Most of the concerns raised by us with the Planning Commission documented in ‘Comments on the XI Five Year Plan’s Tourism Report’, April 2007, of the Working Group Report on Tourism and the Steering Committee Report on Tourism have not been considered. In this paper, we critique the final Eleventh Five Year Plan (2007 - 2012), Volume III, Services - ‘Tourism Sector’ as released by the Planning Commission. We continue to appeal to the Planning Commission to consider an approach that is more broad-based and inclusive. Concerns such as, who grows, who benefits, who is harmed by tourism’s unrestricted and unregulated growth, is tourism non-exploitative, is it socially just and equitable and are its processes of planning and implementation democratic, need to be addressed if we are to see tourism truly inclusive and people centred. This, we believe, will do justice to an activity that is ultimately based on people – the tourist and the communities visited!

Recently, Planning Commission of India came out with the Eleventh Five Year Plan (2007-12) documented in three volumes (herein after referred as Eleventh Plan Doc). The process was preceded by forming of issue based Working Groups and Steering Committees by the Planning Commission that submitted their respective issue based reports. The present Eleventh Plan Doc is drawn from all these issue based reports. EQUATIONS, being an organisation researching impacts of tourism for the last 23 years, had sent in comments and concerns to Planning Commission on both the Working Group Report and the Steering Committee Report on Tourism. We once again send in our comments on the ‘Tourism Section- Section 8.2 in Volume III” Eleventh Plan Doc from the perspective of tourism and related expansions.

The Planning Commission on the Eleventh Plan Doc claims that “...it provides a comprehensive strategy for inclusive development, building on the growing strength of the economy, while also addressing weaknesses that have surfaced”.

On certain points, we have noted with relief that the Planning Commission has not taken on board the recommendation of the Working Group and the Steering Committee on tourism on the issue of giving “Single Window Clearance” to the Tourism Projects and replicating Kerala Tourism (Conservation and Preservation) of Areas Act, 2005 in other states. The Eleventh Plan Doc also retains the positive recommendations of the Working Group and Steering Committee on Tourism on the guidelines in development of infrastructure for rural tourism in the country. However, there is limited detailing of the issue especially in view of the scale at which rural tourism is being implemented and planned in the country. In an interview with EQUATIONS, Ms Leena Nandan, the Joint Secretary, Ministry of Tourism (MoT) said that approximately 125 sites have been developed for rural tourism and the ministry has identified another 100 or more sites for this Five Year Plan period.

However, most of the concerns raised by us with the Planning Commission through the critique document “Comments on the XI Five Year Plan’s Tourism Report”, EQUATIONS, April 2007, of the Working Group Report on Tourism and the Steering Committee Report on Tourism, have not been taken into consideration. We therefore are constrained to reinforce and reiterate these serious concerns as they violate the spirit of inclusive and equitable development and democratic rights.

Focus of the Eleventh Planning Doc Continues to be Tourism Expansion and Promotion
The focus of the Eleventh Plan Doc continues to be on marketing, promotion, investment, and infrastructure support required for the expansion and promotion of the tourism sector in the country. The Eleventh Planning Doc’s most glaring feature is its complete disregard of the many recorded negative impacts of tourism development in India over the last decades. On the other hand, glossing over the negative impacts, the Plan document states "The particular significance of tourism industry in India is its contribution to national integration and preservation of natural as well as cultural environments and enrichment of the social and cultural lives of people like preservation of monuments and heritage properties”. That tourism can also lead to exploitation of children and women; environmental degradation as a result of unplanned and unregulated development; limiting right of access of local communities to available natural resources affecting their livelihood options; substituting local, regional planning processes with tourism development plans; enclavisation etc have not been acknowledged or stated. It fails to address important socio-
economic issues that have direct and indirect link to tourism in the country like gender discrimination in the industry, participation of local communities in decision-making on tourism issues, role of the informal sector in tourism and labour rights and standards in the industry.

Insufficient attention has been paid to assessing the nature of tourism development in this country and its actual ability to lead local development and prosperity. The Eleventh Plan Doc is once again disconnected from the ground and actual experiences and needs of people from and in relation to tourism. The MoT needs to take a firm call on whether it will continue to position itself as a marketing and brochure producing body or be a serious and honest analyser of tourism impacts, both negative and positive, and base policy and plans on that.

The disconnect between the Ministry of Women and Child Development (MWCD) and the MoT on the question of Child Sex Tourism for instance is a classic case in point. The MWCD in its working groups report mentioned that the tourism is known to directly contribute to the exploitation of the child in the form of child labour, child trafficking and the sexual exploitation of children, the Eleventh Plan Doc in “Tourism Section” makes no mention of issues related to exploitation of children in the context of tourism development. The Eleventh Plan Doc in the “Tourism Section” does not also take into account what was mentioned in the Working Groups Report of MWCD where with reference to Inter-Sectoral Coordination & Convergence, the Working Group calls for responsibility from the MoT towards:

- Curbing sex-tourism, child pornography and child prostitution.
- Building safeguards and checks in relation to child exploitation.
- Specially designed strategies to combat trafficking for sexual exploitation in different areas like sex tourism, pilgrim places and beach sex tourism etc.

Interestingly, the Planning Commission in the same Eleventh Plan Doc, in the Social Sector Report in Section 6 “Towards Women’s Agency and Child Rights” states that “NHRC reports that about 44000 children in India go missing every year. They are being trafficked for prostitution, marriage or illegal adoption, child labour, begging, recruitment to armed groups, and for entertainment (circus or sports). With the opening up of the markets and increase in tourism, children have fallen prey to operating paedophiles and sex abusers...”

In spite of growing number of reported cases of sexual exploitation of children in tourism (it is important to note that the numbers of unreported cases are much higher in proportion than that which is reported), the MoT refuses to accept the gravity of the matter. The concerns raised by civil society are skirted and tried to be played down saying that it will tarnish the countries image as a tourism destination. However, the same MoT swings into action (almost on a war footing) when any case of sexual exploitation of foreign tourist is reported. The highest investigating body in the country is put into action to investigate the case. Unfortunately, no such actions are taken when our children are sexually abused by tourists. It is time there is a serious and urgent national response to this crisis.

It is worrying factor that in spite of specific recommendation from MWCD, Planning Commission neither acknowledges nor takes any initiative in the Eleventh Plan Doc on the “Tourism Section” to make the MoT and the tourism industry responsible to create tourism services to be a no-child –exploitation zone.

We would like to bring back the concerns that were very specifically highlighted in our Critique of the Working Group and Steering Committee Report on Tourism

Objectives and Strategy for the Eleventh Plan

The Eleventh Plan Doc sets ‘quantifiable’ ambitions for the growth of the tourism sector in the next five years. As was mentioned in the critique of the Working Group and Steering Committee Report on tourism, in the enthusiasm to achieve the targets for international and domestic tourist arrivals and revenue generation, the methods suggested might lead to unsustainable and adverse impacts.

We are flagging off some of these below:
In its selection of “principal source markets” to include countries such as South Africa, Israel, Spain, China, Japan, S. Korea, Australia, Brazil, Argentina, the only consideration seems to be “higher growth potential” of these countries and wherefrom present level of inbound tourist is low. Whether this is based on research or market surveys is quite unclear. In choosing to target some countries as source countries, the signals of need for greater closeness of the Indian state to the Israeli state is possibly also being sent out. This is unfortunate when the Israeli state has refused to uphold these principles of justice and peace and respect in its own geographical area. It is certainly important to distinguish clearly between the state and the individual tourist. However, apart form the political reasons that direct
current foreign policy of India, the record of Israeli tourists visiting India (in different destinations like the Andaman islands, Kodagu in Karnataka, Manali in Himachal Pradesh, Hampi in Karnataka and Goa) indicates that, there are serious allegations of rise in drugs and crime, there are strong tensions between the tourists and local communities and youth, and that illegal land transactions are on the rise. The Planning Commission and the MOT needs to take the realities on the ground into consideration, and match their plans and promotional efforts with the actual arrivals.

It would have been of actual help to the local economy if the Planning Commission in it’s Eleventh Plan Doc for the “Tourism Section” would have in consultation with the MoT clearly laid down criteria for identification of principal international source markets that might concentrate on those tourists who spend more in the local economy and might have a strong inclination towards community-owned/community-based/community-driven initiatives.

a. Positioning and maintaining tourism development as a national priority activity

- The Planning Commission fails to outline in clear terms what exactly is meant by this objective. Does this imply that the government is going to give tourism more importance than other current main economic activities and other important social development priorities? If so why? On the point on effective linkages and close coordination among various departments and ministries of government, the Eleventh Plan Doc states that it will be “to plan and implement a professionally managed and integrated communications strategy to increase awareness about tourism and its social and economic impact on the society”. However it is ambiguous about which are the departments and ministries that who will be looped in for tourism promotion. As expected, it does not talk about effective linkages between departments and ministries that will ensure that tourism develops responsibly and sustainably.

- The Eleventh Plan Doc still carries on with the recommendation that “state governments would be encouraged to set up land banks and streamline procedures and practices to facilitate investment in tourism sector.” It is not surprising but surely a matter of concern that the highest Planning body of the country is also promoting a purely investment led development model without considering the numerous fallouts of such development and outcries and outrage coming from the people at the grassroots.

On the question of land banks – the country is already witnessing a crisis with the government’s SEZ policy and general policy of investment oriented growth. These have brought to the forefront the question of state governments auctioning and leasing out land that communities depend on for livelihood and sustenance for industrial and commercial activity at nominal prices for various industrial activities. In a country where government finds hard to find appropriate land for rehabilitation of project affected people, still hundreds of thousands of displaced people have not been properly rehabilitated, any move towards creating land banks for any industry is highly objectionable. As stated earlier in our critique, while the government does have a facilitative role to play in bringing in investment into tourism, it should not take on the role of being a land broker/banker to further the commercial interests of the corporate sector. Such a nuanced position is now being taken by the governments in Kerala and Goa.

It is not clear what the Planning Commission meant by “streamlining procedures and practices to facilitate investment in tourism sector”. The concern is such a generalised formulation may encourage the MoT bring in the idea of “Single Window” clearance which is being contested by the communities. The principle of permission of local panchayats and the informed consent of local communities has been violated almost as a rule. EQUATIONS research in high profile cases such as the Kevadia, the proposed Ski Village and information from other areas like AP coastal belt, Kerala etc are all indicative of growing trend of pushing tourism in complete disregard of local community consent. With tourism being knocked out of the Environmental Impact Assessment (EIA) as per the EIA Notification, 2006 there lies every possibility of misusing such provisions with impunity by the MoT, MoEF and tourism industry.

b. Enhancing and maintaining the competitiveness of India as a tourist destination

Inspite of substantive criticism on issues of “removing restrictions like Restricted Area Permit/ Protected Area Permit/Inner Line Permit (RAP/ILP/PAP)” and campaigns against such decisions by the civil societies from North East Region and Andaman and Nicobar Islands, the Planning Commission continues to promote the idea in the Eleventh Plan Doc.

The prime concerns against removing restrictions with reference to every region of the country are around the following issues:

- The lack of clear tourism strategies and lack of data and data based analysis (economic, tourist profile and arrivals, employment and revenues based data) on which such plans and recommendations are made.
- The lack of processes of consultation of local people prior to these recommendations being made.
• No specific recommendation of the planning commission towards ensuring the carrying capacity and ecological sensitivity of regions to make tourism sustainable.
• The conditions linked to political demands of people such as the context of the AFSPA in the North east have not been resolved and human rights violations by the state continue. In such a context relaxing permits to promote tourism is insensitive and politically almost naive.

c. Improving India’s existing tourism products further and expanding these to meet new market requirements
• Inspite of people raising their voices and repeated concerns raised against the social, economic and environmental impact of development of circuit tourism, coastal and cruise tourism, riverine tourism, wildlife tourism in Protected Areas and adventure tourism in Himalayas, the Planning Commission promotes the recommendations of the Working Group and the Steering Committee on Tourism. All these models of tourism are heavily dependent on natural resources, makes the government and industry to focus their investment, infrastructure, employment creation efforts in a defined, carved out geographic territory with less thought to how the surrounding areas will be developed, and most importantly does not involve any consultation with the local communities.

With the passing of the Forest Rights Act, it was expected that Planning Commission would take this opportunity to settle the present contradictions in the country between the rights of the Scheduled Tribes and Traditional Forest Dwellers vis-à-vis expansion of tourism in these protected areas. However sadly but not surprisingly Planning Commission refrains to even get into the debate.

• It goes one step further and also recommends village tourism (without defining what they mean by Village tourism; how is it different from Rural Tourism and if it includes issues like capacity building, Institution building and community and knowing or even assessing it’s returns as well as impacts) It also calls for development of dedicated shopping centres with the intent as stated in the Doc “...help revive traditional crafts and crafts men, textiles and weavers, and give families a means of livelihood” In this regard it becomes important to lay down in detailed terms how do you create such livelihood and what steps are taken to ensure that the benefits reach the communities.

• Inspite of concerns raised by the Civil Society on similar recommendations by the Working Group and Steering Committee Report on Tourism the Eleventh Plan Doc still recommends MICE tourism, and medical tourism which have either proved to be non-contributory to the local economy or against the basic needs to the local people.

• With respect to Rural Tourism its direct linkages to the local economy is yet to be proved. Unless community participation, consultation and dialogue are maintained and due precautionary measures are taken to reduce social, cultural and environmental impacts on local communities, there is every possibility of it mushrooming at every nook and corner without money spent on rural tourism being translated into local economy benefit.

In this regard, it is important to mention that the Endogenous Tourism Project – Rural Tourism Project (ETP-RTS), a collaboration of Government of India (GoI) and United Nations Development Project (UNDP) across 36 rural sites, in 20 states was a pilot project in this regard. Unless significant / sufficient time is given to complete the loop of learning and incorporate those learning at all levels, it is unlikely that rural tourism in the country will lead to growth of the communities in the larger sense of the term Development. Necessary steps needs to be taken to see that instead of expanding rural tourism haphazardly and without proper guidelines, to concentrate on helping the sites already chosen and to form concrete ways forward. ETP-RTS was a unique project that moved away from the conventional infrastructure led tourism development to more community led tourism development and involved planning for tourism at sites. It called for Professionals’ panel on various issues that are needed for community participation and development, institutional development and business plans. This planning for tourism needs to be incorporated into all aspects and form of tourism development.

d. Creation of world-class infrastructure
• A line of caution needs to be added on the proposal of Planning Commission of delegating to the private sector the responsibility of developing large revenue projects like convention centres, golf courses, tourist trains etc. Infrastructure led tourism attracts huge number of people both as investors and tourists. But this does not percolate into the local economy. Rather it has huge role in limiting access of local communities to natural resources. Such tourism does not lead to interaction with local communities and direct benefits to them are also meagre. Moreover since, the ultimate aim of private business operators (in all sectors) is to reap in maximum profit, unless well regulated, there lies the danger of these operations flouting basic
legislations related to air and water pollution, other environmental legislations, labour legislations applicable to those establishments, illegal encroachment, large scale benami land acquisition, flouting of the revenue laws of the state etc. In most places where tourism development has been infrastructure heavy, tourism has failed to benefit the local communities. This form of tourism promotes transferring power of decision making on issues such a control of natural resources like water and land (on which the tourism industry is highly dependent on private developers.

- Inspite of raising concerns and giving detailed critique on the issue, the Planning Commission supports the idea of Tourism Master Planning of destinations and circuits. The question arises can/should the Planning Commission who is charged with the responsibility of making assessment of all resources of the country, augmenting deficient resources, formulating plans for the most effective and balanced utilisation of resources recommend such process that substitutes and prioritises tourism development plans over the general development plans in any area that is identified to be having tourism potential? Can the general development plan (the General Master Plan of any area formulated under the local Town and Country Planning Act) process be usurped in favour of prioritising and pushing tourism centric developments through Special Tourism Master Plans, thereby allowing the Tourism Department to override decisions and functions of other departments whose core mandates are related to overall development of the area? The identity and raison de’ être of a place cannot be tourism, communities cannot be converted to hosts, and tourism cannot be allowed to dictate the overall development process in any area. It can only be one of the factors in the development and economic process and cannot be given such overriding powers. Any such policy move calls for an intense public consultation and debate with the local people and their representatives. Such debate is already ongoing in Kerala. This is important because research and experiences the world over have proved that tourism is a fickle friend and in the case of any crisis, natural, health, political it is the tourist trade that suffers first. Economic over reliance on tourism is not a sensible economic decision.

- A blanket increase in FSI for hotel properties is ill advised, as they would put high strain on local water supply, waste management, pollution and even congestion. Further, for sensitive ecological zones like coastal stretches and hill areas, a lower FSI has to be maintained to minimise adverse ecological impact. Further, such a proposal is definitely against zoning regulations and construction byelaws as hotel properties can come up in commercial, residential, coastal and all other zones as well. In highly sensitive ecological zones like the Andaman Islands, a higher FSI can prove disastrous for ecological sustainability.

- Similar argument flows with respect to the proposal of granting home stay programmes under the GoI Scheme of ‘Incredible India Bed & Breakfast’ be treated as non-commercial. While these establishments will operate completely on commercial basis using water, electricity and other resources on a commercial fashion, why should it be allowed to pay taxes at non-commercial rates? A more detailed study of the actual experience of home stays need to be conducted before such incentives are offered as in many places the “home” has actually become a mini-lodge

- Interestingly apart from rural tourism, the Planning Commission does not advocate any form of consultation with local communities. A sector like tourism, which needs to be localised and site-specific to ensure maximum benefit and least negative impacts, requires the consultative, regulatory and implementing powers to rest with local governing institutions and tourism cannot be prioritised over or override other developmental requirements of the area. Therefore, while we believe that many more states must understand the desirability of regulating tourism and conserving the areas that are frequented by people for tourism; we would urge that the basic tenets of democratic decentralisation, public consent and public good should be privileged.

### e. Taxation, Incentives and Concessions

- While it is commonly held that hotels and hospitality is one of the most over-taxed sectors, this is not entirely true. Rationalisation of taxes needs to maintain the fine balance between the actual subsidy needs of the industry and the revenue to state and local governments from tourism and hospitality sectors. While multiple taxation needs to be avoided and economic incentives are still needed to support local initiatives in tourism, we believe governments should not compromise on the role that the hospitality sector continues to play as an important source of revenue, especially for state and local governments. Today, with an increasing portfolio of investors entering tourism – including real estate giants, private hospitals, travel agencies and IT companies; the justification to give broad and wide-ranging tax concessions to all investment in tourism is not even persuasive let alone valid. It might also be advantageous to address sustainability goals if the government could think of drawing up innovative tax schemes where subsidies and incentives are provided to genuinely sustainable or “responsible” tourism ventures that are energy saving, have stronger backward linkages to local economies and contribute to conservation. States like Kerala have already initiated processes such as
these where industry could be made a partner in contributing to responsibility in tourism by positive incentives to those tourism establishments that leave the least ecological footprint or source from local markets thereby supporting the local agricultural economy base and other criteria.

- The argument that tax holidays to the T&T Industry will encourage investments from non-tourism sectors into tourism sector is not required in the present scenario. The Indian hotel and hospitality industry is on a boom. So much so that capital is pouring in from other sectors with investors keen on making hay while the sun shines on tourism. EMAAR-MGF, Walt Disney, Reliance, Bombay Dyeing, ICICI Venture Funds, DLF, Prestige and several others are investing in hotel stocks and picking up shares in five star properties to make the most of this boom.

- The Planning Commission talks about expanding the Ministry of Finance accorded tax incentive of 5 years for 2-star, 3-star and 4-star hotels in and around Delhi for the Commonwealth Games to all categories of hotels throughout the country. With the current high profit levels in the industry (largely on account of the demand-supply deficit), such heavy tax relief does not seem justified or prudent. Further, it is unacceptable that in a country with over 650 million farmers who do not get active government subsidy and support for their sustenance, or the informal and even SME sector that has very little social security or access to credit (which are the “main sectors or pillars of the tourism industry” the government must continue to shower subsidies on the tourism industry! Such heavy rationalisation of taxes might turn into a significant revenue loss for state governments especially, for whom luxury tax and entertainment tax are important tools of fiscal policy. On the recommendation of the Planning Commission that State Governments should rationalise their taxes it is important that state governments should respond to it only after evaluating if it is financially in a position to afford such rationalisation or not as their exchequer gets directly affected by losses of revenue by such rationalisation of taxes.

Certain other major concerns with respect to the report as was highlighted in our critique of the Working Group Report and Steering Committee Report on Tourism

The “Tourism Section” of the Eleventh Plan Doc does not put any focus on certain issues. This particular point was also brought in focus with detailed discussion in the critique of the Working Group Report. The Eleventh Plan Doc on the “Tourism Section” does not delve into the interconnection and impacts of tourism on

- Women in Tourism
- Children and child exploitation
- Indigenous People and Tourism
- Other marginalised sections like dalits and to people with disabilities and tourism
- Climate Change and Tourism

Conclusion

We hope the above analysis will make the Planning Commission re-think about how tourism can be widened through democratic principles of people’s participation and consultation, ensure that tourism actually proves to be beneficial to all and a true tool of holistic development and it’s impacts are marginalised.

We appeal to the Planning Commission to consider an approach that is more broad-based and inclusive in the creation of its documents. We urge it to keep in view that the marketing, promotion and growth of tourism is certainly important. But alongside, who grows, who benefits, who is harmed by its unrestricted and unregulated growth, is tourism non-exploitative, is it socially just and equitable, are its processes of planning and implementation democratic – these are equally important concerns. We look forward to see Planning Commission playing a more meaningful role in restructuring the Eleventh Plan Doc and recommending GoI to ensure that tourism is truly inclusive and people centred.

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End Notes

1 Refer “Comments on the XI Five Year Plan’s Tourism Report”, EQUATIONS, April 2007
2 Refer to Eleventh Five Year Plan 2007-12, Volume III, Pg 272, Planning Commission of India
3 Refer to the Foreword of Eleventh Five Year Plan 2007-12.
4 Id 1,
5 Refer to Eleventh Five Year Plan 2007-12, Volume II, Pg 184, Planning Commission of India
6 Ibid Section 6.145, “Towards Women’s Agency and Child Rights”.
7 Last year the Goa government had referred 150 cases of property acquisitions by foreigners to the Reserve Bank of India, after an internal investigation by the state police found evidence of FEMA (Foreign Exchange Management Act) violations. A special committee was set up last year by the state government to investigate property acquisitions in Goa by foreigners, after 482 such cases were brought to the notice of the state assembly. Reports of Russian and Israeli land mafia and enclavised territories are not uncommon, and these factors need to be taken into account by the Ministry as well. Goan Refers 150 Illegal Land Deals to RBI
http://www.deccanherald.com/Content/Jul72007/national2007070611427.asp
9 As was recommended by the Planning Commission Constituted Working Group Report and Steering Committee Report on Tourism for the Eleventh Five Year Plan in 2007
10 Refer “Public Purpose? How the Tourist Destination of Tomorrow continues to dispossess the Adivasis of Narmada today”. A In an investigative report on the tourism project in Kevadia, Narmada District, Gujarat, EQUATIONS, March 2008
12 Scheduled Tribes and Traditional Forest Dwellers, (Recognition of Forest Rights) Act 2006
13 Id 2, Pg 249.
14 The Planning Commission was set up by a Resolution of the Government of India in March 1950 in pursuance of declared objectives of the Government to promote a rapid rise in the standard of living of the people by efficient exploitation of the resources of the country, increasing production and offering opportunities to all for employment in the service of the community. Refer http://planningcommission.nic.in/aboutus/history/about.htm
15 BBC news 27th June 07 World Bank estimates suggested that 87% of marginal farmers and 70% of small farmers in India had no access to credit from a formal financial body, often relying instead on "extortionate money lenders". Although agriculture makes up just a fifth of India's economy, two-thirds of the population make a living from the land. Estimates for the overall number of deaths among farmers in Andhra Pradesh, Karnataka, Kerala and Maharashtra since 2001 range from 3,600 to 18,000.
16 “Comments on the XI Five Year Plan’s Tourism Report”, EQUATIONS, April 2007