



THE HIMACHAL PRADESH TOURISM POLICY, 2019



Department of Tourism & Civil Aviation Government of Himachal Pradesh





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Preface: Introduction and Statement of Commitment

Himachal, the abode of snow, where the Gods dwell...

Himachal Pradesh is abundantly bestowed with natural beauty, ranging from vast tracts of high altitude Trans-Himalayas desert to dense green deodar forests, from apple orchards to cultivated terraces from snow-capped high Himalayan mountain ranges to snow fed lakes and gushing rivers. This makes the state a truly wonderful getaway. There are many bonafide reasons to visit the state. Inhabited by a populace that firmly believes in 'Atithi Devo Bhava' (the Guest is a God), the state offers a memorable travel and stay complemented by food that nourishes the body, music that transports the soul into the sublime and grand vistas, straight out of a dream world.

In the year 2013, the State had come up with the Sustainable Tourism Development Policy to use sustainable tourism as a means to provide better employment and greater business opportunities for residents, to contribute to the protection of the state's unique natural and cultural heritage and to ensure the long-term prosperity and good quality of life to future generations of Himachal Pradesh.

From a figure of 161.45 lakhs tourists in 2012-2013, the number of tourists visiting the State has now gone up to 196.02 lakhs in 2017-2018. The need of the hour, given our fragile ecosystem, is to ensure that this growth continues in a sustainable manner.

The Sustainable Tourism Development Policy, 2019 is an attempt in this regard. This policy has been framed to achieve sustainable development goals (SDGs), particularly SDGs 8 and 12 through various objectives directed towards the socio-economic growth of host communities, offering quality experience to travellers, protection of the natural-cultural environment and state's destinations, and creating an investment friendly environment for private investors. Strategies framed under each objective have been broken down into short term, medium term &long-term action points. The New Policy shall act as a guide for the State to ensure sustainable development and inclusive green growth of the tourism sector in Himachal Pradesh.

Jai Ram Thakur, Chief Minister



Abbreviations

ATOAI	Adventure Tour Operators Association of India		
DTDC	District Tourism Development Corporation		
ECBC	Energy Conservation Building Code		
FDI	Foreign Direct Investment		
GDP	Gross Domestic Product		
GoI	Government of India		
GRIHA	Green Rating for Integrated Habitat Assessment		
HO-HO	Hop On – Hop Off		
HPTDB	Himachal Pradesh Tourism Development Board		
HPTDC	Himachal Pradesh Tourism Development Corporation		
HRDP	Human Resource Development Plan		
ICT	Information and Communications Technology		
IMF	Indian Mountaineering Foundation		
MICE	Meetings, Incentives, Conferencing, Exhibitions		
MoT	Ministry of Tourism		
MoU	Memorandum of Understanding		
MSMTEs	Medium, Small and Micro Tourism Enterprises		
NGO	Non-Government Organization		
NOC	No Objection Certificate		
PPP	Public-Private-Partnership		
RFID	Radio Frequency Identification		
SDG	Sustainable Development Goals		
STCI	Sustainable Tourism Criteria for India		
TIC	Tourist Information Centre		
EDP	Entrepreneur Development Programme		



Glossary

Department	Department of Tourism and Civil Aviation, Government of Himachal Pradesh
Government	Government of Himachal Pradesh
Tourism Products	As defined by UNWTO, a Tourism Product is "a combination of tangible and intangible elements, such as natural, cultural and man-made resources, attractions, facilities, services and activities around a specific center of interest which represents the core of the destination marketing mix and creates an overall visitor experience including emotional aspects for the potential customers. A tourism package comprises of varied activities and assets that can be
Tourism Packages	explored within a tourism cluster, transport and accommodation services advertised and sold to tourists. The intention of these packages is to increase the duration of stay and enhance the overall experience of the tourists by offering new/unexplored destinations within the package.
Eco-Labeling	An "eco-label" is a label/certification which identifies the overall environmental preference of a product or service within a specific product/service category based on life cycle considerations. Credible eco- labels promote sustainable consumption patterns by providing concise and accurate information to consumers to help them identify those products and services which incorporate a good level of environmental performance.
Carrying Capacity	It is defined by the World Tourism Organization as "The maximum number of people that may visit a tourist destination at the same time, without causing destruction of the physical, economic, socio-cultural environment and an unacceptable decrease in the quality of visitors' satisfaction".
Homestays	Any private house located in rural areas of the State in good condition and easily accessible in the countryside i.e. within the Farm House, Orchards etc. The house shall fulfill the minimum requirement of having one or more room's accommodation subject to a maximum of four rooms with attached toilet facility which will be made available to the tourists as Home Stay accommodation.
Green Protocol	Green Protocol is based on three principles – reduce, reuse and recycle. The habits must be changed first. The aim is to reduce piles of garbage by creating awareness among the visitor's and promoting green practices.



1 Introduction

Tourism acts as an engine for development through foreign exchange earnings and creation of direct and indirect employment. Tourism contributes to 10% of the world's GDP. It accounts for 7% of the world's exports, services being the third largest export sector after fuels, chemicals and ahead of automotive products. Tourism is responsible for 235 million jobs, one in every 10 jobs, worldwide (UNWTO, 2017).

In many developing countries, tourism is the most viable and sustainable economic development option, and in some countries, it also is the main source of foreign exchange earnings. In the Indian Himalayan Region (IHR) over the last decades, tourism has experienced continued growth and increasing diversification to become one of the fast growing economic sectors in India. This status is in line with the sector being predicted to grow at an average annual rate of 7.9% from 2013 to 2023. IHR has attracted one and all who seek vistas, adventure, cooler climates in summer, sport, spiritual solace, peace and the many cultural assets of mountains - built to take advantage of the natural grandeur it manifests. For local mountain people, tourism means valuable economic and business opportunities and jobs, and for state governments and private entrepreneurs it brings revenues and profits (Niti Ayog, August 2018).

Despite various benefits, the mainstream tourism has associated negative connotations. The impacts of mass-tourism and disregard to carrying capacity in the tourism development trajectory of the IHR has led to serious concerns among policy makers, residents and visitors. The degradation of cultural assets and disruption to social structures are parallel threats.. Global issues of resource depletion and environmental degradation may be as important as local ones, including the long-term effects of tourism on climate change and the impact of adaptation and mitigation measures on travel patterns. It is also seen that tourism has been associated with weak linkages to poor. The lack of engagement of the poor can cause much tourism spending to leak away from poorer destinations. The income that remains may not end up benefiting the poor, reaching the better educated and well-off segments of the society instead.

In this regard, it is important to explore the benefits accruing due to tourism and its associated multipliers while regulating the adverse impacts that the industry could inflict. Hence, exploring trends promoting the tourism industry in a sustainable manner becomes dire.

1.1 Sustainable Tourism – A viable option

UNESCO defines sustainable tourism as "tourism that respects both local people and the traveller, cultural heritage and the environment". Sustainable tourism seeks to provide people with an exciting and educational holiday that is also beneficial to the people of the host country. All tourism activities, of whatever motivation – holidays, business travel, conferences, adventure travel and ecotourism – need



to be sustainable. This approach to tourism is becoming so popular that it is believed it would become 'main stream' within a decade.

The **Sustainable Development Goals** (SDGs) are a set of targets relating to future international development. They are created by the United Nations and promoted as Global Goals for Sustainable Development. There are 17 goals, including poverty alleviation, zero hunger, good health, gender equality, affordable and clean energy, decent jobs and economic growth, clear water and sanitation, and responsible consumptions, etc. Given this background, sustainable tourism has possibilities of playing a significant role in the realization of these goals, particularly SDGs 8 and 12.

- Goal 8: on the promotion of "sustained, inclusive and sustainable economic growth", full and productive employment and decent work for all includes as Target 8.9 "By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products" (Niti Ayog, August 2018).
- Goal 12: aimed to "ensure sustainable consumption and production patterns" includes as Target 12.b to "Develop and implement tools to monitor sustainable development impacts for sustainable tourism which creates jobs, promotes local culture and products" (Niti Ayog, August 2018).



Ministry of Tourism, Government of India, aims at positioning tourism as a major engine for economic growth and harnessing its multiplier effects for employment generation and poverty alleviation in an environmentally sustainable manner. In this light, there is an ardent need to make the current tourism policy comprehensive in a sustainable way. The state of **Himachal Pradesh** has been proactively working precisely on this.



1.2 Sustainable Tourism in Himachal Pradesh

Himachal Pradesh is a hill state adorned with the majestic Himalayan range, forests, wildlife, rivers and traditional communities. Reorganized as the 18th Indian state in 1971, Himachal Pradesh is in the north-western region of the Himalayas. It is landlocked between Jammu & Kashmir in the north, Tibetan plateau in the west, and Punjab in the east. The state stands apart in terms of its topographic diversity and breathtaking pristine natural beauty. In order to foster economic growth, the reliance on tourism industry has been observed to deliver positive results. This has been attested by the fact that the number of tourists visiting Himachal Pradesh increased from 6.55 million in 2004 to 19.6 million in the year 2017. A tourism policy that accelerates economic development, minimizes social inequality, reduces poverty, conserves tangible and intangible heritage (by making use of state of the art technologies) in a sustainable manner is an immediate requirement.

2 Tourism Themes to be promoted in Himachal Pradesh

Himachal has various natural and man-made assets namely, the Himalayas, lakes, rivers, snow, rural landscape, pilgrimage spots like temples, gurudwaras and monasteries, heritage structures, traditional dance forms and attires, local handicrafts and cuisine, and some well-established commercial destinations like Shimla, Manali and Dharamshala. These existing assets of Himachal Pradesh shall be considered to create tourism products which revolve around following ten themes for tourism development:



Promotional Themes of Himachal Pradesh



2.1 Ecotourism

All nature-based forms of tourism in which the main motivation of the tourists is the observation and appreciation of nature as well as the traditional cultures prevailing in the natural areas (UNWTO), having minimized negative impacts comes under eco-tourism. The advantages of promoting eco-tourism include: benefits to local communities, generation of revenue, support to local economy and preservation of ecosystem and biodiversity.

The varied natural landscape, rolling pastures, mighty Himalayas, vast flowing rivers, pristine lakes, dense pine forests and a vivid variety of flora and fauna makes Himachal Pradesh a must visit ecotourism destination. Bird watching, trekking, eco-trails, nature parks, eco-huts, and camping are some tourism products that shall be developed to promote eco-tourism.

2.2 Agro/Organic tourism

Agro/Organic tourism involves any agriculturally based operation or activity that brings visitors to a farm, orchard or ranch. Agro Tourism is undertaken to experience the real rural life, taste the authentic local food and get familiar with the various farming tasks. The State has many organic farms, stone fruit orchards, etc. to offer under Agro Tourism.

Development of village infrastructure, organizing cultural shows, providing eco-friendly accommodations amidst farms and orchards, streamlining facilitation procedures at airports, human resource development, creating awareness, improving public participation and facilitation of private sector participation are important points of action for facilitating Agro Tourism in the State.

2.3 Snow Tourism

Himachal Pradesh experiences extreme winters. Despite the harsh dip in temperatures, winter and snow tourism of the region is extremely magnetic, attracting tourists in huge numbers. Activities like snow trekking and camping, skiing, gondola rides, heli-skiing or simply playing in the snow are popular during this time.

2.4 Lake Tourism

Himachal Pradesh houses several natural and man-made lakes like Prashar Lake, Chandra Tal, Deepak Tal, Mani Mahesh Lake, Maharana Pratap Sagar, Gobind SagarLake which offer numerous opportunities. The state is also looking forward to provide access to man-made reservoirs for conducting water sports adventure activities. Apart from this, the fast-flowing rivers of Himachal are popular for activities like river rafting, white water river rafting, angling etc., and water zorbing, rappelling and overnight camping along the river banks.



2.5 Adventure tourism

It is a type of niche tourism, involving exploration or travel with a certain degree of risk (real or perceived), or physical danger which may require special skills and physical exertion. Adventure tourism attracts high value customers who are passionate and risk-taking. It can be leveraged to support local economy with sustainable practices.

2.6 Pilgrimage Tourism

Pilgrimage tourism can be described as travel undertaken to visit a place, building or a shrine which is sacred. This travel can take place either for observing or participating in religious aspects in accordance with an individual's trust and faith. These places attract the attention of visitors, not only for religious reasons, but also tourists interested in history, architecture or art.

Himachal is known, since earliest of times, as "Dev Bhoomi", which translates to "The abode of the Gods". The splendid height of the Himalayan ranges, with its great scenic beauty and aura of spiritual calm makes it the natural home of the Gods. Being a State full of isolated valleys and high ranges, several different styles of temple architecture can be observed, having carved stone shikharas, pagoda style shrines, and temples that look like Buddhist Gompas. The State not only has Hindu temples, but it also houses many Colonial Churches, Sikh Gurudwaras and centuries-old Buddhist Monasteries. Several of them are important places of pilgrimage and each year attract thousands of devotees from all over the country.

2.7 Cultural and Heritage Tourism

This tourism is oriented towards the cultural heritage of the location where tourism is occurring. The National Trust for Historic Preservation in the US defines heritage tourism as "...traveling to experience the places, artifacts and activities that authentically represent the stories and people of the past, and can include cultural, historic and natural resources". Cultural tourism is concerned with a traveler's engagement with a country or region's culture, specifically the lifestyle of the people in those geographical areas, the history of those people, their art, architecture, religion(s), and other elements that helped shape their way of life. The eco-products like handicrafts, natural produce, cuisines, herbal cosmetics and products, medicines, ethnic ornaments, souvenirs etc. of Himachal Pradesh are quite popular among travelers. Often villages and rural areas have exclusive products which could be branded. Popularizing the products would lure more travelers to the place, as well as improve the economic condition of the local villagers. The advantages of promoting cultural/eco products are: it helps uplift the backward communities, is less demanding in terms of technological innovations, and finally, acts as a lifeline for dying art form.

2.8 Health and Wellness tourism

Wellness tourism is travel associated with the pursuit or managing or enhancing one's personal wellbeing through physical, psychological, or spiritual activities. Wellness tourists are proactive in seeking



to improve or maintain health and quality of life, often focusing on prevention. However, wellness tourism is often correlated with medical tourism where the traveler is looking for medical aid to get cured mostly through indigenous medicines and therapy.

Himalayas being home to huge collection of medicinal plants and hot springs known for their curative properties provides a stable platform for building health and wellness tourism. Ayurveda spas, wellness centres, Yoga retreats bode well with a scenic and calmative settings of Himachal Pradesh.

2.9 Film tourism

There is a growing interest and demand for locations among travelers which become popular due to their appearance in films and television series. Films, documentaries, TV-productions and commercials inspire people to experience the locations screened in the content and to explore such new destinations. Film tourism is an excellent vehicle for destination marketing and creates opportunities for product and community entrepreneur development. Film field is a fast-paced industry, driven by creative passion, positive energy and tremendous enthusiasm, which can be cross-pollinated into the tourism and services sector to yield fast results.

2.10 MICE tourism

The MICE market refers to a specialized niche of group tourism dedicated to planning, booking, and facilitating conferences, seminars, and other events; which is a big money-maker in the travel industry. Such events, when hosted, draws plenty of attention to the hosting city or place and benefits the local economies through multiplier effect (travel, accommodation, food, local travel etc.). Infrastructure created to support such events also helps in the Fast-Track development of these areas and indirectly becomes a platform for showcasing local culture.

Meeting Travel hosts a gathering of people coming together in one place, usually a limited number of people, to discuss a subject.

Incentive Travel may be one of the harder components of MICE travel to understand since it doesn't necessarily deal with group events. Instead, incentive travel is typically given to employees as a reward. Incentive travel doesn't usually have a business or explicit educational component but instead is more of a non-business vacation with the aim of continued motivation for performance.

Conference Travel involves organizing itineraries, meetings, and events for people from the same profession or field. Conferences usually have specific agenda, objectives and a planned list of activities for exchange of information.

Exhibition Travel: At an exhibition, products or services are displayed and might be the primary focus of the event. Exhibitions are often included in other conferences and meetings, there is often an overlap.



Table 1: Theme	wise performanc	e of districts and	potential areas
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S.No.	THEME	EXISTING WELL PERFORMING DISTRICTS	POTENTIAL DISTRICTS
1	Eco Tourism	Lahaul-Spiti	Kinnaur, Kangra, Chamba, Mandi (Janjehli, Barot Valley), Kullu, Shimla (Chansal)
2	Agro/Organic Tourism	Chamba, Shimla, Kinnaur	Sirmour (Rajgarh),Mandi (Karsog Valley), Bilaspur (Ghumarwin), Lahual-Spiti (Spiti), Chamba and Kullu
3	Snow Tourism	Kullu	Shimla (Narkanda and Chanshal), Kinnaur, Lahaul-Spiti, Chamba
4	Lake Tourism	Lahaul-Spiti, Kangra	Chamba, Mandi, Bilaspur, Una
5	Adventure	Kullu, Chamba, Lahaul- Spiti	Kinnaur, Mandi, Sirmour, Kangra and Shimla
6	Pilgrimage	Promotion and Marketing through Religious Circuits in all districts of HP	
7	Cultural & Heritage	Kullu, Shimla, Kangra, Lahaul Spiti	Chamba, Sirmour (Nahan), Kinnaur, Mandi and Hamirpur
8	Health & Wellness	Kangra	Solan (Chail), Kullu, Kinnaur, Lahaul-Spiti, Mandi
9	Film Tourism	Shimla, Kullu	Lahaul-Spiti, Kangra (Palampur), Kullu (Manali), Chamba (Priungal), Shimla (Fagu)
10	MICE Tourism	Shimla, Solan, Kangra	Solan, Kangra, Kullu & Sirmour

Source: Tourism Infrastructure Sustainable Development Plan for HP, 2019



3 Vision and Mission Statement

3.1 Vision

"Positioning Himachal Pradesh as a leading global sustainable tourism destination for inclusive economic growth".

3.2 Mission

To grow an inclusive and sustainable tourism economy through:

- Protection of state's natural and cultural heritage
- Improved quality of life and better employment opportunities
- Enhanced tourist experience
- Innovation through private sector participation

3.3 Guiding Principles

- Sustainable tourism: Sustainable tourism is a concept that entails visiting a destination as a tourist and trying to make a positive impact on the environment, society, and economy. No harm can be caused to the destination in terms of social, economic and environmental aspects because of tourism.
- **Inclusive tourism:** Inclusive tourism intends to reduce poverty by integrating disadvantaged groups, so that they can participate in and benefit from tourism activities.
- Atithi Devo Bhava: It is a concept where host community considers tourists as gods and provides them with a comfortable and safe environment.

4 Goals

The prime goal is to establish the State of Himachal Pradesh as a leading global sustainable tourism destination.

GOAL 1- Establish Himachal Pradesh tourism as an international brand in niche tourism

GOAL 2 - Make tourism sustainable with prime focus on socio-economic growth and employment generation.

GOAL 3 - Ensure quality experience of tourists.

GOAL 4 - Encourage Private Sector Participation in tourism related investments & infrastructure

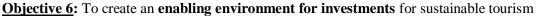
5 Policy Objectives

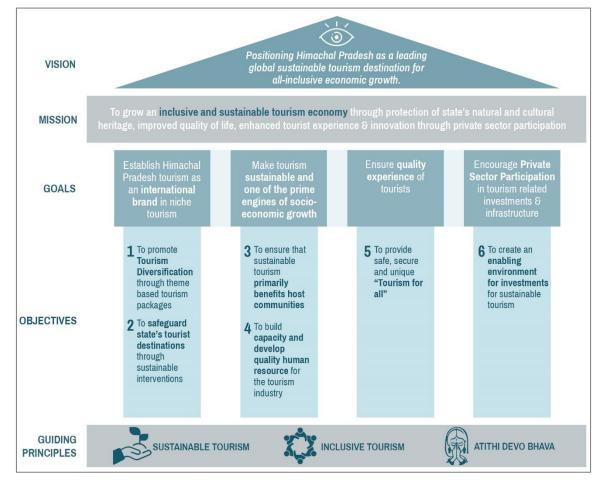
In order to realize the mission and achieve the goals for sustainable tourism, objectives focusing on different facets have been formulated to achieve the proposed target for 2029.

Objective 1: To promote **Tourism Diversification** through theme based development

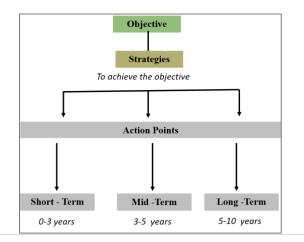


Objective 2: To **safeguard state's tourist destinations** through sustainable interventions **Objective 3:** To ensure that sustainable tourism **primarily benefits host communities Objective 4:** To build **capacity and develop quality human resource** for the tourism industry **Objective 5:** To provide safe, secure and unique **"Tourism for all"**



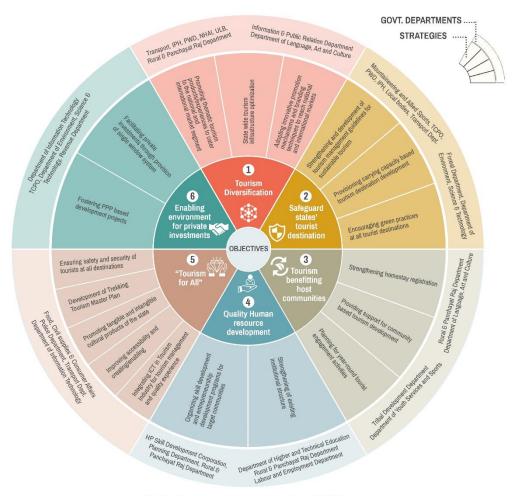


Each objective is achieved through a set of strategies. The strategies are to be achieved through **Short Term (0-3 years), Mid Term (3-5 years)** and **Long Term (5-10 years) action points.** The strategies for each objective and further action plan for realizing those objectives have been discussed below.





6 Strategies & Action Points



* Note: Overall co-ordination by Department of Tourism and Civil Aviation



6.1 Objective 1: To promote Tourism Diversification through theme based development

Strategies

- 1. **Promoting thematic tourism products/experiences** to cater to the national and international market segment
- 2. State wide tourism infrastructure optimization
- 3. Adopting **innovative promotion** mechanisms and branding techniques to reach national and international markets

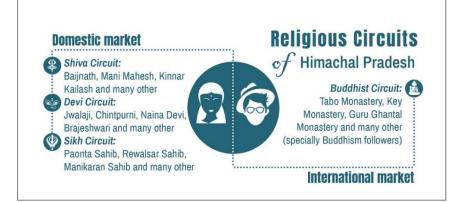
6.1.1 Strategy 1: Promoting thematic tourism products/experiences to cater to the national and international market segment

Action Points

Short term			
1. Selecting five priority areas and potential sites for	Medium term		
tourist destination development that are	1. Execute 5 year tourism destination development	Long term	
preferably unexplored and have diverse tourism products	plan of selected priority areas	1. Replication of successful destination development models in other potential	
2. Prepare 5 yearly tourism destination development plan.	2. Facilitating inter-state and trans-boundary tourism through promotion	sites	
3. Develop tourism activities and products on 10 themes - Eco, Agro, Health and Wellness, Heritage and Culture, adventure, lake, Snow, Film, Pilgrimage and MICE	of inter state tourism circuits.		
4. Creation and marketing of thematic tourism packages and circuits along with integration of the priority areas			



Figure 1: Sample of religious circuits and target segment



6.1.2 Strategy 2: State wide tourism infrastructure optimization Action Points

Short Term	Madium Tarma		
 Development of wayside amenities at an interval of 40-60km on selected major arterial roads Improve last mile connectivity and other necessary infrastructure at 	Medium Term 1. Development of wayside amenities on other important connecting roads 2. Build State of the art Infrastructure at popular tourist destinations like	Long Term 1. Improvement of air connectivity through out the State especially to regions that are difficult to regions that are difficult to	
all priority areas 3. Run Hop-on, Hop-Off (HO-HO) services on the popular circuits/ sub- circuits	Smart Toilets, Wi Fi Zones, Water ATMs, Smart Parking, etc	reach like Lahual Spiti, Kinnaur and Chamba . 2. Identify routes and circuits for Heli-rides in the state and operationalize it.	
4. Facilitate Ropeway projects to provide last mile connectivity in tough/ remote terrain*		3. Develop necessary infrastructure to promote Himachal as a Charter Destination like Heliports	
5. Improvement of signage, lighting and street infrastructure at all popular tourist destinations in tune with the local architecture.			

*Facilitate Ropeway projects to provide last mile connectivity in tough/ remote terrain

- Forest Clearance for ropeway projects shall be taken up on priority.
- Handholding committee shall be formed to monitor the progress and getting clearances from the respective departments on monthly basis.
- Nodal officer from the Department will be appointed to coordinate with operator/agencies to get the clearances.



6.1.3 Strategy 3: Adopting innovative promotion mechanisms and branding techniques to reach national and international markets

Action Point

Short Term

1. Involving brand ambassadors for media promotion Med

2. Cross marketing through organization and participation in national/ international **trade fairs** road shows, conclaves ,festivals like hampi festival, etc.

3. Encouraging film tourism

4. Creating **taglines and brand names** for highpotential thematic tourism sites

5. GI Tagging of key state products

6. **Offline marketing** through coffee table books (versions), brochures, newsletter, comprehensive travel guides and out-of-home marketing

7.Merchandising - Unforgettable Himachal and setting hoarding in international and domestic airports.

Medium Term

1. Conceptualising and **Organising various events** like award events, cultural shows, exhibitions and competitions in photography, trekking, angling, cycling, etc.

2. Sponsoring national and international sports/film festivals and other large scale events outside the state.







Himachal Haat: 📝

Tribal craft display & shopping festival. Cross Marketing at Kala Ghoda Arts Festival, Mumbai, Surajkund Crafts Mela, Haryana; Dilli Haat, etc.



Special events for raising FDIs and educating stakeholders







Special focus on foreign travelers through cross marketing at international & national events

A festival for adventure enthusiasts through rafting, paragliding,



Competitions related to birding & angling, photography, painting, art & craft, trekking, cycling, paragliding, etc.

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6.2 Objective 2: To safeguard state's tourist destinations through sustainable interventions.

Strategies

- 1. Strengthening and development of **tourism management guidelines** for sustainable tourism
- 2. Provisioning carrying capacity based tourism destination development
- 3. Encouraging green practices at all tourist destinations
- 6.2.1 Strategy1. Strengthening and development of tourism management guidelines for sustainable tourism

Action Points

Short Term		\land
 Formulation of thematic tourism codes of conduct for tourists and its dissemination through proper channel Ensure 100% registration/renewal of all service providers and control the number of operators in one place through a registration mechanism and create a monitoring mechanism for the same. Strengthen the statistical division to improve data collection systems for monitoring the volume and impact of courism. 	 Medium Term Invest in advancing databases and technology on providing "Live statistics" as a universal information system. Periodic review and upgradation of all Tourism Management Guidelines/Rules. Prepare Special Area Plan for tourist villages/panchayat to control haphazard growth due to tourism and conserve hill architecture and execute accordingly. 	



6.2.2 Strategy 2: Provisioning carrying capacity based tourism destination development Action Points

Short Term			
1. Assess Carrying	Medium Term	Long Term	
capacity calculations for popular tourism destinations and pristine areas like Chandra tal, Pin	1. Create satellite nodes/attractions to decongest over-crowded	1. Development of new	7
valley, GHNP, etc. 2. Decongestion	tourist nodes 2. Develop Destination control mechanisms for	/sites/attractions	
planning for saturated destinations through diversification to nearby	pristine areas like Chandra tal, Pin valley, GHNP, etc.*		
new destinations, traffic regulation and management during	,		
peak seasons, green tax on entry points for			
tourists, green tax on development of new tourism units			

*Develop Destination control mechanisms for pristine areas like Chandra tal, Pin valley, GHNP, etc.

- Development of an online permit system for pristine areas to control the crowd and support the sanctity of the destination.
- Encourage guided tours to keep a check on visitor activities
- Restricted vehicular use to reduce the vehicular pollution in the destination
- Protected areas and national heritage sites should be open for access to a limited number of tourists having low impact and high income (Bhutan example) with environmental standards being strictly followed (e.g. waste, decibels, number of tourists).



6.2.3 Strategy 3: Encouraging green practices at all tourist destinations Action Points

Short Term		
1. Efficient Solid Waste	Medium Term	
Management at all tourist destinations	1. Introduction of green tax	Long Term
2. Encouraging water conservation methods		1. Making environmental audits mandatory for
3. Encouraging energy conservation practices	2. Insitutionalise eco- labelling of tourism products and services at	renewal of tourism registration for water conservation, energy
4. Encouraging equipment upgradation /technology change through financial incentive.	one prime destination to test and upscale the concept of eco-labeling.	conservation and waste minimization and segregation. STCI shall be adopted for the same
5. To reduce air pollution, tourist buses running on cleaner fuels shall be promoted.	3.Encouraging green protocol in State through awards for green practices to private investors.	

Note: Details of point 1, 2 and 3 of short term are detailed below.

- 1. Efficient Solid Waste Management at all tourist destinations
 - The department shall enforce "The Solid Waste Management Rules, 2016, and the Plastic Waste Management Rules, 2016" of GoI. It shall seek convergence with 'Swachh Bharat Mission' to make destinations clean and litter free.
 - Conduct awareness generation programs on waste minimization, substitution and management among tourism stakeholders and tourists and provide appropriate signage.
 - Provision of water refilling stations at all popular destinations and circuits like tribal circuit.
 - Complete ban on burning of Waste at all tourist destinations and tourism units.
 - Popular destinations to be converted to 'zero waste destinations' to reduce the stress on environment.
 - NGOs should be facilitated to conduct awareness programs and cleanliness drives at all tourist destinations.
- 2. Encouraging energy conservation practices
 - *Popularizing renewable modes of energy generation like wind and solar power generation and lighting, etc. in tourism destinations.*
 - Tourism department shall facilitate the implementation of energy conservation building codes (ECBC) in tourism units throughout the state.
- 3. Encouraging water conservation methods



- The government shall strictly enforce water conservation techniques to tap the runoff during rainy season.
- Similarly, wastewater in the higher/lower elevation tourist destinations must be treated effectively to reduce water pollution.
- Strict monitoring of commercial water connections of tourism units shall be done prior to every tourist season.

6.3 Objective 3: To ensure that sustainable tourism primarily benefits host communities

Strategies

- 1. Strengthening homestay registration
- 2. Providing support for community based tourism development
- 3. Planning for year-round tourist engagement activities.

6.3.1 Strategy 1: Strengthening homestay registration

Action points

Short Term		
1. Ensure homestay compliance with the guidelines of 'HP Home Stay Scheme	Medium Term 1. Professional Certification and guality-	
(2008)' and 'Approval and Registration of Incredible India Bed and Breakfast/ Home stay establishments'	based rating at an every three years of all homestays shall be made mandatory.	
2. Listing all registered homestays on the Department website	2. Rating information of homestays and their online registeration to be linked to HPTDC website on payment of commission as fixed by HPTDC from time to time (as per HP home stay scheme (2008)	



6.3.2 Strategy 2: Providing support for community based tourism development Action Point

Short Term	F		
1.Encouraging tourism development in rural area	Medium Term		N,
through financial incentives (Refer Chapter 7)	1. Providing marketing and promotion support for	Long Term	
2. Investing or utilising funds to support community managed	local products and community managed tourism activities	1. Developing e-commerce portal for rural/eco- products and Tourism taxi	
tourism activities like guided trail route development, rural wellness units, local festivals at community receptive areas.	2. Facilitating host communities especially in rural areas to manage their cultural & natural assets like temple buildings, trek routes through provision of	services	
3. Facilitating micro finance options for MSMTEs	ticketing system with prior consent from department.		
4.Prioritizing local residents in training and employment in tourism industry, particularly women and minority groups	3. Conducting clean drives on important dates like Himachal Day in collaboration with NGOs and through community participation.		

6.3.3 Strategy 3: Planning for year-round tourist engagement activities

Action Points

Short Term

1. Tapping MICE tourism to promote tourism during offseason by developing convention center, resorts and providing required training programs in the districts of Solan, Kangra, Kullu and Sirmour

2. Formulation of state level MICE Bureau as mandated by national tourism policy for promoting MICE Tourism

3. Facilitating development of snow tourism activities *such as skiing, snowboarding, snow trekking, chair car rides, snow hockey, igloo stays etc* **in the districts of Shimla** (Narkanda & Chansal), Kinnaur, Lahaul Spiti and Chamba through infrastrucre provision.

4. **Calendar creation** for year round events that includes local district centric festivals, state wide popular festivals, traditional sports, dance forms, etc. and its marketing through print media and social media.





6.4 Objective 4: To build capacity and develop quality human resource for the tourism industry

Strategies

- 1. Strengthening of existing institutional structure
- 2. Organizing skill development and entrepreneurship development programs for target communities
- 6.4.1 Strategy 1: Strengthening of existing institutional structure Action Points

Short Term

1. **Strengthening HPTDB** by including tourism experts like Lake Tourism, Civil Aviation, Adventure tourism so that the department has capacity to develop high standard infrastructure, create demandoriented niche tourism products.

2. **Technically strengthen** district tourism development offices by having an engineering wing to assess the technical feasibility of the projects and to undertake following responsibilities – register new tourism units, conduct trainings and make inspection visits, collect data, conceptualize new tourism products, etc.

3. Strengthening **statistical cell in Department of tourism** to improve the data collection and management process for future planning.

4. Establish a separate division with tourism department for Monitoring, Evaluation and up-gradation of the existing standards, certifications and guidelines and create new rules and guidelines as per the need.

5.Capacity building of Staff for ICT enablement, sustainable tourism and green practices

Medium Term

1. Strengthening Tourism Development council

2. Constitution of inter-departmental convergence committee.

Note: Details of Point 1 and 2 of Medium term are detailed below:

- 1. Strengthening Tourism Development council
 - *HP should reconsider to create and strengthen district tourism development council (DTDC) that shall have district tourism officer, tour and travel agency representatives, local community*



representatives headed by the Deputy Commissioner of the district to coordinate and implement the district level tourism infrastructure up gradation. DTDC shall be allowed to raise resources for the development of the infrastructure and related facilities by way of fees, cess, etc.

- 2. Constitution of inter-departmental convergence committee.
 - Tourism industry is a multi-disciplinary sector relying on large number of stakeholders. Implementation of Tourism policy will require coordination and convergence with allied departments and sectors. Hence, it is recommended that an inter-departmental convergence committee is formed which shall be headed by Chief Secretary with Secretary Tourism being the member secretary. Guidelines shall be framed by the committee for its proper functioning. Coordination shall be required for following activities and many more–
 - Core Infrastructure support
 - Safety and security of tourists
 - Tourism in protected areas
 - Religious tourism
 - Agro/Organic tourism
 - Facilitating tourist permit
 - Waste Management and Pollution Control in Tourism Areas

6.4.2 Strategy 2: Organizing skill development and entrepreneurship development programs for target communities

Short Term	Medium Term		
1. Training need assessment for tour and travel industry in	1. Preparation of Human Resource Development	Long Term	
cordination with HPKVN	(HRD) Plan for tourism	1. Execution of recommendations of HRD	
2. Skill upgradation trainings to host communities through	sector in coordination with relevant capacity building organizations*.	Plan	
provision of <i>advance</i> courses in adventure sports	2. Professional Certification of every group		
activities, sustainability, communication, hospitality, etc.	of tourism service providers such as tourist guides, cooks, drivers,		
3. Conduct Entrepreneur Development Programme for aspiring entrepreneurs in the field of tourism.	adventure sports operators etc. shall be made mandatory through certified training programs. Information of the certified		
4. Promoting sustainable tourism by blending it in school and other institutional curriculum	service providers shall be made readily available to tourists on appropriate media		



*Preparation of Human Resource Development (HRD) Plan for tourism sector in coordination with relevant capacity building organizations.

- The plan shall include development of uniform and standardized training modules and manuals for all types of tourism service providers based on which certified capacity building programmes shall be regularly carried out for all districts. All institutes both government and private shall conduct courses in conformity with this HRD Plan.
- *HRD Plan shall encourage more participation of women in the tourism sector by designing special training courses for them.*
- Apprenticeship programmes for new trainees shall be created in collaboration with the travel industry as part of the HRD plan.
- All programmes shall cover an aspect of eco-friendly practices and measures and warm behavior with the tourists.
- Training on local cuisine preparation and development of quality local handicrafts and souvenirs shall be part of capacity building programmes.

6.5 Objective 5: To provide safe, secure and unique "Tourism for all"

Strategies

- 1. Ensuring safety and security of tourists at all destinations
- 2. Development of Trekking Tourism Master Plan
- 3. **Promoting** tangible and intangible **cultural products** of the state.
- 4. Improving accessibility and creating/enabling infrastructure for **barrier free tourism**
- 5. Integrating ICT in Tourism Industry for tourism management and quality experience



6.5.1 Strategy 1: Ensuring safety and security of tourists at all destinations

Short Term

1. Developing **HP trekkers app** to facilitate their safety

2. Provision of trained liaison officer at all district tourism offices for coordination with all disaster management agencies during response and recovery operations

3. Strengthen HP Aero-sports rules (2004), HP River rafting rules (2005) by integrating safety standards as per Indian Adventure Tourism Guidelines 2018.

4. Establishing **operation guidelines for new and upcoming adventure sports activities** like snow adventure activities, accomodation guidelines for tented accomodations, etc.

5. Mandatory **Formal certification** programs for management of high-risk adventure sports

6. Developing disaster resilient tourism infrastructure

Medium Term

1. In collaboration with state disaster management authority and state emergency response support system, tourism department shall ensure that advance alert un-towards disaster are disseminated to tourist en-route to destinations.

2. Establish **Standard Operating Procedures** to reduce adverse effects of disaster on tourists

3. Tourist safety enhancement through tourist police at priority areas with special focus on female tourists by adding female staff to the task force

4. Induction programs for tourism police force with special focus on their behavioural skill.

6.5.2 Strategy 2: Development of Trekking Tourism Master Plan

- Survey and evaluation of all existing trails, infrastructure thereof and identification of potential new trails shall be undertaken by the Department in collaboration with experts and experienced agencies. This shall also include identification of trans-boundary trails and identification of new peaks for mountaineering in co-ordination with Indian Mountaineering Foundation (IMF).
- For existing treks, plans shall be prepared for upgrading infrastructure and facilities conveniences, signage and quality of routes wherever necessary to bring at par with the best in the worldwide based on a uniform set of guidelines that shall include the avoidance of use of concrete materials, and encourage maximum use of natural trails and local materials.
- Preparation of new and updated overall professionally prepared maps and information material for all the trails in Himachal Pradesh and detailed maps of individual areas and routes, and making these available for dissemination.



6.5.3 Strategy 3: Promoting tangible and intangible cultural products of the state. Action Points

Short Term		
 Organizing light and sound shows to promote culture of the State at prominent tourist locations Assist in promotion of indigenous and scarce art, music, craft, folk dance and cuisine of Himachal Pradesh. 	Medium Term 1. Identification and development of Artist villages based on the cultural background and art forms around the themes of Roerich art, Heritage, Sobha Singh art and Buddhist art.	
3. Conservation of Heritage buildings and hill architecture as per HP Heritage Policy (2017)		

6.5.4 Strategy 4: Improving accessibility and creating/enabling infrastructure for barrier free tourism

Action Points

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1. Pilot **infrastructure upgradation** in key destinations for specially-abled, children, women and the elderly to make destinations barrier free

2. Incorporating tailored **information for differently-abled tourists** on the Himachal Tourism **website like barrier free attractions,** *Transport, Accommodation, Assistance (equipment hire, care, etc.) at tourist attractions of Himachal Pradesh.*

Medium Term

1. Promotion of "Accessible for all" tourism products and services' replicable model

2. Creation and promotion of Access or Mobility Maps, Travel Guides for Wheelchair Users and Online Access Guides



6.5.5 Strategy 5: Integrating ICT in the Tourism Industry for tourism management and quality experience

Action points

Short Term		
1. Develop ICT enabled Tourist Information centres at Shimla, Manali,	Medium Term	LeveTerre
Dharamshala and Dalhousie	1. Replication of successful	LongTerm
2. Develop pilot tourist smart guide apps having information of Shimla, Manali and Dharamshala	 smart guide apps in other important and upcoming tourist destinations of Himachal Pradesh 2. Encourage use of Radio frequency identification (RFID) tags at some important destinations for traffic management, monitoring and safety measures, especially during events. 	1. Development of an application for all state- level transportation systems and integration of the same with "one nation, one card" national scheme

Note; Details of point 1 and 2 of short term are provided below

- ICT enabled Tourist Information centres
 - This concept shall cover an efficient tourist information system with state-of-the-art visualization techniques for online, offline and mobile solutions. These cover the 2D as well as the 3D visualization of geo related tourism information and interfaces to third party platforms with platforms like Google Maps
 - The Department tourism shall also develop a state-of-the-art digital screen in these TICs, most ahead in technological advances and use them to promote the culture, heritage and the dying art and craft of the state.
 - It shall include smart ticketing features which will provide tourists, a seamless travel ticket to major tourist destinations, hotel stays, air and surface travel within the state. Installation of smart ticketing system shall also provide a single card for easy facilitation of tourist related transactions across the state.
- Pilot tourist smart guide apps (Shimla, Manali and Dharamshala)
 - Features/products catering to all tourist types (Socialiser, Explorer, Foodie, Action Seeker and Culture Shapers). The app will also act as a travel guide for enhancing the tourist experience in the following cities as it will also showcase the history, Art, Culture, Recreation and Culture, Nature and Wildlife the city must offer. It will also give contextual recommendations with the app's smart functions, such as free Wi-Fi hotspots, food recommendations, and places of interest, depending on



the time of the day. Smart guide app will also integrate the features of Hop on - Hop off buses and Smart Parking facilities and booking of private hotels.

6.6 Objective 6: To create an enabling environment for investments for

sustainable tourism

Strategies

- 1. Fostering PPP based development projects
- 2. Facilitating private investments through provision of single window system

6.6.1 Strategy 1: Fostering PPP based development projects

Action Points

Short Term			
 Signing of MoUs with potential and reputable investors Creation of state-wide updated land bank Creation of bucket list of ready-to-invest projects in the state. 	Medium Term 1. Organizing investors meet every 5 years. 2. Land bank information to be uploaded on online portal for investors.	Long Term 1. Approaching international hospitality majors for FDI in tourism ventures	



6.6.2 Strategy 2: Facilitating private investments through provision of single window system

Action Points

Short Term		
	Medium Term	
1. Simplification of permit regimes		_
by establishing Single Window Clearance System for all tourism and civil aviation projects	1. Creation of Tourism facilitation and investment cell with thematic experts for tourism projects	
 All the processes shall be time bound and paperless for investible projects 		

Note: Point 1 and 2 of short term and point 1 of medium term are detailed below:

- 1. Simplification of permit regimes by establishing Single Window Clearance System for all tourism and civil aviation projects
 - To attract investors, it is necessary to simplify the procedures to get clearance/approval from various departments for new projects.
 - For approval on projects more than 10 crores for setting up any civil aviation or tourism projects, Single Window Clearances system shall be undertaken as per the HP Single Window (Investment, Promotion and Facilitation) Act, 2018. Necessary amendments shall be done in the said act to undertake tourism projects.
 - For approval on projects equal to or less than 10 crores by Private Sector or as identified by the tourism department, a simplified process shall be framed by the tourism department. It is suggested that a Committee shall be formed under the chairmanship of Chief Secretary to sanction all such tourism projects.
 - Department shall take necessary steps to simplify the process to obtain and renew licenses/registration of existing tourism properties also.
- 2. All the processes shall be time bound and paperless for investible projects
 - Essentiality Certificate will be provided within 30 days.
 - Registration of tourism unit shall be provided by tourism department within 60 days from the date of receipt of application.
 - Approval of tourism units will be provided within 1 month from the date of receipt of application.
 - All the above processes will be gradually converted to online procedures.



- 3. Creation of Tourism facilitation and investment cell with thematic experts for tourism projects
 - Tourism department shall select a nodal officer to be part of this cell. Cell shall be responsible for receiving e-application of tourism projects and shall do all subsequent process to take the project to State Single Window Clearance and Monitoring Authority or the Empowered Committee, as the case may be. The Cell shall function as an expert project approval, monitoring and implementation group, which will act as a single focal point of interface between applicants and the Government Departments for facilitating the new investment proposal(s), providing necessary assistance for setting of the projects approved by the State Single Window Clearance and Monitoring Authority or the empowered Committee, assisting the applicants in obtaining required clearances from the Departments concerned, in a time bound manner.



7 Incentives and Concessions

7.1 Industry Status

The State has granted the status of "Industry" to the Tourism Sector in 1984 vide notification No. 6-6/84—TSM. (Sectt.) dated 5-12-84. The incentives/ concessions provided under this Policy is applicable for investment in tourism sector and to generate employment opportunities

7.2 Definitions:

- **i. "Appointed Date"** means the date that starts after the gazette notification of Himachal Tourism Policy 2019. The operative period of the Policy starts after the appointed date.
- **ii. "Himachal Bonafide"** means a resident of the State of Himachal Pradesh as certified by Competent Authority from time to time.
- **iii. "Commencement of Commercial Operations"** means the date on which the Tourism Unit commences commercial operations as certified by the concerned Department.
- **iv. "Department"** means Department of Tourism & Civil Aviation, Government of Himachal Pradesh.
- v. "Electricity Duty" means the electricity duty levied by the Government from time to time.
- vi. "Eligible Tourism Unit" means registered existing and new tourism units fulfilling the eligibility criteria as per the provisions made under Clause 7.4 of this Policy. To avail benefit under this Policy eligible tourism unit must commences commercial operations as certified by the Department. It also includes heritage tourism units in accordance with the "HP Heritage Tourism Policy, 2017" by ensuring that any extension, improvement, renovation, change in the existing structures should be in keeping with the traditional architectural styles and construction techniques harmonizing the new with the old.
- vii. "Existing Tourism Unit" means enterprises engaged in Tourism activity registered by the Department and has Commenced Commercial Operations before the Appointed Date.
- viii. Expansion of Existing Tourism Unit: Existing Tourism Unit undergoing expansion of more than 25% of its existing capacity (Built-up area and investment) during the operative period of this Policy would be considered as Eligible Tourism Unit.

ix. "Fixed Capital Investment (FCI)"

- a. For new enterprise, FCI means the actual investment made in Technical Civil Works, Plant and Machinery/ Equipments by an enterprise as on date of Commencement of Commercial Operations after the Appointed Date.
- b. For Existing Enterprise, FCI means additional investment made in Technical Civil Works, Plant and Machinery/ Equipments by an enterprise for undertaking Substantial Expansion after the Appointed Date.
- **x.** "Government" means the Government of Himachal Pradesh.

xi. "Investment in Plant and Machinery"

- a. Investment in Plant and Machinery will include the expenditure incurred and paid for cost of construction of building as per the standard norms and all other durable physical assets basic to the running of that particular tourism specific service/ facilities but exclude cost of land and consumables, disposables or any other item charged to revenue as specified by the Ministry of Commerce and Industries (Department for Promotion of Industry and Internal Trade) under notification No. F.No.2 (2)/2018-SPS dated 23rd April 2018.Annexure -I
- **xii. "New Tourism Unit"** means a recognized tourism projects within the State, Commences Commercial Operations on or after the Appointed Date and registered by the Department.
- xiii. "Plant & Machinery"- Technical Equipment" As mentioned at Annexure -1



- **xiv.** "**Policy**" means the Himachal Pradesh Tourism Policy 2019.
- **xv. "Technical Civil Works"** means expenditure incurred on account of civil works for setting up of an enterprise which are related to construction of tourism unit except expenditure incurred on
 - (i) Approach Road
 - (ii) Residential building for support staff
 - (iii) Cost of land or any other work not related to the tourism services.
- **xvi. "Validity"** means Policy is valid for Ten (10) years from the appointed date. All Tourism units started/ established/ expanded operationally during such period will qualify for subsidy/ benefits/ exemption/ waiver/concession under the provision of this Policy.

7.3 Categorization of State:

With a view to create a congenial investment climate for existing industries to grow as well as to attract further investment in the State and to ensure balanced development of Service Sector throughout the State, the State has been categorized into three categories of areas as "A", "B", "C". This classification has done depending upon the location, tourism potential, resource availability, potential for employment generation etc. In Category "A" areas are remote, new/ lessor known areas and has potential for the tourism development. Category "B" intermediate areas and in Category "C" the popular tourist destinations. Areas/villages covered under the Government of HP Scheme "Nai Raahein Nai Manzilein" shall be covered under "A" category. Details are at Annexure II.

7.4 Eligible Tourism Unit:

- Eligible Tourism Project will mean a tourism project approved and registered by the Department of Tourism, Government of Himachal Pradesh. Following definitions would be applicable for this Policy. Following units would be considered as 'Eligible Tourism Units' to avail benefit under this Policy and must commences commercial operations as certified by the Department:
 - **i. Hotel:** A Hotel, including accommodation or related to tourism services that are recognized/ certified by the regulatory authorities.
 - ii. Resort/ Ski Resort: A Resort will include a minimum 15 rooms and a minimum investment of ₹ 10 crores and spread over a minimum area of one acre. It should have, on its plot, a minimum open space (un-built area) of 1000 Sq. Mt. It should have at least four of the following facilities:
 - a. Indoor games (example: Table Tennis, Squash, Billiards, Bowling Alley, etc.) with a minimum built up area of 30 sq. mt.
 - b. Conference room (minimum carpet area of 40 sq. mt.)
 - c. Swimming Pool
 - d. Spa Centre (rejuvenation facilities like aromatherapy, ayurvedic massage)
 - e. Tennis or Badminton Court or Golf or other outdoor games area
 - f. A Health Club (minimum built up area of 50 sq. mt.) e.g. Sauna bath, Jacuzzi, Steam bath, Gym etc.
 - g. A lounge (and measuring at least 30 sq. mt.)
 - h. Ice Skating/ Roller Skating
 - i. Skiing area and equipments (Only for the Ski Resort)
- **iii. Tented/ Huts Accommodation:** It should have tented/ huts accommodation facility. All the tents / huts should have attached toilets. The tents'/ huts' site should have adequate



security. The site should have eco-friendly common area for such purposes of food, recreation, relaxation and lockers. It should have adequate electricity, water supply, sewage disposal, waste treatment and drainage facility.

- **iv. Tourism and Hospitality Training Institute:** The Institute must be offering only tourism/ hospitality courses or related to tourism sector that are recognized/ certified by the Regulatory Authorities.
- v. Theme Park: It should be based on a single or series of themes having a plot measure at least one acre with a minimum investment of ₹ 5 crores pertaining to the cost of equipment alone. It may also have amusement rides, water slides, restaurants, shopping area, activity area and theme areas. It is, however, not mandatory to have all these features.
- vi. Adventure Tourism Projects: Adventure Tourism Projects should have the requisite infrastructure, equipments and trained staff, along with appropriate safety and rescue set up, that will provide tourists with an opportunity to undertake permissible adventure and such other activities like mountain climbing, bungee jumping, zip-line, river crossing, skywalk, rappelling, sailing, water rafting, angling, skiing, kayaking, water scooters, speed boating, paragliding, parasailing, hot-air ballooning, trekking, mountain-biking & camping etc. All requisite permissions from various competent authorities as also a comprehensive insurance cover will have to be obtained before the commercial operation.
- vii. Convention Centre: A covered hall with min. carpet area of 1500 sq. ft. that provides place for meetings, conventions/ conferences and exhibitions, and can accommodate at least 250 persons at one point of time.
- viii. Wellness Tourism Unit: A unit engaged in developing (Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy etc.) activities for the tourists with a minimum investment of ₹2 crores pertaining to the cost of civil works and equipment both.
- ix. Sound and Light Show/ Laser Show/ Musical Fountain: Minimum investment in the equipment cost to the tune of ₹ 1 Crore.
- x. Lake Resort: A Lake Resort will include a minimum 15 rooms and a minimum investment of ₹ 10 crores and located within the vicinity of Lake. It should have at least four of the following facilities:
 - a. Water Sports Activities: kayaking, rowing, water-scooter, speed-boating, sailing, paddle boats, speed boats, safety equipments etc. (Mandatory requirement)
 - b. Conference room (minimum carpet area of 40 sq. mt.)
 - c. Spa Centre (rejuvenation facilities like aromatherapy, ayurvedic massage)
 - d. A Health Club (minimum built up area of 50 sq. mt.) e.g. Sauna bath, Jacuzzi, Steam bath, Gym etc.
 - e. A lounge (and measuring at least 30 sq. mt.)
 - f. Tented Accommodation
 - g. House-boats, Shikaras, jetties etc.



xi. Tourism Ropeways:

A transport mode that have cables and exclusively used for transport tourists from one point to another point. The cable may be driven or passive, and items may be moved by pulling, sliding, sailing, or by drives within the object being moved on ropeways. The use of pulleys and balancing of loads moving up and down are the elements of ropeways. The types of ropeways are as following:

- 1. Mono-cable Detachable Gondolas (MDG)
- 2. Bi-cable (2S) & Tri-cable (3S) Gondolas lifts
- 3. Pulsed Movement Gondolas aerial ropeway
- 4. Detachable Chairlift
- 5. Fixed grip chairlifts
- 6. Tele mix: combined detachable chairlift and gondola lift
- 7. Aerial Tramways
- 8. Funicular railroads
- 9. Sky Bus

7.5 Capital Investment Subsidy for Eligible Tourism Units wherein investment has been done by private sector player on private land and project is not being developed on PPP mode or under any partnership with Government

- Capital Investment subsidy for establishing a new Tourism Unit or Existing Tourism unit with expansion with minimum investment of (₹) 5 crores (Applicable for Convention Centre/Hotel/ Resort/ Golf Resort/ Wellness Tourism Unit or any another as notified under the definition of "Tourism Unit" under The H.P Tourism Development and Registration Act) would be eligible for 5% of Fixed Capital Investment with maximum ceiling up to subsidy (₹) 3 crore for investment in Category "A" area.
- Capital Investment subsidy for establishing a new Tourism Unit or Existing Tourism unit with expansion with minimum investment of (₹) 20 lakhs (Applicable for Tented/ Huts Accommodation) would be eligible for 10% of Fixed Capital Investment with maximum ceiling up to subsidy (₹) 50 lakhs for investment in Category "A" and "B" areas.
- 3. Capital Investment subsidy for establishing a new Tourism Unit or Existing Tourism unit with expansion with minimum investment of (₹) 5 crores (Applicable for Adventure Tourism Projects/ Golf Resort/ Theme Parks/ Amusement Parks/ Sound and Light Show/ Laser Show/ Musical Fountain) would be eligible for 5% of Fixed Capital Investment with maximum ceiling up to subsidy (₹) 3 crore.



7.6 Investment in Eligible Tourism Units wherein State Government has invited investment through PPP mode through transparent bidding process or through Swiss Challenge Mode

(Applicable for Adventure Tourism Projects/ Theme Parks/ Sound and Light Show/ Laser Show/ Musical Fountain/ Ropeways/ Lake Resort/ Heli Taxi/ Fixed Wing Aircraft, Lake Tourism such as Houseboats, Shikaras, Floating Restaurant).

Such projects would be floated for private sector investment with bid variable as Lowest Viability Gap Funding or Highest Revenue share.

The private sector player would be selected through transparent bidding process and bidder offering the minimum VGF or highest revenue share would be declared as preferred bidder for allotment of said project.

Approval process incase of Viability Gap Funding asked by preferred private sector player:

- In case the demand for Viability Gap Funding for Eligible Tourism Unit specified above is equal to or upto (₹) 50 lakhs would be approved by Director, Tourism
- In case the demand for Viability Gap Funding for Eligible Tourism Unit specified above is more than (₹) 50 lakhs and is equal to or upto (₹) 5 crore would be approved by Hon'ble Minister of Tourism of the State
- 3. In case the demand for Viability Gap Funding for Eligible Tourism Unit specified above is more than (₹) 5 crore, same would be approved by State Cabinet.

7.7 Support in Infrastructure development, Facilitation in clearances/ necessary approvals

- State Government would provide financial support in construction/ development of approach road to all Eligible Tourism Units subject to maximum of 15% of the total cost of construction of approach road with maximum ceiling of (₹) 25 lakhs. The minimum construction cost of approach road should be (₹) 5 lakhs in order to be eligible for approach road infrastructure development support.
- State Government would provide financial support in construction/ laying of water pipe line to all Eligible Tourism Units subject to maximum of 15% of the total cost of construction of construction/ laying cost with maximum ceiling of (₹) 50 lakhs. The minimum construction cost of laying of water pipe line should be (₹) 5 lakhs in order to be eligible for pipeline infrastructure development support.

State Government would facilitation in obtaining all necessary NOC/ approvals from different departments.



Note:

The following investment shall not be eligible for incentive.

- 1. Cost of land
- 2. Working capital
- 3. Commissioning fees
- 4. Royalty
- 5. Pre-operative expenses
- 6. Second hand plant and machinery, furniture fixtures, electrical installation etc.
- 7. Trucks, cars, vans, trailers and other transport vehicles
- 8. Consumables, crockery and utensils, bed linen & Curtains, hotel/ restaurant/ conference furniture
- 9. Technical/ Consultant fees
- 10. Any construction which nature of real estate development i.e. shops, flats, offices etc. meant for sale/ lease/ rent.

7.8 Incentives proposed for large enterprises in category 'A' area:

Large Enterprise having minimum investment of \gtrless 10 crores in technical civil works or minimum \gtrless 5 crores in plant and machinery would be eligible for reimbursement of 50% on Stamp Duty & Registration fee charges paid for investment in Category 'A' area. The reimbursement would be provided on commercial operation.

7.9 Additional Incentives for Himachal Bonafide Entrepreneurs:

Himachal Bonafide Entrepreneurs having minimum investment of \gtrless 10 crores in technical civil works or minimum \gtrless 5 crores in plant and machinery would be eligible for following additional incentives:

- a) Reimbursement of 90% of the charges paid to the entrepreneur for preparation of DPR, subject to maximum of ₹ 1,00,000 for eligible Enterprises for category A areas.
- b) Reimbursement of 70% on Stamp Duty & Registration fee charges paid for investment in Category 'A' area. The reimbursement would be provided on commercial operation

7.10 Incentive on Manpower Development:

Subsidy on manpower development will be given to the Tourism Unit, which sends its workers for technical training for up-gradation of their skills to a Govt. recognized institution or registered/approved unit. This subsidy will be provided to the unit, which gives an undertaking to the effect that all such trained workers will continue to be employed by them after their training for a period of at-least 6 months. An amount equal to 50% of the actual cost of training with an upper ceiling limit of \gtrless 10,000/- per trainee will be reimbursed, subject to a maximum of \gtrless 50,000 per unit for one training Programme in a single year.

Tourism courses would include courses for personnel working in hotels, resorts, restaurants, transportation booking, tourism marketing, tourist guide, ticketing and any



other related course as notified by the State Government from time to time. Third-party skill assessment of trainees after completion of course will be a condition for the reimbursement of course fees. The subsidy will be released after trained persons will be employed for 6 months after successful completion of training.

7.11 Support for Energy Audit:

Assistance will be extended to eligible Tourism Units up to 75 % of the cost of carrying out Energy Audit by a recognized Bureau of Energy Efficiency (BEE) certified Energy Auditor for BEE Star scheme for commercial building as follows:

BEE Star Rating	1 Star	2 Star	3 Star	4 Star	5 Star
Max Assistance	40%	50%	60%	70%	75%

Note: For above mentioned supports, Max. reimbursement amount is ₹ 5 Lakhs per unit yearly. It shall be disbursed once per unit during the operative period of the policy post submission of BEE certificate stating Star Rating submission of certificate stating sustainability of the Tourism Unit. Moreover, such Tourism Units will be accorded special recognition by the State Government.

7.12 Support for Marketing and promotion:

Department of Tourism shall assist in marketing and promotion for Eligible Tourism Units such as Home-Stays, Heritage Stays, Heritage Hotels, Health Farms, Recreation Centers, Rope Ways, Museums, Amusement Parks, Craft Villages, Convention Centers and all other bona fide tourism-related activities recognized by the Centre/State Government.

- All Tourism Service Providers operating in the state and registered with Department shall be eligible for this incentive. At the start of each financial year, the State Government will notify the name and number of such domestic and international events for which this incentive will be provided.
 - 25% of the space rent actually paid subject to a maximum of ₹ 15,000/- per national event or ₹ 50,000 per International event Applicable to one event in one financial year per unit.
 - The department will provide financial assistance up to ₹ 10 Lakhs (max. 20 % of the total cost of the event) and up to one event/ year to a tourism unit/ company/ firm for organizing a Tourism Mega event in the state.

7.13 Excellence Awards:

Excellence awards of $\gtrless 1$ lakh each will be provided which offers recognition and contribution to tourism growth. The various categories are mentioned below:

- (a) Best Entrepreneur in Tourism
- (b) Best Lady Entrepreneur in Tourism
- (c) Best Start-up in Tourism



(d) Most Innovative Tourism Project

(e) Best ICT-enabled Tourism Project

(f) Best-maintained Tourism Asset (Swachhta Puraskar)

(g) Recognition to Hotels, Tour Operators, Agents, guides, adventure tour-operators, home-stays etc.

*Detailed guidelines in this regard will be issued hereinafter.

7.14 Other Initiatives

1. Home Stays:

- Town & Country Planning Department will not charge land use fees from the registered Home Stay units;
- Home Stay units have been exempted (up to four rooms) from SGST for a period of seven years.
- Domestic rates for electricity & water will be charged from the registered Home Stay Units.



Annexure-I List Plant & Machinery/Technical Equipment

- a) In the case of hotel, resorts, guest houses and helipads the investment in plant & machinery is negligible in comparison to the cost of land and building. Therefore, building should also be included as a part of plant & machinery. Besides this, the items given at (c) below may be considered for calculating the value of plant & machinery.
- b) An illustrative list of plant and machinery/equipment is given below: -
 - 1. Filtration plant for swimming pool
 - 2. Water purification plant
 - 3. Hot water boiler and room heating equipment (fixed)
 - 4. Water softening plant
 - 5. Fume extraction and ventilation plant
 - 6. Air conditioning plant, Generators, Refrigeration system
 - 7. Cold Storage equipment
 - 8. Laundry equipment
 - 9. Cooler and refrigeration, equipment
 - 10. Bakery equipment
 - 11. Sewage disposal plant
 - 12. Electrical installations, 4-6 seaters Electrical vehicles
 - 13. Tents for camping, pre-fabricated tents/huts
 - 14. Kitchen equipment, cooking range, dish washer, working table
 - 15. Fire-fighting equipment (fixed)
 - 16. Telephone equipment/exchange
 - 17. Lifts, escalators, mono rail, trams etc.
 - 18. Safe deposit lockers
 - 19. Tube wells along with pumping sets and lines within the campus
 - 20. Goods carrier exclusively needed for the hotel
 - 21. Projectors and other equipment's for conference hall (fixed)
 - 22. Lighting equipment also includes light and sound shows, musical fountain equipments etc.
 - 23. Adventure, water sports, ice skating, skiing equipments etc. Adventure Sports equipments like Paragliders, sailing boats, water rafts, kayaks, water scooters, speed boat, paddle boats, parasailing, hot-air balloon, trekking, mountain biking, sky walk, zip-line, bungee jumping, mountain climbing, bungee jumping, zip-line, skywalk, rappelling, angling equipments etc.
 - 24. Equipments used for the Panchkarma treatment also includes Sauna bath, Jacuzzi, Steam bath, Gym etc. Excluded items are medicines, oils etc.
 - 25. Gym equipments,
 - 26. Conference hall Equipment



- 27. Solar lights
- 28. Assistance to encourage water conservation equipments like; sewerage treatment plant, solid liquid waste management plant and rain water harvesting
- 29. Hotel Management Institute equipments required for Bakery, Food Production, Housekeeping, front office etc.
- 30. Equipments related to Heliport terminal building
- c) In the case of Houseboats, the entire houseboat project along with its fitting and furnishing should be treated as plant and machinery.
- d) For adventure & leisure sports, amusement/entertainment parks, recreation cable cars, and spa, the entire cost of items and components (excluding land) essential for commissioning the project.



Annexure-II

CATEGORISATION OF AREAS						
			Category			
Sr.	District		'C'	'B'	'A'	
1	2		3	4	5	
	Bilaspur	1. Sadar	_	Bilaspur Town	Rest of Block	
		2. Ghumarwin	_	_	Complete Block	
1		3. Jhandutta	_	_	- do-	
		4. Sri Naina Devi ji	_	Complete Block		
		5. Chamba	Dalhousie Town	Chamba Town	Rest of Block	
		6. Mehla	_	_	Complete Block	
		7. Bharmour	_	_	-do-	
2.	Chamba	8. Tissa	_	_	-do-	
2.	Chamba	9. Saluni	_	_	-do-	
		10. Pangi	_		-do-	
		11. Bhatiyat at Chowri			-do-	
	Hamirp ur	12. Bijhari	_	Deotsidh	Rest of the block	
		13. Bhoranj	_	_	Complete Block	
3.		14. Nadaun	_	_	Complete Block	
		15. Hamirpur	_	Hamirpur Town	Rest of Block	
		16. Sujanpur Tihra	_	_	Complete Block	
		17. Bamson		_	-do-	
4.	Kangra	18. Kangra	Mcleodgan j (MC Area)	Kangra Town	Rest of Block	
		19. Dharamshala	Dharamsh ala Town (MC Area)		-do-	
		20. Rait	_	_	Complete Block	
		21. Nagrota Bagwan	_	_	Complete Block	
		22. Baijnath			-do-	
		23. Bhawarna		_	-do-	
		24. Lambagaon	_	_	-do-	



			Category			
Sr.	District		ʻC'	'B'	'A'	
1	2		3	4	5	
		25. Panchrukhi	-	Palampur Town	Rest of Block	
		26. Nurpur	_	_	Complete Block	
		27. Indora	_	_	-do-	
		28. Dehra	_	_	-do-	
		29. Magowal (NagrotaSurian)	_	_	-do-	
		30. Pragpur	_	_	-do-	
		31. Fathepur	_	_	-do-	
		32. Sulah at Bhedu Mahadev	_	-	-do-	
		33. Nichar	_	_	Complete Block	
5.	Kinnaur	34. Pooh	_	_	-do-	
		35. Kalpa	_	_	-do-	
		36. Ani	_	_	Complete Block	
		37. Banjar	_	_	-do-	
6.	Kullu	38. Kullu	Kullu Town		Rest of Block	
0.		39. Nirmand	_	_	Complete Block	
		40. Nagar	Manali Town	Rest of Block	-	
7	Lahaul	41. Kaza- Spiti	_	_	Complete Block	
/	& Spiti	42. Keylong	_	_	-do-	
	Mandi	43. Sadar	-	Mandi Town	Rest of Block	
		44. Drang at Paddar	-	_	Complete Block	
		45. Balh at Ner Chowk	-	_	-do-	
		46. Chauntra			-do-	
8.		47. Seraj at Janjehli			-do-	
		48. Dharampur			-do-	
		49. Gopalpur		_	-do-	
		50. Sundernagar	_	_	-do-	
		51. Karsog	_	_	-do-	
		52. Gohar	_		-do-	
		53. Bali Chowki	_		-do-	
9.	Shimla	54. Shimla	Shimla Town			



			Category			
Sr.	District		ʻC'	'B'	ΎΑ'	
1	2		3	4	5	
			(MC Area)			
		55. Mashobra	Dhalli NAC Area	_	Rest of Block	
		56. Basant Pur			Complete Block	
		57. Theog	_	_	-do-	
		58. Narkanda	Narkanda GP	Rest of the Block	-	
		59. Rampur		Rampur Committee Area	Rest of the Block	
		60. Rohru		_	Complete Block	
		61. Chhohara	_	_	-do-	
		62. Chopal	_	_	-do-	
		63. Nankhari	_	_	-do-	
		64. Jubbal	_	_	-do-	
		65. Kupvi	_	_	-do-	
	Sirmaur	66. Nahan	_	Nahan Town	Rest of Block	
10		67. Paonta Sahib	_	Paonta Sahib Town	-do-	
		68. Pachhad	_	_	Complete Block	
		69. Shillai	_	_	-do-	
		70. Sangrah	_	_	-do-	
		71. Rajgarh	_	_	-do-	
	Solan	72. Dharampur	Kasauli (Cantt Area)	Rest of Block		
11		73. Kandaghat	, Chail Town		-do-	
		74. Nalagarh	_	Complete Block		
		75. Kunihar	_	-	Rest of Block	
		76. Solan		Solan Town	Rest of Block	
	Una	77. Amb			Complete Block	
		78. Una		 Una Town	Rest of Block	
12		79. Gagret			Complete Block	
		80. Bangana			-do-	
		81. Haroli			-do-	
	1	I			-	



- Town means an area notified by the Government of H.P. from time to time and located within the limits of Municipal Corporation/Municipal Committee, Cantonment Board/Notified Area Committee. Areas/villages covered under the Government of HP Scheme "Nai Raahein Nai Manzilein" shall be covered under "A" category.
- No subsidy of any kind shall be admissible to any tourism unit located within 200 meters on either side of the following National Highways/ State Highways:
- Parwanoo to Kumarsain
- Swarghat to Manali
- Chakki Bank to Baijnath
- Chhaki Bank-Dalhousie-Khajjiar

Except for Adventure Tourism Projects/ Golf Resort/ Theme Parks/ Amusement Parks/ Sound and Light Show/ Laser Show/ Musical Fountain Projects for which subsidy shall be available along these above-mentioned highways also.





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