The Next International Cruise Tourism Hub
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• Vision & Formulation of Task Force
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India, growing stronger every year

India’s Ranking at World Economic Forum Travel & Tourism Competitiveness Index

2013: 65
2015: 52
2017: 40
Travellers’ love for India is growing and they’re spending more

India’s Rankings (2016)

#7 Tourism Receipts, Asia Pacific Region
#13 Tourism Receipt, World
#25 International Tourist Arrivals

Source: MR Division, MoT
India is growing faster than the world

International Tourism Receipts

India’s growth %

World’s growth %

India

2011: 16.7
2012: 11.9
2013: 7.2
2014: 7.3
2015: 4.6
2016: 4.1
2017: 20.4

World

2011: 4
2012: 7.2
2013: 4
2014: 9.7
2015: 2015
2016: -4.5
2017: 2.0

India

World
India, is just getting started

India’s Share in World Travel (2016)

1.18% International Tourist Arrivals
1.88% International Tourist Receipts
India is growing faster than the world

Foreign Tourist Arrivals (FTA)

India’s growth %

World’s growth %

<table>
<thead>
<tr>
<th>Year</th>
<th>India’s Growth %</th>
<th>World’s Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>9.2</td>
<td>4.7</td>
</tr>
<tr>
<td>2012</td>
<td>4.3</td>
<td>4.7</td>
</tr>
<tr>
<td>2013</td>
<td>5.9</td>
<td>4.6</td>
</tr>
<tr>
<td>2014</td>
<td>10.2</td>
<td>4.0</td>
</tr>
<tr>
<td>2015</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>2016</td>
<td>9.7</td>
<td>3.9</td>
</tr>
<tr>
<td>2017</td>
<td>14.0</td>
<td></td>
</tr>
</tbody>
</table>
India lovers come from all over the world

India’s Top 10 Source Markets

- USA
- CANADA
- UK
- GERMANY
- FRANCE
- SPAIN
- SRILANKA
- CHINA
- MALAYSIA
- AUSTRALIA

Source: MR Division, MoT
Travelling to India is becoming easier

**E-VISA**

- 163 Countries
- 60 Days Validity
- 120 days before travel

- Single entry converted to Double entry/Triple entry
- Extending E-visa facility for following segments:
  - Tourist
  - Business
  - Medical
  - Cruise
  - 5 major sea ports - Mumbai, Cochin, Goa, Chennai and Mangalore
Preferred Mode of Transport

84.10% By Air
15% By Land
0.90% By Sea

Foreign Tourist Arrivals in 2017 has grown up to 10.04 Million (14%)
# Multifaceted Tourist Attractions

<table>
<thead>
<tr>
<th>DIVERSE LANDSCAPE</th>
<th>MODERN &amp; ANCIENT</th>
<th>NATURAL SITES</th>
<th>CULTURAL SITES</th>
</tr>
</thead>
<tbody>
<tr>
<td>HUGE COASTLINE</td>
<td>36 WORLD HERITAGE SITES</td>
<td>MEDICAL TOURISM</td>
<td>WILDLIFE TOURISM</td>
</tr>
<tr>
<td>WELLNESS</td>
<td>CUISINE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Stakeholders Involved

- Ministry of Shipping
- Ministry of Tourism
- Ministry of Finance
- Various Port Authorities of India
- Bureau of Immigration
- Central Industrial Security Force
- State Governments
- Ministry of Health
- Ministry of External Affairs
- Private Sector- Tour Operators, Transporters, Guides etc
Policy Measures

• Infrastructure upgradation to global standards supported
• Port Charges reduced and rationalized
• Additional Incentives for home porting and coastal cruises
• Priority berthing available 24x7x365
• Pre clearance of passengers based on advance details
• E-Visa with no Biometric requirements introduced
• Face to face checks only at entry and exit
Overall India Cruise Passenger Projections

Natural Growth will not be a game changer for India.

Real change based on Domestic cruise vessel deployments

Historical Projections:
- 2012/13: 98,095
- 2014/15: 200,953
- 2016/17: 500,000
- 2018/19: 1,000,000
- 2020/21: 1,500,000
- 2022/23: 2,000,000
- 2024/25: 2,500,000
- 2026/27: 3,000,000
- 2028/29: 3,500,000
- 2030/31: 4,000,000
- 2032/33: 4,500,000
- 2034/35: [VALUE]
- 2036/37: [VALUE]
- 2038/39: [VALUE]
- 2040/41: [VALUE]
- 2042/43: 3,000,000

Overall India Cruise Passenger Projections

2012/13 – 2042/43

[VALUE]
Major Indian Ports

- Mumbai
- Goa
- Mangalore
- Kochi
- Chennai
Market Scenario and Projections

Number of Cruise passengers and penetration rates\(^1\) in global markets

Millions of passengers, Percentage

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2020</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia</td>
<td>2.4</td>
<td>5.0</td>
<td>0.11</td>
</tr>
<tr>
<td>North America</td>
<td>10.0</td>
<td>15.0</td>
<td>4.20</td>
</tr>
<tr>
<td>Europe</td>
<td>5.5</td>
<td>10.0</td>
<td>1.60</td>
</tr>
<tr>
<td>Total</td>
<td>17.9</td>
<td>30.0</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

1. Defined as cruise passengers/population

The Asian Cruise market is expected to grow at 8% per annum, and double passenger volume by 2020.

SOURCE: MVA/GHK; European Cruise Council, Port of Everglades; Keynote
Geographical Overview

Currently Indian Ports are mostly Ports of Call
Current Status vs Potential

<table>
<thead>
<tr>
<th></th>
<th>Existing (2016)</th>
<th>India’s Potential (2041)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Passengers</td>
<td>0.2 million</td>
<td>4 million</td>
</tr>
<tr>
<td>Number of Ship Calls</td>
<td>158</td>
<td>955</td>
</tr>
<tr>
<td>Passengers per Ship</td>
<td>1250</td>
<td>4100</td>
</tr>
<tr>
<td>Domestic Tourists</td>
<td>-</td>
<td>3 million</td>
</tr>
</tbody>
</table>

**Drivers of Growth**

- Fastest growing Economy – More disposable income
- 5.3 million household > 55K USD
- Large Domestic and International Tourist base (8 million inbound and 23 million outbound)
- Present outbound Cruise Tourists – 2,00,000
- Cruise – Aspirational product. (Independent study by Carnival – 4 million Inbound + Outbound)
Demand Factors

1. Local market size
2. Airport passenger throughout and flight connectivity
3. Proximity to attractive destination ports
4. Attractiveness of homeport city to tourists
5. Safety

Status in India

- Favorable
- Work In progress
Supply Factors

6. Port terminal capacity
7. Logistical efficiency
8. Costs (e.g., fuel, berthing)
9. Ease of doing business

Status in India:
- Favorable
- Work In progress

Source: Vision for Coastal Shipping, Tourism and Regional Development, Ministry of Shipping
India - The Fast Emerging Cruise Tourist Destination

Cruise Passengers handled at 5 Major Ports

- 2014-15: 104,125
- 2015-16: 125,838
- 2016-17: 191,725

Costa Neo Classica homeported in Mumbai 2016-17 and 2017-18 season

SOURCE: Ministry of Shipping
Season: October - March
Indian Scenario - Future

Singapore Example, Analysis
SGD millions, 2012

- **Home port**: 546 (92%)
- **Transit port**: 47 (8%)
- **Total**: 593 (100%)

- Highest contribution to economy comes from being a home port location
- 90% of direct spend is driven by home port expenditure
- Indian ports feature primarily as Ports of call for cruise lines
- Mumbai port is the only home port but has a much lower share of traffic as compared to other ports

Focus to develop HOME PORTING
The Task Force on Cruise Tourism

Constituted in 2015

- Ministry of Tourism
- Ministry of Shipping
- Ministry of Home Affairs
- Ministry of Finance
- Ministry of Health
- Port Trusts of Cochin and Chennai
- All Coastal States
- Cruise Operators

- PORT TRUST
- CISF
- IMMIGRATION
- STATE
- CUSTOMS
- TOUR OPERATOR

SOPs
Standard Operating Procedures

Key Take Aways

• Infrastructure upgradation to global standards

• Port Charges reduced and rationalized

• Additional Incentives for Home Porting and Coastal Cruises

• Priority berthing available **24x7x365**

• Pre clearance of passengers based on advance details

• E-Visa with no Biometric requirements introduced

• Face to face checks only at entry and exit
Standard Operating Procedures

Key Take Aways

- Cabotage waived, Indians allowed to sail between ports
- Tour operators, coaches, etc. facilitated through Single Long Term Permit and Single Point Electronic Clearance
- Creation of entertainment zone i.e. Restaurants, Bars, Shops, etc.
- Pre-paid vehicles with verified/ empaneled drivers
- Facilitate tourists to places of interest with trained guides
- Reception and cultural shows

SOP 2.0 already under implementation further simplifying regulations
Standard Operating Procedures contd.

Key Take Aways

• Single point custom clearances for vessel
  
  o **Port Health** – Not to board (unless Ship/Crew/Pax from Yellow Fever/notified area)

  o **GST** – Uniform, Single & simplified taxation system introduced

  o **Port & Security**
    ✓ Electronic access control and RFID on vehicles
    ✓ Separate cargo and Cruise approaches
    ✓ Single window system- e permits/ payments
Skill Development in Tourism Sector

HONAR SE ROZGAR SKILL DEVELOPMENT SCHEME

INDIAN INSTITUTE OF TRAVEL AND TOURISM MANAGEMENT

FOOD CRAFT INSTITUTES

INSTITUTES OF HOTEL MANAGEMENT

PRIVATE SECTOR HOSPITALITY & TRAVEL TRAINING INSTITUTES
Ministry of Tourism Assistance

- Assistance for Development of Cruise infrastructure in Ports
- Viability Gap Funding for PPP Projects
- Appointed Global Consultant jointly with Ministry of Shipping
- Tourism Infrastructure Development Schemes ~ Swadesh Darshan
- MINISTRY OF TOURISM
Way Forward

• **Recommendations of the Consultant**
  
  • Regulatory & Operational
  
  • Infrastructure
  
  • Marketing & Communication
  
  • Capacity Building
  
  • Monitoring & Benchmarking

Global Consultant Appointed jointly with Ministry of Shipping
Other Initiatives

• Sagarmala Scheme

  o **Port Modernization & New Port Development**: De-bottlenecking and capacity expansion of existing ports and development of new greenfield ports

  o **Port Connectivity Enhancement**: Enhancing the connectivity of the ports to the hinterland

  o **Port-linked Industrialization**: Developing port-proximate industrial clusters and Coastal Economic Zones

  o **Coastal Community Development**: Promoting sustainable development of coastal communities through skill development & livelihood generation activities, fisheries development, coastal tourism etc.
Other Initiatives

- **Development of Islands**
  - 10 Islands in Lakshadweep and Andaman & Nicobar identified for holistic development
  - Concept Development and Master Plans under preparation

- **Coastal Circuits**
  - Theme Based Holistic Development of Tourism Infrastructure in Coastal Areas
  - Emphasis on providing Tourist Amenities
  - Community Empowerment, Skill Development, Job Creation
  - Sustainable and Responsible Tourism
Creating Transformative Tourism Experiences

• Develop world class infrastructure at identified ports
• Develop dedicated cruise terminals
• Structure bankable PPP options
• Ease of entry formalities- e-cruise visa/e-landing permit
• Make cruise terminals into destinations by themselves
Welcome to Incredible India