourism schemes.
18. The main impediments to development of tourism include lack of basic infrastructure, inadequate community participation and private sector initiatives and investments, the restrictive PAP/RAP/ILP regime and security concerns.
19. The other issues hampering development of Tourism are the inability of some of the State Governments to make land available, inadequate expertise to prepare project proposals, delay in implementation of projects etc.
19. The North East Industrial & Investment Promotion Policy - 2007 (NEIIPP) effective from 1.4.2007 has extended fiscal incentives to service sector. These include benefits to hotels (two star category and above), adventure and leisure sports including ropeways.
20. The tourism sector should be a thrust area for intervention by the NEC during the XI<sup>th</sup> Plan.
21. State Governments to take full advantage of Ministry of Tourism schemes for infrastructure development and promotion.
22. In the NER the involvement of communities and private sector is the key to development of the tourism and hospitality industry.
23. The Ministry of Tourism has taken key initiatives in the region in nature, culture and religion tourism sub-sectors. The by-line " Paradise Unexplored" is being promoted as a NE Tourism brand. It already has an instant recall in the public mind. The focus of the Ministry of Tourism has been on the, " Alert Independent Traveller".
24. It is recognized that tourism development will have a multiplier effect on the economy of the NE States and the region particularly in generating substantial employment.
25. The Ministry of Tourism has been sanctioning funds @ Rs. 5.00 crores for destination development and Rs. 8.00 crores for circuit development. The amount has been increased to Rs. 25.00 crores and Rs.50.00 crores respectively. More funds

- are available for bigger infrastructure projects such as golf courses, convention halls etc.
26. Ministry of Tourism has given emphasis to rural tourism in the country as a whole. 100 villages across the country have been identified for such development. To be eligible for support, the village should identify core attractions like paintings, crafts, woodwork etc. for attracting tourists.
  27. MICE should be considered by the NEC and the States. The world business in this area is 280 billion dollars with 80 billion dollars in the Asia-Pacific region. The NE region could develop convention halls and link tourism with the business of hosting conventions.
  28. There are two World Heritage sites in the North East, namely, Kaziranga and Manas. The Ministry of Tourism is willing to work with the NE States for inclusion of more sites as World Heritage sites.
  29. The Tourism Sector in this region has been neglected whereas this sector provides the largest number of job opportunities. Currently, tourism constitutes 5.6% of the GDP of the country.
  30. There are 25 Institutes of Hotel Management in the country. The Ministry of Tourism is committed to develop at least one institute in each State of the region provided minimum of five acres of land is made available by the State Government.
  31. An entity for issuing appropriate advisories, to tourists and other visitors to the North East, on the security situation as also the weather may be considered.
  32. Sikkim to be developed as hub linking other Buddhist destinations in Nepal, Bhutan, Tibet Autonomous Region and Tawang area of Arunachal Pradesh to a Pan-regional Buddhist circuit.
  33. Nathula has become a tourist destination after reopening of trade with China in 2006. This is a positive step towards reviving historical linkages. The infrastructure needs to be developed on priority.
  34. Kolodyne multi-modal transport link between Mizoram and Sittwe port in Myanmar will open up new opportunities for tourism between North East India and Myanmar. This should be expedited.

35. The existing Indo-Myanmar link through Moreh already draws fair number of domestic tourists. Improved infrastructure and promotion could make it a thriving tourist destination with possibility of Indian tourists being permitted to travel upto Mandalay in Myanmar. Request of Government of Manipur for a bus service between Imphal and Mandalay is under discussion between India and Myanmar. This needs to be followed up.
36. The WW-II Stillwell road from Ledo in Upper Assam to Kunming in Yunnan Province of China through North Myanmar should be revived with major strengthening of infrastructure at Pangsau Pass on Indo-Myanmar Border. Government of India has already declared the Stillwell Road as National Highway - 153.
37. Inter State Tourism circuits to promote historical destinations like the World War-II cemeteries at Kohima and Imphal be developed on priority.
38. MHA to consider re-introduction of subsidized helicopter services in Nagaland. Presently there is only one airport at Dimapur. There is no air link to the capital city of Kohima and any other district headquarter.
39. There are strong sentiments linked to retention of the Inner Line Permit (ILP) system and the State Governments have made it fairly simple to obtain the permits.
40. There is a multitude of colourful festivals which are celebrated by the various communities round the year. The Hornbill Festival (Kohima: 1 - 7 December) had drawn more than 20,000 participants last year. No security personnel was deployed inside the venue.
41. Destinations like Kaziranga in Assam should be promoted together with destinations like Dimapur and Kohima in Nagaland and Imphal in Manipur.
42. Review of tourism sector projects by Minister Tourism at Guwahati on 3.7.2006 and at New Delhi on 10.4.2007 has given an impetus to the implementation of tourism related infrastructure projects. Ministry of Tourism to continue assisting the State for development of tourism related infrastructure.
43. Ministry of Home Affairs has carried out an intensive review, in consultation with the States, on 24.4.2007 and

proposals received from some of the States for relaxation of PAP/RAP restrictions would be processed within the next 15 days. Representative of Government of Assam stated that they do not support re-imposition of any restrictions which were lifted in 1995.

44. ITDC is assisting the States in preparing the project reports and also in the implementation of the projects. They have also taken up capacity building programmes through the Ashok Institute of Hospitality and Tourism Management. More recently, training programme on Cruise hospitality has been introduced. ITDC is willing to accommodate candidates sponsored by the NE States.
45. ITDC offered to organize LTC tours for Government employees to the NER and requested the Central PSUs to withdraw restrictions on their employees on availing of such organized tours.
46. The Ministry of Tourism offered to provide 100% funding to candidates sponsored by the NE States for tourism and hospitality related training programmes.
47. The frequency of flights between Guwahati and Bangkok needs to be increased and flights between Guwahati on the one hand and Dhaka, Bhutan, Nepal and Kunming need to be introduced. Atleast one more airport in the NER to be developed as an international airport.
48. National parks like Kaziranga and Manas have been declared as World Heritage sites. Proposal for declaration of Majuli Island as a World Heritage site needs to be followed up.
49. NEC to prepare a Master Plan for development of tourism in the NER. A professional Consultant may be engaged for this purpose.
50. "Lonely Planet" has given adverse publicity disproportionate to ground reality on the security situation in the NER. This needs to be countered through direct interaction with the "Lonely Planet" Editor and through a campaign to educate people outside the region that security is a problem only in certain pockets and that States like Sikkim, Mizoram, Meghalaya and most of Arunachal Pradesh and Tripura are totally peaceful. State Governments of Nagaland, Manipur and Assam should make special

efforts for promoting peaceful areas and issuing appropriate advisories from time to time to dispel wrong perceptions in the public mind.

51. Rural Tourism including “bed and breakfast” and “paying guest” facilities being offered need to be promoted.

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### Conclusions :

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1. A “Forum” consisting of representatives of Ministries of DoNER, Tourism and Civil Aviation, NEC, Public and Private stakeholders, tour operators etc. would be established for the formulation of:

- State tourism circuits
- Inter-State tourism circuits
- Eco and Village tourism.
- Promotional events.
- Advocacy.

2. In consultation with the NE States, the Ministry of DoNER/NEC in consultation with the Ministries of Tourism, Home Affairs, External Affairs, Defence, etc. will formulate and launch a professionally prepared publicity programme on security for tourists in the North-East.

3. Ministry of DONER/NEC in consultation with Ministries of Tourism, Home Affairs, External Affairs, Defence, etc. will take up with the Commonwealth War Graves Commission, the possibility of organizing major commemorative events to which descendents of those buried in the North-East war cemeteries will be invited. This will, incidentally project the security environment in NER more accurately to western tourists.

4. Ministry of DoNER/NEC will sponsor NE promotion films (cultural and touristic) aimed at schoolchildren and college students in other parts of India. SPICMACAY will be requested to screen these in universities.

5. NEC to broaden its collaboration with ILFS for facilitating construction of star category hotels at identified locations. The scope of the North East Tourism Fund needs to be widened. Ministry of DoNER also to be associated.
6. The possibility of setting up a North-East Tourism Development Corporation “ a subsidiary of ITDC” will be explored.
7. A “dedicated airline” for the NE region, particularly for establishing connectivity within the NE states is under consideration of NEC/DoNER. This arrangement could be widened subsequently to provide connectivity with Nepal, Bhutan, Dhaka, Yangon, Bangkok, Kunming etc. for the promotion of regional tourism.
8. NEC/Ministry of DoNER will organize promotional events at different locations in the country aimed at Government servants for LTC visits to tourism destinations in the NE.
9. The Thai Minister of Commerce will be visiting the NE with a business delegation between 21-24 June 2007. This visit will promote tourism and also Thai business investment in the NE.
10. The Union Minister of Tourism and Culture, Smt. Ambika Soni, announced the establishment of one Institute of Hotel Management (IHM) in each of the States of NE that do not have any such institutions (Assam and Meghalaya already have one IHM each).
11. HRD and capacity-building of NE youths in the tourism, hotel and hospitality services are being undertaken by Ministry of DoNER/NEC/Ministry of Tourism. These efforts would be synergised for undertaking capacity-building in a planned way.
12. Ministry of DoNER will follow up issue of relevant Notifications by the DIPP under the NEIIPP 2007 within June, 2007.
13. Ministry of Home Affairs will consider and expedite issue of appropriate orders for relaxation of PAP/RAP restrictions on the entry of foreign nationals into Mizoram, Nagaland, Arunachal Pradesh and Sikkim based on inputs given by the States. States of Mizoram, Nagaland and Arunachal Pradesh also to consider

simplification of procedures for issue of ILPs. For example, all Central and State Government employees and employees of Central and State PSUs may be allowed to enter based on official identity proof.

14. State Governments to identify inter State tourism circuits and share the details with the Ministries of Home Affairs, Tourism, DoNER and NEC both for relaxation of the PAP/RAP restrictions and extension of technical and financial assistance for development of these identified circuits.

15. NEC jointly with Ministries of DoNER, Tourism and the State Governments to take forward the suggestion of the Ministry of Tourism to take advantage of MICE Tourism by setting up Convention Centres at suitable locations and with all required infrastructure with assistance of the Ministry of Tourism.

16. NEC/Ministry of DoNER to organize a tourism promotional event at Bangkok jointly with the Ministry of Tourism and the Embassy of India at Bangkok after the Thai Commerce Minister's visit to the North East in June, 2007.

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