Knowledge Paper

SECTORAL SEMINAR on TOURISM

December 1, 2016
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GLOBAL TOURISM
AND HOSPITALITY TRENDS
1. Global Tourism and Hospitality Trends

1.1. Global tourism sector overview

Over past six decades, tourism has continuously expanded and diversified with ever-increasing number of destinations, to become one of the largest and fastest-growing economic sectors in the world. In a broader sense, tourism is about travel, travellers and visitors, which creates opportunities for various businesses and influences wide range of industries. These industries that provide consumption goods and services together constitute the ‘Tourism Sector’. Hence, tourism is not only a growth engine but also an employment creator, impacting both the economic and socio-cultural development of a country.

<table>
<thead>
<tr>
<th>9.8% of GDP</th>
<th>284 mn jobs</th>
<th>1.2 billion international tourists</th>
</tr>
</thead>
<tbody>
<tr>
<td>6% in export (US$ 1.5 trillion)</td>
<td>3.1% annual growth</td>
<td>4% expected annual growth till 2030</td>
</tr>
</tbody>
</table>

Source: Travel & Tourism Economic Impact 2016 by World Travel & Tourism Council (WTTC)

1.2. Economic contribution

The Travel & Tourism (T&T) industry is the largest contributor to employment and economy, which is 9.8% of the global GDP (US $7.2 trillion) in 2015 (exceeding forecast of 9% contribution). Including direct, indirect and induced impacts. Despite the slow economic growth, the tourism sector has shown significant resilience globally. Despite global economic uncertainty, the sector grew by 3.1%.

This upward trend in T&T sector is likely to continue over next two decades, at an expected annual growth of 4%—faster than financial services, transport and manufacturing sectors.

Tourism added 7.2 million jobs to the global economy, about 1 in 11 jobs globally. One job in the core tourism industry creates about one and half indirect jobs in tourism-related economy. Furthermore, for accommodation industry, for each of the core job supports three indirectly dependent jobs.

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1 Travel & Tourism Economic Impact 2016 by World Travel & Tourism Council (WTTC)
2 World Tourism Organization UNWTO – Tourism Highlights 2015
Economic Contribution of Travel & Tourism to GDP worldwide (USD trillion)

Source: WTTC

Being a labour intensive sector, tourism offers huge employment opportunities to ensure delivery and quality of products and services. People are central to the effective operation and flourishing of the tourism industries, hence labour should be treated as human capital.

1.3. Growth in number of international tourists

The number of international tourist arrivals has increased steadily almost every year, especially the new tourist destinations have started gaining more traction over the maturing traditional destinations. International tourist arrivals grew above average by 4.4% reaching a record 1.2 billion in 2015 (50 million more tourists than previous year), a trend which continued for past six consecutive years.

In 2014, Europe, the most visited region has the largest and most mature destinations, which accounted for 51% of all the international arrivals. However, Americas showed the highest growth of over 8% in the international arrivals (compare to +3% in Europe), followed by Asia and Pacific as well as Middle East (both by +5%).

Growth in international tourist arrivals (million)

Source: UNWTO Tourism Highlights, 2015

By 2030, the number of the international arrivals is forecasted to exceed 1.8 billion. And, while Europe and Americas are expected to witness modest growth rates of 2.5% and 2.2% respectively, Asia Pacific and Africa regions are expected to witness higher growth rates of 5.7% and 5% per annum during the same period.
1.4. Growth drivers

Tourism is greatly dependent on people, natural and built environment of a country, and vice versa it hugely impacts all those. Some of the key growth drivers behind the record growth in the travel and tourism sector are:

- **People**
  - Changing consumer dynamics

- **Place**
  - New tourist destinations with diversity; Connectivity

- **Price**
  - Innovative financial solutions

- **Process**
  - New product/services developments, low-cost traveling

- **Policy making**
  - Governmental initiatives

- **Promotion**
  - Collaborative effort for safety, security, and convenience

1.5. Global Tourism industries and products

In last few decades, the trend is moving towards niche segments of tourism, such as medical tourism, eco-tourism, adventure tourism, heritage tourism, etc.

Medical Tourism is a high growth industry driven by rising health-care costs in developed countries and improving connectivity with the developing countries. More than forty countries in Asia, America, Africa and Eastern Europe are serving millions of medical tourists annually, for cosmetic surgery, cardiac surgery, dentistry, and orthopedic surgery.

Thailand, Singapore, Malaysia and India are the major destinations in the Asian medical tourism market, while Turkey is favoured medical tourism market in Eastern Europe. Thailand is more popular among Western European tourists for cosmetic surgery, due to lower costs, latest medical technology, and alternative medicine while offering multiple popular tourist destinations. Singapore and India specialize in complex procedures with India having a cost advantage and Singapore a technology advantage.
INDIAN TOURISM AND HOSPITALITY SECTOR – AN OVERVIEW
2. Indian Tourism and Hospitality Sector – an overview

2.1. India Tourism Overview, 2014

Tourism is a growing industry in India, with people from all over the world traveling there to experience the country's natural beauty and visit its vast array of states and their differing cultures and climates. The largest number of foreign tourist arrivals are usually seen in December and January during the cooler winter months when temperatures are more bearable. India has moved up 13 positions to 52nd rank from 65th in Tourism & Travel competitive index. It is likely that the number of arrivals in India will increase further into the future with the World Travel and Tourism Council naming the country the eleventh fastest-emerging tourism destination in the world.

- 7.5% of GDP
- 36 mn jobs (23 mn direct jobs)
- 7.68 billion international tourists
- 6% in export (US$ 1.5 trillion)

2.2. Growth in number of tourists

Between the years 2000 and 2014, foreign tourist arrivals in India increased dramatically at an impressive annual growth rate of 10.2%, significantly higher than the world average of 4.4%. The international tourist arrivals in India for the year 2014 reached 7.68 million with 22.57 international tourist visits.

Source: Bureau of Immigration, Government of India, 2010-2014
Foreign tourist arrivals in India increased at a CAGR of 7.1% during 2005-25, and expected to reach 15.3 million, according to the World Tourism Organisation.
2.3. Growth Drivers

- **People**: India registered 7.1 million foreign tourist arrivals in 2015 (January to November), registering an annual growth of 5.4% over the previous year. Foreign tourist arrivals expected to increase at a CAGR of 7% till 2025.

- **Rise in Income and Changing Demographics**: Rising affordability and increased affinity for leisure travel are driving domestic tourism in India. Domestic expenditure on tourism is expected to rise due to the growing income of households. A number of niche offerings such as medical tourism and eco-tourism are expected to create more demand.

- **Increasing Spending on Tourism**: Domestic expenditure on tourism has grown significantly; the market has reached USD 96.7 billion in 2015 and shall be USD 332.4 billion in 2025, representing a CAGR of 6.3 per cent during 2008–15. The consumer consumption dynamics and buying patterns have been drastically changing over past few decades. Domestic spending on tourism accounted for over 82% of the tourism revenues in 2015.

- **Place**: India offers a unique geographical diversity from northern snow-clad mountains, huge coastline, massive desert, lush green national parks, rainforests, including 30 World Heritage Sites, 25 bio-geographic zones as well as a number of attractive beaches along the India’s vast coastline. New tourist destinations offer attractive tourism opportunity to the domestic and international tourists. Multiple initiatives have been undertaken to enhance the infrastructure, including tourism infrastructure. Huge emphasis on digital communication and infrastructure has made improved connectivity.

- **Price**: The market size in the year 2015 is USD 147.7 billion, which is forecasted to increase to USD 418.9 billion, despite the price competitiveness in travel & tourism sector. New innovative financial solutions have been deployed in India to increase the attractiveness of this sector.

- **Process**: Online travel portals, increased connectivity, and low-cost carrier airlines gave a huge boost to domestic tourism. India has a diverse portfolio of niche tourism products – wellness, medical, eco-tourism, heritage, adventure, cruise, sports, film, rural and religious tourism. Medical tourism market is huge in India, attracting nearly half a million medical tourists in 2015 (annual growth of 30%).

- **Policy Support**: The government of India has announced a national policy on tourism in 2002 and thereafter offered various initiatives and incentives for the development of tourism in India. The Visa on Arrival scheme is extended to over 150 countries. A five-year tax holiday has been offered for 2-, 3-, and 4-star hotels located around UNESCO World Heritage sites. 100% FDI is allowed under the automatic route in tourism and hospitality, subject to applicable regulations and laws. Tourism and hospitality had a cumulative FDI inflows of USD 8.45 billion in FY15.

- **Promotion**: The collaborative efforts from the government, non-profit organizations consumer-protection agencies, along with the help of international organizations are continuously improving the safety, security, and convenience of the tourists. Numerous marketing initiatives have been commenced to attract domestic and international tourists Campaigns such as Khushboo Gujarat Kl. Incredible India, Athithi Devi Bhava were launched to harness the tourism industry’s potential.

- **Focus on Improved Infrastructure**: Government of India has made concerted efforts to improve and upgrade infrastructure facilities at important tourist destinations, thereby, improving accessibility to these hubs. The FY16 Union Budget allocated INR 14.8 billion toward infrastructure development for destination and circuits, domestic promotion and publicity including hospitality, overseas promotion and publicity including market development assistance, computerization and information technology and creation of land bank for hotels, etc.
2.4. Emerging market trends in tourism industry

- **Adventure**: Adventure tourism is one of the most popular segments of tourism industry. A wide range of adventure sports are covered under this category with specialised packages. The activities include mountaineering, trekking, bungee jumping, mountain biking, river rafting, and rock climbing.

- **Camping Sites**: Camping is a major source for both additional economic opportunities in remote areas as well as an instrument of conservation.

- **Eco Tourism**: Vast variety of flora and fauna in various states is a major factor behind their growing popularity as tourist destinations.

- **Luxury Tourism**: The luxury travel market is projected to reach USD 14.7 billion in 2015 and it was pegged to grow at 25 per cent on a year-on-year basis between 2013 and 2015.

- **Rural Tourism**: The aim is to develop interest in heritage and culture, and promote visits to village settings to experience and live a relaxed and healthy lifestyle.
ODISHA TOURISM AND HOSPITALITY SECTORAL OVERVIEW
3. Odisha Tourism and Hospitality Sectoral overview

3.1. Odisha Tourism and Hospitality market – Strategic Advantages

Odisha is known for its scenic beauty, exquisite temples, extraordinary monuments, exquisite craftsmanship, wildlife sanctuaries, natural landscape and pristine beaches all over the world. Tourism in Odisha has grown considerably in recent years on account of good infrastructure facilities, favourable government policies, improvement of existing tourist locations, development of new tourist destinations and strong growth of hotel and restaurant industry in the state.

- Tourism in Odisha is one of the main contributors to the Economy of Odisha (13% of GDP of Odisha). Blend with both forward and backward linkages, hospitality sector generate more than 92 thousand direct employment and 2.77 lakh indirect employments in the ratio of 1:3 in Odisha. Most tourists to Odisha come from West Bengal and Andhra Pradesh.

- Domestic and foreign tourist arrivals have been increasing continuously during last decade in Odisha with just 31.1 lakh domestic tourists and 22,854 foreign tourists in 2001 to 117.86 lakh domestic and 66,971 foreign tourists in 2015, posing an annual growth of 9.12 percent.

![Total tourist flow to Odisha (2008-2015)](chart)

- There is an increasing trend in spending and average duration of a trip to Odisha for both domestic and foreign investors. The average spending of domestic and international tourist has increased by 6.4% and 20% respectively during FY2004-05 to FY2013-14. Almost 46% of the tourists visiting the state are from Western Europe.

- Odisha secured 3rd rank in terms of intensity of overnight domestic tourism, with an average of 541 trips per 100 households, as compared to the all-India average of 418 trips per 100 households. Therefore, the tourism intensity in Odisha is 29 per cent higher than the national-level tourism intensity. (source: National Council of Applied Economic Research, 2015)

- Odisha secured 4th rank with 552 trips per 100 households as against 440 for India. The rank for urban Odisha was 3rd with an average of 479 trips per 100 households as compared to 365 for urban India. (source: National Council of Applied Economic Research, 2015)
### 3.1.1 EXISTING ECOSYSTEM IN TOURISM SECTOR

<table>
<thead>
<tr>
<th>Developed Hospitality Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>❖ There are around 1585 hotels in Odisha out of which 306 hotel cater to the high spending group.</td>
</tr>
<tr>
<td>❖ Over the last 20 years, the number of hotels has increased significantly with a compound annual growth rate of 5.4%. Some of the popular brands in the hotel industry present in Odisha are the Trident, Mayfair Lagoon, Mayfair Convention, Hotel Kalinga Ashok, The Swasti Group, and Hotel ITC Fortune.</td>
</tr>
<tr>
<td>❖ Bhubaneswar and Cuttack boast of housing the highest number of hotel accommodation in Odisha, Malkangiri, with only 146, has the least number of hotel rooms. The State is home to only two 5-star hotels, both based in Bhubaneswar and four 3-star hotels based in Bhubaneswar, Ratnagiri, Jarsuguda and Gopalpur respectively.</td>
</tr>
<tr>
<td>❖ About 92,206 persons are directly engaged and 276,618 persons are indirectly engaged in this sector in Odisha.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nodal Agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>❖ Odisha Tourism Development Corporation (OTDC), a Public Sector Undertaking of Government of Odisha, is responsible for developing tourism sector of Odisha.</td>
</tr>
<tr>
<td>❖ Department of Tourism, Government of Odisha (DoT), the nodal agency responsible for development of tourism in State of Odisha.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Developed Tourism Circuits</th>
</tr>
</thead>
<tbody>
<tr>
<td>❖ Odisha has many developed Tourist circuits. Most prominent among them are:</td>
</tr>
<tr>
<td>❖ <em>The Golden Triangle of Tourism</em> consisting of Puri – Konark and Bhubaneswar.</td>
</tr>
<tr>
<td>❖ <em>Buddhist Circuit</em> connecting Khandagiri – Udayagiri, Ratnagiri, Deuligiri, Deuli Hills, Langudi, Tarapur and Radhanagar Fort spread all across the state.</td>
</tr>
<tr>
<td>❖ <em>The coastal circuit</em> comprised Gopalpur, Tamrapara, Barakul and Satapada.</td>
</tr>
<tr>
<td>❖ <em>Eco Tourism Destinations:</em> It consists of National Parks and Sanctuaries such as Similipal, Bhitaranika, Satkosia Tiger Reserve, Chandaka – Damapara reserve forest and Mangalajodi Birds Reserve.</td>
</tr>
<tr>
<td>❖ <em>Chilika Lagoon:</em> This is a biosphere reserve which boasts of many scenic locations.</td>
</tr>
<tr>
<td>❖ <em>Tribal Destination:</em> This consists of predominantly tribal districts of Odisha i.e., Kandhamal, Rayagada and Phulbani.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Policy Support</th>
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</thead>
<tbody>
<tr>
<td>❖ The Department of Tourism (DoT), Government of Odisha (GoO), has been proactively working for the promotion and development of Tourism &amp; Tourist facilities across various destinations in Odisha.</td>
</tr>
<tr>
<td>❖ To facilitate growth of tourism in the state, Govt. of Odisha has a dedicated tourism policy. The Odisha Tourism Policy – 2016 is formulated to promote Sustainable Tourism with a view to create employment opportunities. The Policy promotes Odisha as one stop destination to experience cultural heritage and eco-tourism.</td>
</tr>
</tbody>
</table>
3.2. Tourism Trends (Tourist Flow and Growth)

A marked rise in the number of tourists, i.e., both domestic and foreign arrivals in Odisha over the last five years.

**Domestic Tourist Arrivals**

<table>
<thead>
<tr>
<th>Year</th>
<th>Arrivals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>7.7</td>
</tr>
<tr>
<td>2011-12</td>
<td>8.4</td>
</tr>
<tr>
<td>2012-13</td>
<td>9.2</td>
</tr>
<tr>
<td>2013-14</td>
<td>10.05</td>
</tr>
<tr>
<td>2014-15</td>
<td>11.05</td>
</tr>
</tbody>
</table>

**Foreign Tourist Arrivals**

<table>
<thead>
<tr>
<th>Year</th>
<th>Arrivals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>0.53</td>
</tr>
<tr>
<td>2011-12</td>
<td>0.63</td>
</tr>
<tr>
<td>2012-13</td>
<td>0.66</td>
</tr>
<tr>
<td>2013-14</td>
<td>0.67</td>
</tr>
<tr>
<td>2014-15</td>
<td>0.72</td>
</tr>
</tbody>
</table>

- The number of hotels, over the last 14 years, have doubled with a CAGR of 5.83%. During 2013, there were 1,585 hotels with 33,349 rooms and 65,967 beds, of which, 306 catered to high-spending groups (HSG), 356 to middle-spending groups (MSG) and 923 to lower-spending groups (LSG).

**Trend and Extent of Hotel Beds in Odisha, 2005-2013**

<table>
<thead>
<tr>
<th>Year</th>
<th>Beds (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>37</td>
</tr>
<tr>
<td>2006</td>
<td>44</td>
</tr>
<tr>
<td>2007</td>
<td>45</td>
</tr>
<tr>
<td>2008</td>
<td>47</td>
</tr>
<tr>
<td>2009</td>
<td>48</td>
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<tr>
<td>2010</td>
<td>51</td>
</tr>
<tr>
<td>2011</td>
<td>53</td>
</tr>
<tr>
<td>2012</td>
<td>60</td>
</tr>
<tr>
<td>2013</td>
<td>66</td>
</tr>
</tbody>
</table>
3.3. Major Tourism Destinations

The major tourism Hubs in Odisha are:
<table>
<thead>
<tr>
<th>City</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Puri</td>
<td>Puri is famous for its Jagannath Temple and has religious significance as one of the four Hindu ahams in India. The famous Rath yatra (Cart Festival) of Lord Jagannath held during month of June-July attracts around 2.5 million tourists every year. Dotted with numerous temples, Puri is known for its historic antiquities, Religious sanctuaries, Architectural Grandeur, ancient monastery, moderate climate and spiritual significance. Puri is also known for its beaches and seascape beauty. Puri hosts Puri Beach Festival during winters which attracts a lot of national and international tourists.</td>
</tr>
<tr>
<td>Konark</td>
<td>The world famous Sun Temple known as ‘Black Pagoda’ is located at Konark. Temple is known for its exquisite carvings on stone and is the only servicing ancient sun temple of India. Konark lies at a distance of 35 kms from Puri and is the second most visited place after Puri Jagannath Temple.</td>
</tr>
<tr>
<td>Bhubaneswar</td>
<td>Bhubaneswar is known as ‘City of thousand temples’ and has a history which is 2000 years old. Bhubaneswar, named after Tribhuvaneswar, ‘Lord of Three Worlds’, still preserves over 500 of India’s finest temples, around which the religious life of the city revolves. Bhubaneswar also houses many Buddhist and Jain monuments such as Dhauli, Udayagiri and Khandagiri. Shishupalgarh, a Buddhist Monastery is also located in the outskirts of Bhubaneswar. Nandankanan Zoological Park is a 400-hectare (990-acre) zoo and botanical garden in Bhubaneswar is another major tourist attraction in the city. It is visited by 2.5 million tourists annually. Bhubaneswar being the capital of Odisha also has many lifestyle attraction such as shopping plazas, Malls and Amusement parks. Together with Puri and Konark, Bhubaneswar forms the ‘golden triangle’—one of the most visited destinations in East India.</td>
</tr>
<tr>
<td>Chilika lake</td>
<td>Chilika lake is one of the biggest brackish water lagoons in India, spread over the Puri, Khurda and Ganjam districts covering an area of over 1,100 km². It is the largest wintering ground for migratory birds on the Indian sub-continent. The lake is home to a number of threatened species of plants and animals. In 1981, Chilika Lake was designated the first Indian wetland of international importance under the Ramsar Convention. Chilika is dotted with many small island and tourist hotspots such as Kali Jaitisland, Barkuli, Ramðha and Saripada. Major attraction of Chilika is its scenic beauty, Irrawaddy dolphins and Migratory Birds for which it is visited by more than 4 million tourists annually.</td>
</tr>
</tbody>
</table>
### Gopalpur
- Gopalpur is located in Ganjam District and is famous for its Lighthouse and pristine beaches.
- Mayfair Luxury Resort is located near the beach and provides all types of amenities to the visiting tourists.
- Gopalpur is also a Port town and is emerging as an Industrial Hub with TATA steel planning a multi-product SEZ.

### Jajpur
- Jajpur is known as Biraja Khetra and houses the famous Biraja Temple.
- Ratnagiri and Lalitgiri Buddhist monastery are another tourist attraction in Jajpur. In ancient time it was part of the Puspagiri University, together with Lalitgiri and Udayagiri.

### National Parks
- Odisha has many bio-reserves and national parks. The major tourist attractions are:
  - Simlipal National Park, Mayurbhanj is a Tiger reserve known World over for its White Tiger. It is home to three of India's biggest animal species — Tiger, Asian Elephant and Gaur. Spread over a sprawling area of 2750 sq. kms, it house more than 1500 species of flora and fauna.
  - Satkosia wildlife sanctuary located at Angul districts and is extended in an area of 745.52 sq.km. It is acclaimed as one of the World's most enchanting spot. The place is ideal for boating, angling and adventure. A Garial Crocodile Sanctuary, setup here, has enhanced the importance of the place.
  - Bhitarkanika National Park is one of the few surviving mangrove forests in India located in Kendrapada District. Bhitarkanika is a hot-spot of biodiversity. It is home to largest population of giant salt water crocodile in India and has 215 species of avifauna including amazing eight variety of Kingfishers. It is the second largest Viable Mangrove Eco-System In India harbours more than 71 species of Mangrove and its associates.

### 3.4. Investment Opportunities
- Investment opportunities in tourism are present across a wide spectrum of areas. These include hotels and accommodation facilities—from budget hotels to 5-star hotels.
- As per Hotel and Restaurant Association of Odisha (HRAO), there is an investment opportunity of Rs 2,500 crore in the tourism sector in the state over next five years to bring it at par with other major states. The room requirement across the state is around 5,500 by 2017 of which 4,000 rooms are required in three star category.
- Odisha also offers immense potential in new types of tourism classes such as eco-tourism, beach tourism, Cruise tourism and Medical tourism.
POLICY INITIATIVES
AND STATUTORY FRAMEWORK
4. Policy initiatives and statutory framework

- **Odisha Tourism Policy, 2016**: The present policy envisages an aggressive & proactive approach to achieve the growth potential by initiating identified policy measures, strategies, fund support, professional management input & establishing the required synergies through effective coordination, appropriate institutional arrangements, focused attention & improved performance of the sector. Some of the focused area under tourism policy are:

<table>
<thead>
<tr>
<th>Vision</th>
<th>To develop Odisha as the ultimate tourist destination and to place it prominently on the domestic and international tourism map</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mission</strong></td>
<td>To promote aggressive tourism in a mission mode</td>
</tr>
<tr>
<td><strong>Objective</strong></td>
<td>To promote sustainable Tourism</td>
</tr>
<tr>
<td><strong>Focus Area</strong></td>
<td>Tourism Infrastructure</td>
</tr>
</tbody>
</table>

- Tourism development through PPP: The DoT proposes to develop tourism projects on Public Private Partnership (PPP) basis across different locations in the State, and has initially created a land bank under the Government of Odisha at locations with Tourism interests.

- Single Window Clearance for time bound clearances of all applications: A three-tier single window clearance mechanism to facilitate speedy implementation of industrial projects is in place.

- Incentives offered under the Policy are:
  - Land allotted at industrial rates
  - 20% Capital Investment Subsidy
  - 5% Interest Subsidy
  - 100% exemption on Stamp Duty on purchase of land for the project
  - 100% reimbursement of the land conversion charges
  - 100% reimbursement of net VAT for a period of 7 years from COD
  - 100% reimbursement of Entertainment Tax for a period of 5 years
  - 100% reimbursement of entrance tax on acquisition of plant & machinery
  - Training cost shall be reimbursed @ Rs. 2000/- per employee within 3 years for all new tourism units
PROJECTS
IN THE OFFERING
5. Projects in the Offering

a) Destination Development under Coastal Circuit
This project will be developed with central assistance of Rs 76.5 crore circuit under "Swadesh Darshan" scheme. The coastal circuit comprises Gopalpur, Tamrapatra, Barakul, and Satapada. Infrastructure growth and beach development will be the priority on circuit tourism in the state.

Major components planned under this project are:
- Jetties for Ferry Ride and Speed Boats
- Tourist Reception Centers
- Approach Road
- Solar Lighting (Small)
- Solar Street Lights
- Solid Waste Management
- Sewage Treatment Plant
- Watersports (Banana Boat, Water Zorbing, Bandwagon, Grandstand etc)
- Floating Restaurant (100 Seat)
- Sand Art Park
- Marine Museum
- Aquatic park
- Eco - Cottages

b) Shamuka Beach Project
- The project is located near Puri at Brahmagiri overlooking the Bay of Bengal.
- The Shamuka Beach Project is envisaged by Government of Odisha, as one of the largest integrated tourism projects of India.
- The total area envisaged for development of Shamuka Beach is 3000 acre. The entire area is to be developed in three phases. The area under Phase I is 972 acre which is under consideration.
- Around 11 luxury hotels, modern golf course and other tourism facilities are envisaged to come up in this project.

c) Tourism Projects under Chilika Development Authority
Chilika is one of the hotspot of Eco - Tourism in Odisha. Chilika Development Authority has taken the initiative to capitalize on the eco-tourism potential of the lake and has planned the below mentioned project:
- Aranya Eco village, Khabilkote, Ganjam district: Around 40 eco-cottages are planned under this project. The village would act as base for adventure activities in forest & Salia Dam. The village would provide unique staying facility with flavors of local lifestyle to the tourists visiting Mangalajodi and Nairi.
- Iconic Tower at Satpada: Iconic tower is envisaged as symbol of Chilika. This project will have components such as Lagoon Park, Aquarium, Marine Zoo, Auditorium (for 150 people), Bird Galleries, Food Courts and Amphitheatre
- Day Cruise, Satpada to Barkut: Cruise Ship with viewing gallery on upper deck and restaurant/cafe, sitting cum viewing area on lower deck to experience the vastness of the lake.
- Water Sports at Rambha: The project would provide a wide range of water-based recreational activities such as daytime water sports and laser show in evening which can be attractions to promote the node.
- Luxury Resort & Convention Center at Rambha: Rambha site provides an opportunity to capture tourist of the thriving leisure and corporate (MICE) segment in the hills-water sub-segment. The high-end luxury resort with an international convention centre will have 84 rooms, Restaurant, Auditorium facilities, conference and Café.
- Land: 1000 acres of land has been identified around Chilika Lake and special concessions have been offered to projects around the lake.
- Tourism Node at Mangalajodi and Rambha:
  - Mangalajodi is known for its scenic beauty and migratory birds and to capitalize on its potential an Integrated Tourist Node with 49 room hotel, Tourist Interpretation Centre, Restaurant, Cafe, ATM and Convenience Stores will be developed.
  - Existing Panthanivas at Rambha, can be redeveloped as tourism node which would have cluster of budget hotels, tourists’ amenities, parking along with an interpretation centre and jetty for water-based recreation activities.

d) Land Bank for Tourism projects
- Department of Tourism has developed a Land Bank of 3000 acres for development of infrastructure, exclusively for Tourism, in the following Districts/Locations
  - Balasore: 85.33 Acres
  - Bhadrak: 5.46 Acres
  - Puri [Puri-Konark Marine Drive]: 721.06 Acres
  - Mayurbhanj: 24.20 Acres
  - Ganjam: 50.08 Acres
  - Kendrapara: 10.94 Acres
  - Khurda: 73.125 Acres
  - Cuttack: 21.31 Acres
  - Sambalpur: 19.06 Acres
  - Deogarh: 2.00 Acres
  - Shamuka Beach Project: 1000 Acres
  - Infrastructure Development around Chilika: 1000 Acres

e) Promotion of Niche areas
- In view of the huge potential in the State, Government of Odisha is aggressively promoting Buddhist Tourism, Eco Tourism, Rural Tourism, Beach Tourism, Adventure Tourism and Heritage Tourism in a mission mode.

f) Talsal Beach Development Authority
- Talsal beach in Balasore district is an important beach and tourist destination. The State Government has identified a large land parcel of 51 acres for development of infrastructure like hotels, resorts, tourist amenities etc.

g) Skill Development
- The State Government has made an ambitious action plan for skilling and capacity building of 10,000 youth in the hospitality sector in the State.