



Government of Sikkim



Department of Tourism
and Civil Aviation

State Tourism Policy, 2015

Government of Sikkim

Table of contents

- Message from the Hon'ble CM
- Message from the Hon'ble Tourism Minister
- Foreword – Tourism Secretary

1. INTRODUCTION

- 1.1 Global Tourism Scenario
- 1.2 Tourism in India

2. TOURISM IN MOUNTAIN REGIONS

- 2.1 Models for promoting sustainable tourism
- 2.2 Key Considerations

3. TOURISM IN SIKKIM

- 3.1 State Profile/ Natural Landscape / Culture and People
- 3.2 Tourism Development in Sikkim
- 3.3 Tourism in the economy
- 3.4 Strengths and challenges of tourism in Sikkim
- 3.5 Need for a tourism policy for Sikkim
- 3.6 Methodology for Policy Development

4. SIKKIM TOURISM POLICY

- 4.1 VISION
- 4.2 GUIDING PRINCIPLES
- 4.3 GOALS
- 4.4 Objectives
 - 1. Strengthen/Establish Institutional Structures
 - 2. Promote Standards & Certification
 - 3. Human Resource Development
 - 4. Quality Infrastructure and Transport
 - 5. Regulatory Framework
 - 6. Product Development
 - 7. Marketing and Publicity
 - 8. Enabling Environment
 - 9. Planning and Policy Implementation

5. INTERSECTORAL CONVERGENCE AND COORDINATION

Message from Hon'ble Chief Minister

Message from Hon'ble Minister Tourism

Foreword

1. INTRODUCTION

1.1 Global Tourism Scenario

Tourism is a socio-cultural and economic phenomenon, which entails the movement of people to countries or places outside of their usual environment for recreational, business, medical, or religious purposes. Tourism also encourages governments to develop and improve local infrastructure, which is equipped to handle tourist influx. Several countries have transformed themselves through tourism and created a global presence in the tourism industry. Tourist movements have spread geographically to reach practically all countries of the globe, becoming for many of them an important economic sector in terms of income generation, foreign exchange earnings and employment creation.

As reported by the United Nations World Tourism Organization (UNWTO) *Tourism Highlights 2015 Edition*, international tourist arrivals grew to 1.1 billion in 2014 from 25 million in 1950. The UNWTO estimates that approximately 1 in 11 persons in the world is employed by the tourism industry. As of 2014, the global tourism industry generated USD 7.6 trillion, constituting 10% of the global GDP.

1.2 Tourism in India

In the Indian context, the first public milestone in the history of tourism was the creation of the Indian Tourism Development Corporation (ITDC) in 1966. This organization was established to develop tourist infrastructure and services. Subsequently India developed its first Tourism Policy in 1982, which provided an action plan based on the development of so-called tourism circuits. This interest also resulted in the recognition of tourism as an export industry (including the implied tax exemptions) and the creation of a special public tourism finance corporation (1987). Apart from identifying a few areas for 'integrated tourism development', the purpose of the plan was to achieve an overall growth and improvement of the tourism sector in India through marketing, infrastructure building and human resource development.

The importance of domestic tourism was recognized by public policy makers in the 1990s and also in the Tourism Action Plan of 1997. It was decided that domestic tourism would be a state government (policy) issue and the central government would take care of international tourists. In 2002, India came up with a new Tourism Policy, which sought to highlight tourism's contribution to national development and its role as a development tool.

A World Travel and Tourism Council (WTTC) report for 2014 states that for India the total contribution of tourism to the GDP is Rs. 7,642.5 billion rupees, approximately 6.7% of the GDP. Between 2002 and 2014, foreign tourist arrivals grew from 2.38 million to 7.70 million, the latter of which accounts for 0.68% of global tourist arrivals.

Domestic tourist visits have increased from 270 million in 2002 to 1.14 billion in 2013. This has largely been attributed to the emergence of an urban middle class which looks to tourism for recreational purposes. In 2014, tourism in India earned Rs. 1,200,083 million or 1.58% of global tourism receipts.

The Indian tourism industry is responsible for creating 23 million direct jobs (or 5.5% of total jobs in India) and 36.6 million total jobs (or 8.7% of total jobs in India). In 2013, India demonstrated a 4% growth in tourism, or approximately 7 million international arrivals. The WTTC also states that for a period of 2014-2024 international tourist arrivals in India are expected to grow at the rate of 6.4%, whereas global tourism is expected to grow at a rate of 4.5% through 2014 and beyond.

2. TOURISM IN MOUNTAIN REGIONS

As desired destinations for many tourists, migrants, and pilgrims, tourism in the mountains offers places for rest, solitude, adventure, recreation, as well as scenic beauty. It is estimated that more than 50 million people visit mountains each year (Mountain Partnership 2008). The Food and Agriculture Organization estimates that mountains attract roughly 15 to 20% of the global tourism market. Mountain tourism generation is generally more labour intensive than tourism in the plains, necessitating a greater number of support staff (porters, mountain guides, pack animal owners) to accompany trekking groups or mountaineering expeditions, and to carry supplies up to remote mountain tourism destinations not connected by road or air. While tourism provides considerable economic benefits for many countries, regions and communities, its rapid expansion can also be responsible for adverse environmental (and socio-cultural) impacts.

For years, mountains have attracted tourist attention especially because of the cool climate they offer. With temperatures increasing across the plains due to climate change and the extreme summer months, the mountains are a much preferred destination. Visiting spectacular mountainous regions of Central Asia, the Hindu Kush, and the Himalayas also bring with it the attraction of mountain culture and the distinct ethnicity. Cultural identities and diversity in mountain regions, refined over generations by local habitants and the splendid natural heritage have immense value and attract tourists from all over the world.

The ever-increasing demand for tourism in mountain areas is expected to grow even further as regional tourism becomes more important. However, it presents tremendous opportunities as well as threats for the Himalayas. The investment, as well as operational and managerial decisions of tour operators, along with other tourism professionals and the wider industry can determine the level of both negative and positive impacts of tourism in the mountain environment. The fact that most tourists chose to maintain their relatively high patterns of consumption (and waste generation) when they reach their destinations is being seen as a serious problem for developing countries, since many of these regions lack the appropriate means for protecting their natural resources and local ecosystems from the pressures of mass tourism. [Frederico Neto, 2002]

It is also important to recognize that fragile mountain areas, especially the Himalayas are constantly reeling under the risks of hydro-meteorological and geological disasters. The need for infrastructure augmentation to cater to unregulated tourist influx often results in rampant deforestation and ecological destruction, further increasing this disaster risk.

Because environmental conditions are a critical resource for tourism, a wide-range of climate-induced environmental changes will have profound effects on tourism at the destination and regional level. Changes in water availability, biodiversity loss, reduced landscape aesthetic, altered agricultural production, increased natural hazards, landslides and inundation, damage to infrastructure, as well as the increasing incidence of vector-borne diseases will all impact tourism to varying degrees. In contrast to the varied impacts of a changed climate on tourism, the indirect effects of climate induced environmental change are likely to be further on the negative.

By planning and developing tourism in mountain areas in a responsible way – ensuring that it is based on integrated concepts and strategies embedded in a wider, pro-poor, sustainable, and inclusive mountain development context – tourism can support mountain communities in the pursuit of new livelihood options that fit naturally with their mountain environment. This would increase their resilience to climate change alongwith other drivers of change that are making traditional livelihoods increasingly unsustainable.

2.1 Models for promoting sustainable tourism

To manage the impacts of tourism in fragile mountain areas, and to enhance incentives for local stakeholders to play a role in management and regulation, a number of different approaches have been used in different mountainous regions of the world. Some of these approaches could be relevant to Sikkim, as well.

:: Managing tourist numbers in ecologically sensitive areas

In the areas that are likely to get negatively impacted (environmentally or socially) by a large numbers of tourists, it is important to regulate numbers from the start. This can be done at the country, regional, or site level and can include a combination of high fees and/or limits on entry. Bhutan's tourism policy focuses on principles of high income/low volume and tourists need to spend USD 200 -250/day, which limits numbers. In Nepal's ecologically-fragile Mustang region, tourist numbers are restricted to 1000 per year and have a spending requirement of USD 70/day. This is true for several other mountain regions and national parks.

:: Sharing of tourism revenues with local communities

The importance of ensuring that local communities benefit directly from tourism is widely accepted. In many cases, 'elite capture' within communities leads to inequitable distribution of benefits. To prevent this, revenue sharing from entry or gate fees with community institutions using this for community benefits can be an effective

mechanism. This is widely practiced in Nepal, where it is included in the policy – for example in the Annapurna Conservation Area. Tsomgo Lake in Sikkim also has a similar model where revenue from tourism is shared with the communities formed through an organization called the Pokhri Sanrakshan Samitee.

:: Integrated mobility

One of the biggest impacts of tourism in mountain areas is from large numbers of vehicles entering fragile areas with limited space for accommodating them. Integrated mobility, which includes intelligent traffic management along with specific practices that limit vehicle numbers, may be able to provide a solution. The concept of integrated mobility is used in many mountain areas of Europe and involves providing parking away from the area to be visited, with shuttle buses or other transport (including cable cars) to get to the actual area. This also increases the amount of time people spend in the area as mobility is reduced to walking, bicycles or rickshaws.

:: Certification and Standards

The mass proliferation of hotels of varying standards in many mountain areas is a concern. Inappropriate construction, including massive infrastructure in fragile areas can be discouraged through promoting green certification and standards. This, along with sensitization of consumers and financial incentives by the government can lead to a positive bias for hotels that follow environmentally sustainable standards. The Green Leaf certification scheme used in Canada provides a model for this.

2.2 Key Considerations

Tourism impacts the economic, socio-cultural and environmental state of the destination areas in the mountains.

:: Economic Impacts

Since tourism provides good economic benefits and increased employment opportunities, community members often abandon traditional agrarian livelihood and move to the tourism industry. However, employment in the tourism industry comes with the risk of an irregular income. Tourism also depends on stable weather and seasons, as well as the political and socio-political situations of the mountain areas and the global economy. Additionally, tourism is yet to prove its role in poverty alleviation by being pro-poor.

:: Socio-cultural

Socio-cultural impacts of tourism in the mountain regions include damage to traditional family structures, subsistence food production due to the shifting to new employment patterns, and the displacement of locals to make way for tourism infrastructure development. At times, in smaller mountain destinations, overcrowding and competition for resources like water becomes a major problem. Tourism at times aggravates health and hygiene issues, mainly through occurrence of transmittable diseases like AIDS, malaria, hepatitis, and influenza. Tourism expedites loss of cultural identity for rural people in the mountain regions who are not exposed to the external world. Tourism also modifies the behavior of locals, as some may turn to begging, use and sell drugs, become associated with prostitution or harass tourists.

:: Environmental impacts

Mountain ecosystems are generally vulnerable to rapid degradation. Therefore, tourism destinations in mountain areas can undergo severe environmental damage unless appropriate safeguards are in place at the planning phase. These impacts include the consumption of resources faster than they can be replenished (or resource depletion); problems in solid waste and sewage disposal in fragile mountain ecosystem, including piling up of non-biodegradable waste in natural ecosystems like rivers; change in land use (agriculture to tourism infrastructure) and resulting deforestation and degradation of natural environment; air, noise and water pollution. Unplanned and uncontrolled developments of roads in mountain areas fragment habitats and often decimate wildlife populations that are sensitive to slightest change in microclimatic conditions. Soil erosion as a result of the above-mentioned developments triggers landslides and results in loss of life and property. Invasive species often find ways through non-quarantined food grains or plant products that are carried into pristine ecosystems by tourists. Tourism also increases the vulnerability of species extraction from mountain ecosystems. Poachers and bio-pirates often operate in the mountain areas under the disguise of bonafide tourists.

3. TOURISM IN SIKKIM

3.1 State Profile

Sikkim, the Hidden Land for many years, came into the light after it became the 22nd state of the country in 1975. Previously a tiny kingdom tucked away in an inaccessible corner of the Eastern Himalayas, an air of mystery and mysticism surrounds this small state. Located in the north east of India, Sikkim is a landlocked state spread across 7,096 Km² that shares three international borders, with Nepal to the west, Bhutan to the east, and Tibet Autonomous Region of China to the north and east. The state of West Bengal lies to the south of Sikkim. In 2002, it joined the North Eastern Council (NEC) to become its eighth and youngest member.

Sikkim is a wholly mountainous state, with one third of its area lying above 3,000 meters, of which a large portion is covered by snowcapped peaks, glaciers and alpine meadows. This natural steep topography is a determining factor for the state vis-a-vis land-use patterns, connectivity issues, and infrastructure development.

The climate of Sikkim is highly varied due to factors related to wide range of elevation and also partly due to diverse configuration of surrounding high mountains, valleys and water bodies. The weather ranges from sub-tropical humid climate to temperate alpine and arctic. The average temperature of the state varies from sub-zero during winter to 28 degrees centigrade during summers, while precipitation varies from 2,700 mm to 3,200 mm.

With a population of 6,10,577 in 2011, Sikkim is the least populous state of India. The population is unevenly distributed within the state's four districts, East, West, North and South. At 75 per cent Sikkim's population is still largely rural, and over 60 per cent of the population is directly or indirectly dependent on agriculture and allied sectors. Sikkim's literacy rate has had a remarkable jump from less than 7 per cent in 1951 to 82 per cent in 2011. The per capita income for 2012 – 2013 is recorded as Rs. 1,42,625, which is the, highest among the northeastern states.

- Natural Landscape

Sikkim has an altitudinal gradient that rises from 300 meters to the highest point of India, Mount Khangchendzonga, which stands tall at 8,586 meters and is revered as the state's guardian deity. This elevation gradient provides a wide range of ecological conditions from low tropical, temperate to sub alpine and alpine zones. A part of the Tibetan plateau falls in North Sikkim, which adds to the natural variation in the landscape. Thus, Sikkim is a biogeographically unique landscape having a wide range of ecological conditions in a small expanse of geographical area.

Tall mountain peaks that rise above 7,000 meters, glaciers that give rise to numerous wetlands which drain into streams and rivulets characterise the high-altitude areas of the state, which lie above the tree line and have an abundance of stunted vegetation. The other major peaks are Simvo, Pandim, Kabru, and Siniolchu ,which adorn the Sikkim skies.

The state has a forest cover of over 47 per cent, which is the highest in the country. With one National Park and seven Wildlife Sanctuaries that cover an area of around 2,183 Km², Sikkim's protected area network is the largest in the country. Pristine stretches of temperate forests of conifers, oaks and rhododendrons which form important water reservoirs are found at mid to high elevations of 1,800 – 3,800 meters. Tropical forests stretch between 250 – 1,800 meters.

The high altitude areas of the state are home to the elusive snow leopard, which preys on the blue sheep, Tibetan argali, Tibetan gazelle, Tibetan wild ass, etc. The state animal of Sikkim, the red panda, shares its temperate habitat with musk deer, Asiatic black bear, Himalayan Tahr, goral, serow and beautiful pheasants such as the blood pheasant, Himalayan monal and satyr tragopan.. Apart from larger fauna, the state has a healthy diversity birds (574 species) and butterflies of which 689 species have been recorded. Sikkim has a rich variety of flora and around 4458 flowering plants have been recorded in the state, with orchids and rhododendrons being the most highly prized.

Sikkim's two main rivers, Teesta and Rangeet, originate in the North from Teesta Khangshe glacier and West from Rathong Glacier and are fed as they flow down the valleys by numerous other streams and rivulets. Most of the high altitude wetlands that dot the landscape of the state are revered as sacred by locals. The Phamrong in West, Seven Sisters and Lingzya waterfalls in North are some of the state's beautiful scenic spots.

- **Culture and People**

Sikkim's population comprises many ethnic, linguistic and cultural groups, each characterized by their unique culture, customs and traditions that exhibit strong bonds with nature and the environment. The three main communities are Lepchas, Bhutias and Nepalis, of which 'Nepalis' form an umbrella category which includes a large number of communities such as Limboo, Rai, Gurung, Sherpa, Mangar, Chhetri, Bahun, Newar, Tamang, Bhujel, Kami, Damai, etc.

Sikkim thus has a colorful mix of culture which is reflected in a rich array of traditional festivals and rituals that take place throughout the year. Hinduism and Buddhism are two major religions, followed by Christianity and Islam. Some communities also practice shamanism. There are 8 official languages in the state of which Nepali and Bhutia are the most widely spoken.

Sikkim is termed as the *Demazong*, by the Sikkimese people, which translate to 'hidden valley full of treasures, fruits and flowers'. A land blessed by Guru Padmasambhava, Sikkim's deep association with the venerable saint is evident in many facets of life. The *Neysol*, which is a directory of holy places kept in monasteries, describes the whole Khangchendzonga area has hidden treasures or 'ters' to be revealed in course of time. According to this text, most lakes, streams and water bodies are considered sacred, while caves, big trees are believed to have guardian deities of their own. Four holy caves in the four directions of Sikkim are also religiously protected and are important sites for pilgrimage.

3.2 Tourism Development in Sikkim

Growth of Tourism in Sikkim

Over a period of three decades, in a region that was broiling with conflicts and strife, Sikkim emerged as a beacon of peace in North East India. This became a determining factor for tourism to emerge as an important sector. Sikkim's strength has always been its natural beauty; the mountains and snow, the rivers, lakes and waterfalls, the verdant forests and biodiversity, fresh air, as well as the proximity to nature, which keeps tourists coming back for more.

Tracing the growth of tourism in the state prior to its merger with India, tourism inflows to Sikkim were negligible. Even after merger, growth was slow till the 1980's as large areas remained inaccessible or restricted to tourists. It was only in the last decade of the century, that tourism growth picked up considerably as more areas came under relaxation of the permit regime and Sikkim gained popularity as an upcoming tourist destination. Tourism saw a big boost between 2002–2010 with tourist arrival figures equaling the state population. Today, tourism is gradually evolving as one of the most important drivers of the state economy.

Tourism centres and circuits began slowly developing from Gangtok, and gradually extended to Ravangla, Pelling, Yuksam, Lachung and Lachen. Adventure tourism in the form of trekking along the Yuksam-Dzongri- Goechala trail which had begun in the pre-merger days began to pick up. Around 1988, the State Government took a decision to allow tourists to visit Tsomgo Lake. Located at a distance of only 35 km from Gangtok, the capital town, Tsomgo became the closest accessible destination to experience snowfall for tourists coming from West Bengal. This was followed by opening up of Nathula, which gave visitors an opportunity to go right up till the Chinese border point of this ancient mountain pass. Similar relaxation of permits in West Sikkim, Zuluk in East Sikkim and Gurudongmar Lake and Yumthang Valley and Yumesamdong in North Sikkim, witnessed a surge of tourist flows to these areas. These were major milestones in Sikkim's tourism history. This was also aided by the Government's decision to allow Leave Travel Concession by Air to the North East Region in 2010 for Central Government employees.

With a flourishing tourism industry that was on the one hand more veered towards mass tourism, Sikkim also pioneered in creating an ecotourism pathway weaving in principles of strong community participation, as well as nature and cultural conservation on the other. In 2002, the South Asian Regional Conference on Ecotourism was organised in Sikkim by The International Ecotourism Society (TIES) and Ecotourism and Conservation Society of Sikkim (ECOSS) with support from UNDP and the Ministry of Tourism. This was a milestone in introducing the concept of Ecotourism to Sikkim and the North East Region and in defining community-based tourism in the state. Several ecotourism sites in different parts of the state Kewzing, Yuksam, Dzongu and Pastanga were some of the first community-based tourism (CBT) sites that evolved as a result, and established themselves. The core component of these CBT initiatives was the village homestay, a new tourism product that ensured spread of tourism benefits to local communities. Since then the Government has taken several initiatives to support village tourism and ecotourism including the notification of the Sikkim Ecotourism Policy in 2012 and the Sikkim Registration of Homestay Establishment Rules 2013 and more recently, the construction of over 700 homestays in different villages all over Sikkim.

Tourist arrivals in Sikkim have seen unprecedented growth in the last three decades. From a mere 15,000 tourists in 1980 to a whopping 7,20,000 tourists in 2010, the growth has indeed been tremendous. In terms of proportion of domestic and foreign tourists, the figures show an overwhelming average of 95% in favour of domestic tourists for the past five years. Domestic tourists grew at an average annual rate of between 10 to 21% for the period 2005 to 2010. Domestic arrivals have been slow to pick up since then. On the other hand, foreign tourist growth has shown an annual growth rate average of 8% from 2005 to 2013. State-wise domestic tourist breakup shows that the top five state visitors to Sikkim are West Bengal, Maharashtra, Gujarat, Delhi and Uttar Pradesh. West Bengal by itself constitutes around 60% of the tourists (TECS Tourism Master Plan). Amongst foreign tourists the top countries visiting Sikkim are Nepal, USA, Germany, UK, France and Thailand and Australia.

In terms of tourism infrastructure development, Sikkim has been relatively successful in tapping resources from the centre for construction and development of tourist wayside amenities, destination and circuit development, as well as the building of religious monuments. For the financial years 2008-09 to 2010-11, Sikkim ranked top amongst the North Eastern States in terms of Centrally Sponsored Projects sanctioned with 53 projects valued at Rs. 132.62crores (India Tourism Statistics 2010, MoT). From 2012-13 to 2014-15 a total of 30 projects have been sanctioned valued at 22.67 crores of which Rs 5.77 crores has been released (MoT). Religious tourism has been augmented with the construction of several gigantic religious monuments, which includes statues such as Guru Padmasambhava in Samdruptse, the Chaar Dhaam at Solophok, Namchi and Lord Buddha's statue at the Tathagatha Tsal in Ravangla. There are several other such statues and monuments in the pipeline.

Owing to its diversity of communities, Sikkim has a number of traditional religious festivals that attract tourists, notable amongst which are the Pang Lhabsol, Drukpa Tseshe, Tendong Lho Rum Faat, Dashai and Tyohar, Losoong, Bhum Chu, Saga Dawa and Sakewa. There are also a number of tourism-focused festivals held every year in different locations around the state. Among these, the Gangtok Winter Carnival which is organized to bolster tourism during the lean season is gaining fast popularity.

The adventure tourism sector mainly confined to trekking, whitewater rafting, and mountaineering has seen slow growth even though it has tremendous potential through new adventure activities such as mountain biking, and paragliding being added. In mountaineering three new peaks Frey’s Peak, Lama Angden and Byrmkhangse were opened for Alpine expeditions in 2005 in addition to Mount Jopuno and Tinchekhang. With its immense biodiversity wealth, the state is also attracting a growing band of nature lovers, and many young local youth are aspiring to take up professional guiding in these activities.

With all these ventures, Sikkim’s success in tourism has brought the state many accolades; some notable ones are presented in the table below:

Awards	Period	Awarded by
Best Tourism Performing State in the North East	1998-99 to 2005-06	Ministry of Tourism
Best State for Tourism Related Programmes	2006-07 and 2007-08	Ministry of Tourism
Best Ecotourism Destination in 2005		Hospitality India
Best Adventure Tourism Destination	2008	PATWA
Platinum Award for Most Picturesque Destination	2007-2008	Today’s Traveler
India's Most Progressive Tourism State	2010	Today’s Traveler
Most Innovative & Unique Tourism Project for Siddhesvara Dham Solophok project	2012	Ministry of Tourism
National Tourism Award	2012-13	Ministry of Tourism
Best Region to Visit in the World	2014	Lonely Planet Global Travel Guide

3.3 Tourism in the State economy

There is a lack of comprehensive data to understand the contribution of the tourism sector to the state economy. Based on the figures of tourist accommodation available and the numbers of service providers, direct employment generated by this sector can be roughly estimated to be around 12,000 to 15,000 jobs at present. At the same time, the Human Development Report also notes that the industry has 61% direct workers employed from outside the state. Some of the factors contributing to this are that a majority of hotels in the state are leased out to parties outside Sikkim who prefer to source their workers from outside the state, and that a significant proportion of the transport sector also engages employees similarly. There is also a reluctance of local youth to take up jobs offered by these service providers

In the last decade, tourism sector in Sikkim has seen a growth rate of 12 % and its contribution to the state's GDP is estimated to be around 8 %(Source HDR, 2014) The Gross State Domestic Product of Tourism Sector in 2013-14 has been valued at Rs 55,914 crores with an annual growth rate of 16.34% over the previous year (DESME quick estimate).

In terms of existing capacity and strength and as per figures available from the Department of Tourism, there are currently 349 hotels, (with over 5000 rooms and above 9000 beds capacity), 734 Travel Agents, 65 Restaurants, 66 Tourist Guides and 70 homestays registered with the Department (July 2015). In addition there are 47 hotels registered at project level (under construction) stage. There were 646 taxis registered under the Luxury Taxi category and 6445 under local (non luxury) taxis as on 31st March 2015 (Regional Transport Authority, MV Dept). There are also a significant number of service providers who have not come within the ambit of the official statistics due to a laxity in the registration process. The indirect employment generated by the industry is however much larger and encompasses a broad section of the population ranging from construction to supplies and various services. Clearly tourism has emerged very strongly as one of the key drivers of the State economy with potential for generating long term sustainable employment.

3.4 Strengths and challenges of tourism in Sikkim

Strengths

Green and clean image – Sikkim's tag of being a peaceful state has been one of its key strength for tourism promotion, and over the years, tourism in the state has grown at a rapid pace. Sikkim conjures an image of greenery amidst tranquility. It has notably been one of the greenest states in the country with strong policies to maintain the state's green cover, and recently with aspirations of becoming the first fully organic state in India. To add to that, Sikkim attained the first Nirmal Rajya status in the country, and a

recent addition is also that of Gangtok, the capital city being ranked as the cleanest city in India in the Cleanliness Index, 2015 conducted by Ministry of Tourism. Sikkim has an Ecotourism Policy which will pave way for shaping tourism in protected and forest areas of the state.

Community participation – Sikkim has also led the way in community based tourism initiatives, and has models that showcase good practices of revenue generation and sharing. The state has been a frontrunner in promotion of homestays which ensures tourism benefits directly for communities, and there are various forms of homestay tourism currently in the state. The Pokhri Sanrakshan Samitee model formed under the Lake Conservation Guidelines of the Sikkim Government that puts community at the forefront for management of wetlands that are prime tourism destinations in the state has also been very successful. Tourism stakeholders are also well organised in Sikkim and there are strong private investments in this sector which also bolsters the overall state of tourism.

Diverse tourism products – Blessed with natural attractions, Sikkim has great potential for developing its tourism around its assets such as its rich biodiversity, natural attractions of mountains, rivers, snows, etc. Coupled with this, Sikkim's history and its diversity of culture brought about by the presence of different ethnic groups in the state, elevates the state's tourism value to another level. The adventure sector which has tremendous potential for attracting high value tourists in the future has been little explored till date, and can become a key strength of the state's tourism.

However, in the absence of a long term vision for tourism in the state, this sector has developed in a largely unplanned manner and has veered inadvertently towards promotion of mass tourism, and is not without challenges.

Challenges

Ecological impacts – Sikkim occupies only .02 per cent of the Indian subcontinent but this tiny piece of landmass that falls in the Eastern Himalaya biodiversity hotspot harbors some of the most interesting and endemic flora and fauna that occupy all corners of the state. The high altitude areas of the state that are ecologically fragile are important habitats as well as crucial in terms of water security. Many of the state's ecologically fragile areas are subjected to large inflow of tourists which has serious environmental concerns. Vehicular pollution, disturbance to wildlife, garbage accumulation are some of the current major challenges brought about by tourism which needs to be addressed.

Connectivity and communication - Owing to its location and topography, connectivity has always remained a broad challenge for the State that has grappled with bad road conditions for many years. Tourist's feedback on their experience in Sikkim place bad road conditions foremost among their grievances. Poor communication through

internet and mobile connectivity is also an issue that has reflected negatively for Sikkim's tourism.

Limited benefits to locals - While all tourism stakeholders strongly stress on the need to generate local employment from tourism, the reality is that a large part of the tourism sector is currently run by people from outside the state, be it hotels, transport sector or travel operators. Capacities of local people have not been adequately strengthened to address the needs of the tourism sector. On the other hand, the willingness of local youths to be involved in this sector and creation of an enabling environment for them is a challenge that needs to be looked at.

Lack of regulations/ standards - Absence of stringent regulation and standards in the tourism service sector has been detrimental for Sikkim's tourism growth. This has also led to some negative publicity for the state, which needs to be corrected. For a state like Sikkim that is situated in a high seismic zone, the issue of unregulated, unplanned, unsafe infrastructure also becomes highly pertinent and crucial to be addressed. Rapidly changing rural setting of the state brought about by housing schemes that promote concrete structures over local architecture also has been a major setback for promotion of rural tourism. Setting of standards in all these aspects and its compliance by all stakeholders will lead to enhanced visitor experience.

Unplanned tourism pathway – Sikkim's tourism through the years has grown on its own accord with minimal planning. With no guiding vision, there has been a lack of clarity in the segment of visitors to be targeted and the tourism products to be developed to attract them. Owing to this, the tourism pathway in Sikkim has been unplanned with more low paying mass tourists with high impact thronging the state. A general lack of cohesiveness in marketing and promotion of Sikkim guided by a strong vision has been a major challenge.

3.5 Need for a tourism policy for Sikkim

Over the decades, tourism has experienced continued growth and diversification to become one of the fastest growing economic sectors in the world. Modern tourism is closely linked to development and encompasses growing number of new destinations. These dynamics have turned tourism into a key driver for socio-economic progress.

Tourism in Sikkim has come up in a big way, with the number of tourists, both domestic and foreign, continuously increasing. Between 1981 and 2006, the compound annual growth rate for tourists has been calculated to be 11.37 per cent. For the same period, domestic and foreign tourist arrivals grew at an annual compound rate of 11.68 per cent and 8.28 per cent respectively. Sikkim declared tourism as an industry during the 10th Five Year plan (2002-07).

Understanding the need to have guiding policies, several attempts were made by the State Government to prepare guiding documents for shaping Sikkim's tourism through development of Tourism Master Plans. As early as 1998, when the initial tourism development was taking shape in Sikkim, the first Tourism Master Plan (1998 – 2011) was prepared by the State Government. This five-volume master plan clearly outlined the need for planned, inclusive growth and for targeting high value visitors. This was followed by a second Master Plan in 2010. However, both of the plans outlined in these documents remained largely unimplemented.

In 2010, a Sikkim Tourism Mission- 2015 was released by the State Government, which emphasized the need for both, ecological and economic sustainability in tourism, through promotion of quality tourism and enhanced participation of local stakeholders. As with other green policies of the State, this Tourism Mission Statement elucidated strong political will to guide Sikkim's tourism towards a sustainable future. The Sikkim Ecotourism Policy, 2011 was also developed by the State Government. It set guidelines and strategies for development of tourism around protected areas and forest areas of the State, which highlights the issues of zoning and carrying capacities in fragile areas.

However, tourism continued to develop in an arbitrary manner with various government departments such as the Department of Tourism; Forest, Environment and Wildlife Management, Rural Management and Development engaged in tourism development and facilitation but working in isolation of each other. Thus, a there was a felt need for a joint and collaborative approach, which would address tourism in a holistic manner through an integrated approach.

There was an urgent need, therefore, to consolidate all existing missions and plans, and together with strong participation of the tourism stakeholders develop a Policy for Sikkim Tourism. In the face of a growing and changing tourism industry, the policy shall provide guidance for bringing sustainability through inclusive growth, enhancing capacities of tourism stakeholders as well as for developing regulatory frameworks, which shall ensure quality experience for visitors to the State. At this stage of tourism development, the visitors' perspective also needs to be factored in. Increasingly people are looking for authentic and distinctive experiences. Additionally, the objective of conserving culture and nature has gained even more importance. This requires a comprehensive guiding document in the form of a policy for shaping Sikkim's tourism sector, which also has been a long felt need in the state.

3.6 Methodology for Policy Development:

The need for a comprehensive policy was a key takeaway point from a workshop on “Strengthening Sustainable Tourism in Sikkim” organized by WWF- India and ECOSS in 2014. There was robust participation of tourism stakeholders of the state. The process of preparation of Sikkim’s Tourism Policy was designed to be a participatory and inclusive process with involvement of a wide range of stakeholders. Major steps taken were:

- Setting up of task force/ committee - As an outcome of the workshop, a task force led by WWF- India and ECOSS was set up by the Tourism Department to work on the policy formulation with involvement of all stakeholders.
- Consultations – Several consultation workshops and one to one interviews to engage actively with various stakeholders were organised between March 2015 –August, 2015. These included the travel agents, hoteliers, home-stay operators, STDC and taxi drivers. The main purpose was to understand stakeholders’ perspective on tourism in Sikkim and the challenges thereof. Facilitated discussion points were captured from each workshop. These have been fed into specific sections of the policy.
- Inputs from the tourists - Visitor feedback was recorded with the help of hotels and travel agents. Care was taken to cover all types of hotels so as to reach out to a wide category of visitors. The information was collated and analysed for specific inputs into the policy.
- Policy reviews - Review of tourism policies of other states and countries was conducted as part of the policy drafting process. The draft National Tourism Policy was also thoroughly studied and utilized to align the State Tourism Policy wherever relevant. The study of master plans of Sikkim prepared earlier by various agencies such as the Tourism Master Plan (1997 – 2011) by Tata Economic Consultancy Services, Sikkim Tourism Master Plan- 2011 prepared by Master Consult Services of Singapore, 20 years Perspective Plan for Sustainable Tourism Development in Sikkim - 2002 by Horizon Industrial Consultancy Service for the Ministry of Tourism, the FEWMD’s Sikkim Ecotourism Policy- 2011, Sikkim Tourism Mission - 2010 of the State Government.
- Inputs were taken from within the Tourism Department on the draft framework of the policy document to provide greater clarity and seek suggestions towards finalization of the policy document.

4. SIKKIM TOURISM POLICY

4.1 VISION

Make Sikkim a highly valued responsible tourism destination such that it contributes significantly to the state economy while conserving its natural and cultural heritage and ensuring visitor satisfaction.

4.2 GUIDING PRINCIPLES

The following principles shall guide the tourism sector in Sikkim

- **Environmental sustainability**
Tourism development will not be at the cost of environmental degradation.
- **Cultural integrity**
Tourism development will ensure appreciation, respect and promotion of Sikkim's diverse culture.
- **Equity and Inclusiveness**
Opportunities and benefits of tourism shall not exclude those disadvantaged by gender, remoteness and poverty.
- ***Atithi Devo Bhava***
Tourism development shall focus on providing quality experiences and services for all visitors and ensure their safety and satisfaction.

4.3 GOALS

Goal 1 - Develop tourism as a key sector in Sikkim's economy

The Human Development Report (HDR) 2014 has identified certain potential sectors for growth and livelihood creation, of which tourism ranks the highest. The HDR recognizes that Sikkim has a comparative advantage in tourism with its beautiful landscape, diverse flora and fauna, culture and traditions, and hospitable locals. Other factors that contribute to positioning Sikkim as a prime tourist destination are its peaceful environment, political stability, high literacy rate, its green policies such as organic farming and easy accessibility. Sikkim's Tourism Mission 2015 aspires to "make tourism the main livelihood of the people of Sikkim, and each and every household and

individual, a skilled force for the tourism industry". At the same time the Government of India's increased focus on the development of the North East Region has earmarked tourism as a priority area (Draft National Tourism Policy 2015). New opportunities are emerging such as the Kailash Mansarover pilgrimage through Nathula Pass, which was flagged off in 2015. Improved core infrastructure such as completion of the ongoing widening of National Highway 10 to Sikkim and the commissioning of an airport in Pakyong will facilitate the flow of tourists to the state. Leveraging of information technology, such as online availability of ILPs and RAPs, web-based booking portals and mobile tourism information application, high social media presence for tourist information dissemination, will make Sikkim more readily accessible to visitors. There is also a growing demand for new products like village tourism and homestays, mountain biking, paragliding, bird and butterfly-watching, all of which can generate a host of new service providers from amongst the local youth. Tourism has linkages with a wide range of allied sectors and services that can provide employment and income to locals. By developing local capacities for entrepreneurship, and service delivery and a focus on high-value nature and culture-based products, the state has the capacity to leverage these opportunities to make tourism a key sector in Sikkim's economy.

Goal 2 - Promote low impact tourism for the state

An emerging trend in tourism is the increasing demand to develop tourism in new destinations. In Sikkim large areas of land are of immense ecological and cultural significance therefore allowing tourist access to these areas could bear serious consequences. Existing ecologically fragile destinations like Tsomgo Lake, Yumthang Valley and Lake Gurudongmar already have heavy tourist traffic during peak season. Sikkim's natural and cultural heritage has been the main attraction for tourists visiting the state, and their conservation should be the primary objective, through promotion of responsible tourism, which does not focus on maximizing number of visitors but on enhancing the visitor experiences, as well as creating low-impact tourism. Therefore zonation/ zoning of specific areas marketed as high-value destinations to regulate number of visitors and activities, much of which shall be implemented in convergence with the State Ecotourism Policy -2011 will be key. At the same time, existing fragile destinations need careful re-examination through an understanding of 'carrying capacity'. Following sustainable guidelines in infrastructure development in the tourism sector shall also lower the environmental impacts. While increased tourist arrivals may be desirable to a certain extent and is an indicator of Sikkim's popularity as a tourist destination, there is an optimum limit to the maximum number of tourists that the state with its small area and limited resources can handle before the benefits outweigh the negative impacts. A close watch on numbers and impacts and a definite shift from mass to high value tourism is what needs to be ultimately targeted

Goal 3 - Make Sikkim a prime destination for nature and culture based tourism within India and globally

Tourists visit Sikkim for a variety of reasons and while many of them might be notionally based around visits to natural or cultural areas, not all tourists get the opportunity to fully experience or appreciate the natural beauty or cultural heritage of the state. Although Sikkim is blessed with outstanding natural and cultural sites that are on par with the best in the world, many of these have been reduced to simply areas for recreational tourism (e.g. Tsomgo Lake) that also end up as mass tourism destinations. By focusing on supporting and promoting nature and culture-based tourism over recreational or leisure tourism, Sikkim can attract tourists that will spend more time, appreciate the natural and cultural heritage of the state and contribute more to the local economy. This can come in the form of carefully planned and implemented itineraries that include hiking, trekking, mountain biking, nature walks, bird watching, rural homestays, organic farming holidays, cultural and religious interpretation, meditation, monastery and local festival tours.

Goal 4 - To ensure that tourism benefits are broad based to support local social and economic development in Sikkim

It is important that economic benefits generated from tourism are distributed as widely and equitably as possible and that they primarily contribute to the socio-economic development of the people of Sikkim. This means that different areas and service providers should all have equal opportunity to benefit from tourism without the more resourceful and well-connected groups from either outside the state or certain pockets of the state capturing most of the benefits. However, this should not be at the cost of service quality or the overall visitor experience. Therefore, consistent standards of service and infrastructure support need to be ensured across regions and service providers in the state. A strong focus on promotion of rural tourism to showcase Sikkim's vibrant and diverse culture shall also serve to diversify tourists from the urban pockets and seek to spread benefits accrued from the sector to more people. At the same time, opportunities and benefits of tourism shall not exclude those disadvantaged by gender, remoteness and poverty.

5 Goal 5. Ensure all tourism infrastructure and services shall be of the best standards and quality delivering a consistent high level of satisfaction and hospitality to tourists.

Sikkim is already a sought after tourism destination, known for the hospitable nature of its people. However, with the growing number of visitors and service providers, and a high component of leased out hotels, there is increasing concern

about a lowering of standards and of the quality of services and infrastructure. To ensure that the tourist is assured a high level of satisfaction resulting in revisits and positive feedback, the department and industry shall work to establish standards and certification systems amongst all service providers. These shall be at par with the best of the industry, and shall be consistently maintained. At the same time all tourism infrastructure shall be designed for low environmental impact, upgraded and sustainably maintained to be of the highest standards.

5.3 OBJECTIVES

Objective 1: Strengthen/ Establish Institutional Structures

To realize the vision of the policy and enable its implementation, it is critical to establish appropriate institutional structures for implementation at various levels. There are a few institutes existing in the state, such as the State Tourism Development Corporation, the Ecotourism Directorate, etc. which can be further strengthened and reorganized to meet the emerging needs and challenges of tourism. One of the main challenges faced by the tourism industry of the State is of regulations and establishment and maintenance of standards, and the lack of institutional structures thereof to oversee these critical issues. Coordination and collaboration with other line departments is another issue that needs to be addressed. Further the policy outlines the following-

- a) For the Tourism Department to be well positioned to cater to its various roles and responsibilities create separate divisions to look after the key aspects of tourism viz. Capacity Building, Marketing and Promotion, and Standards and Certification.
- b) Strengthen the Tourism Department by induction of professionals from the hospitality industry for ensuring quality planning, research, decision making, capacity building, setting of standards and certification and effective marketing.
- c) Constitute a State Tourism Regulatory Authority (STRA) comprising of representatives from other departments, travel agents' associations, tourism stakeholder associations, NGOs, CBOs, to develop and implement criteria for standardization and classification of tourism facilities and services, and to address issues and grievances of the trade industry. Roles and responsibilities of the STRA shall be outlined by a committee constituted for this specific purpose.
- d) Constitute the Inter Departmental Coordination Committee, as mandated by the National Tourism Policy, 2015 (Draft), which shall seek to provide coordination and support to the tourism sector from all relevant departments.

- e) Review the functioning of State Tourism Development Corporation to clarify its role and to realign its objective so that it plays a well defined and positive role for tourism development in the state.
- f) Take stock of existing Tourism Development Committees from across the State and strengthen their capacities as vital tourism committees to ensure community participation in tourism development.

Objective 2: Promote Standards & Certification

Tourism standards and certification can help ensure a consistent quality of service, enhance the reputation of the tourism destination and lead to greater visitor satisfaction. 'Green' standards certification schemes aim to make tourism operations more sustainable by providing participating businesses with an action plan for improvement which is linked to market incentives. Currently, Sikkim does not have any certification schemes for tourism related businesses or services. In view of this, the policy outlines the following -

- a) Create a separate cell within the Tourism Department with the responsibility of implementing the standards and certification process as recommended by the State Tourism Regulatory Authority.
- b) Review existing Acts and Rules of the Tourism Department such as Registration of Homestay Establishment Rules (2012), Sikkim Registration of Tourist Trade Act (1998) and the Tourist Trade Rules (2008) for inclusion of criteria related to environmental sustainability and for necessary amendments to reflect relevancy and alignment with this policy.
- c) Review of existing guidelines for registration of travel agencies, hotel industry and other tourism service providers, and setting clear criteria for re-registration if necessary that will ensure that only genuine and competent travel agencies operate in Sikkim.
- d) Promotion of licensing and certification of tour and travel guides to ensure that they provide a consistent service. Guides to be classified into different categories for certification.
- e) Promotion of certification of transport operators in the tourism sector to ensure safe and reliable transportation.
- f) Development and promotion of a Green Certification scheme for hotels and guest houses that is market linked.

- g) Establish and maintain continuous strict standards of health and sanitation for hotels, restaurants, wayside amenities, homestays to ensure safe food for tourists.

Objective 3: Human Resource Development

Human resource planning to cater to the tourism sector is currently lacking. Some of the state-run training agencies offer courses on tourism, which are also outsourced to private players and NGOs. Currently, there is little coherence between the various trainings being provided and a significant mismatch between the skills that the trainees develop and the requirement of the sector. There is also the issue of low employment of women in the tourism sector. With 61% of the people currently employed in the tourism sector coming from outside of the state, there is a lot of potential for generating employment for locals should the right capacities be created.

The draft National Tourism Policy 2015 also recognizes the need to focus on capacity building/ training for the sector, which includes not just training of new and potential entrants in to the sector, but also training and retraining of staff already working in the tourism sector. In view of the above, the following is proposed:

- a) Develop a plan for human resource development on a priority basis in the tourism sector, which would include a comprehensive analysis of existing needs and gaps, the nature and number of capacity building programmes/ courses needed, and the resources, human and financial needed to cater to these. The HRD plan will address issues of lower participation of women in the tourism sector.
- b) Revisit the curriculum of the courses on tourism being offered in the state by various institutes and actors to bring uniformity in curriculum content and to make these more relevant and enhance the employability of the students taking these courses.
- c) Make training and certification an integral part of the capacity building programme by offering mandatory certificate courses for various tourism stakeholders in a phased manner.
- d) Identify allied sectors of tourism, such as handicrafts, souvenir making, etc. and provide training to relevant groups with gender inclusion that will spread the benefits to be accrued from the tourism sector.

- e) Organise capacity building / training programmes for staff working in the Tourism Department to gear them for meeting emerging opportunities and challenges.

Objective 4: Develop Quality Infrastructure and Transport

Tourism Infrastructure and facilitation services

Tourism infrastructure is developed with the objective of providing quality experiences for tourists while enhancing their engagement with the local culture and nature. The main components are accommodation facilities, gastronomy facilities, wayside amenities and information / interpretation centers.

Among North East states, Sikkim has been the highest receiver of centrally- sponsored schemes during the period 2008 - 2011 for tourism infrastructure development, and the focus has been mainly on development of major tourism attraction sites in the state. A key challenge in terms of tourism infrastructure has been the sustainable maintenance and management of tourism amenities that have been created by the State.

Interpretation is a weak area that needs major improvement for enhancing visitor experience. Lack of adequate and standard signage in roads and trekking routes also needs to be looked into. Application of sustainable designs for tourism infrastructure that considers the landscape, disaster risks, local architecture and materials etc. is also an issue that needs to be addressed.

- a) Assess need for tourism amenities in all existing and potential tourist circuits and destinations and critically assess all existing tourism infrastructure in terms of a desired set of criteria such as location, sustainability, accessibility, design, etc.
- b) Establish high-quality tourist amenities along tourist routes at convenient intervals with proper plans for sustainability and management of these assets. Explore public private partnerships wherever feasible. New amenities to be developed shall go through rigorous process of site selection and the overall design shall also be in keeping with local architecture as best possible. Well-trained entrepreneurs shall be a key prerequisite for management of any such assets. Government owned infrastructures shall also showcase good practices of sustainable designs such as rain water harvesting, use of renewable energy, efficient waste disposal systems, fuel wood reduction designs for high altitude areas, etc.
- c) Develop standards and certification (including Green Building Codes) as an integral process of regulating the accommodation /hotel industry.

Promote/incentivize greener technologies for energy and water and waste management for the hotel industry.

- d) Upgrade trekking and camping infrastructure with promotion of eco-friendly trekking trails, with adequate and appropriate signage, development of accurate and informative trekking maps and setting up of high-quality campsites and trekking huts. All existing infrastructure to be assessed for improvements needed.
- e) Develop tourist facilitation centres at important tourist towns manned by well-trained staff for information dissemination for tourists as well as for receiving feedback and complaints from them through a well established system.
- f) Set up high quality interpretation centres to enhance visitor knowledge on local culture and biodiversity in the districts. These interpretation centres shall also be hubs for the sale of local handicraft products, organic produce.

Transport Sector

In the tourism industry, the transport sector is most critical as tourists spend maximum time traveling between destinations, and hence the quality of transport services and the role of the tourist drivers therefore is very important. There is general agreement amongst all stakeholders that the tourism transport sector is largely unregulated. The main issues in this sector is that of unregulated pricing during tourist seasons, overcrowding leading to vehicular pollution in some key areas, and inappropriate behavior of drivers towards tourists.

- a) Develop an integrated tourism transport policy for regulating the needs of tourism industry for providing safe, reliable, adequate transport at standardised rates.
- b) Introduce prepaid taxi services and online booking systems for popular destinations for hiring taxis for curtailing the practice of overcharging. To reduce the number of vehicles, tourist buses with optimum capacities shall be introduced for popular tourist circuits to local entrepreneurs. Promote vehicles running on cleaner fuels for the tourism industry.
- c) Improved systems of signage and milestones having a uniform code established for tourism signage in the state, keeping in mind local names, the historical and cultural significance.
- d) Establish a continuous certification process for tourist drivers as mandatory, with phase - wise training of drivers conducted through capacity building institutes to enhance their capacities. Capable drivers should also be trained as tourist guides to enable them to provided enhanced services.

Objective 5: Promote Regulatory Framework

Sikkim's tourism policy is being framed to ensure sustainability that is based on conservation of natural and cultural resources, and having a regulatory framework becomes very pertinent to enable implementation of the policy. Regulations in the tourism industry are also essential to ensure quality experience for the visitors in terms of safety, security and. Regulatory framework also reflects the roles and responsibilities of all stakeholders; and ensure rights and obligations of participating businesses, and all other concerned players in the tourism field.

While there have been examples of some good practices in place an overall regulatory framework to streamline Sikkim's Tourism has been largely lacking. A Tourism Trade Act and Tourism Trade Rules have been framed that lays down the rules for registration of hotels and travel agents. The Sikkim Ecotourism Policy, 2011 has outlined clear guidelines for tourism in forest areas, with a policy for zoning of ecotourism areas in the state. For further regulation of the tourism industry, the following is proposed -

- a) Review of all existing tourism related rules and regulations in the state to strengthen and align them towards meeting both National and State tourism policy goals.
- b) Prioritise zoning of ecotourism areas in the state in collaboration with the Forest, Environment and Wildlife Management Department and in alignment with the Sikkim Ecotourism Policy. Identify high tourism impact zones in the state and ensure regulation on numbers of vehicles and visitors based on a principle of carrying capacity.
- c) Ensure health, safety and security of visitors through appropriate regulations framed for the various sectors of tourism such as transport, adventure sector, hospitality, etc. A comprehensive disaster management plan for relief and rescue of tourists should be put in place.
- d) Develop strict regulations for infrastructure development in tourism areas that are compatible with the culture and environment of the area, promoting sustainable designs.
- e) Promote and establish in all tourism areas, strict zero waste management protocols to address the growing issue of waste accumulation.
- f) Zero tolerance policy to be adopted by the Tourism Department in all matters related to malpractices with strict penalties outlined for defaulters of any regulation.

Objective 6: Develop Key Tourism Products

Sikkim's main attraction is its nature and cool climate which makes a perfect getaway for travelers. The richness of the state's diverse cultures and traditions with strong bonds with nature also add to the attraction. To address the policy goals of promoting culture and nature of Sikkim for developing high value low impact tourism in the state the key products are proposed as -

1. Conventional leisure based tourism
2. Nature based tourism or Ecotourism
3. Adventure based tourism
4. Culture based tourism & village homestays
5. Religion based tourism
6. MICE
7. Health and Wellness
8. Casino and gaming

1. Conventional Leisure based Tourism

Conventional leisure based tourism pertain to that section of tourists who come with the prime purpose of sightseeing and recreation, to enjoy Sikkim's natural scenery along with its cool climate and peaceful atmosphere. They are the casual holiday makers and currently comprise the bulk of the tourists who visit Sikkim. This form of tourism with high volumes and limited spending is the main driver of the tourism industry. However this sector has high impact on the environment and local resources in the form of high generation of waste, high consumption of energy and water, high pollution from vehicles and traffic congestion.

This form of tourism shall be encouraged but with a close watch on numbers and with a designed shift to higher value tourism with softer footprints and through improved quality of services. Such measures taken to upgrade the infrastructure and services with a resultant hike in tariff can serve as a disincentive for the unchecked rise in high volume tourism. Further this will be backed by regular carrying capacity studies to determine negative impacts and peak capacities of tourist traffic permissible in all high tourist density areas and mechanisms to ensure that the recommended capacities are not exceeded.

2. Nature based tourism or Ecotourism

Nature and natural scenery forms the main draw for tourists to Sikkim. According to the International Ecotourism Society (TIES) –“Responsible travel to natural areas, which conserves the environment and which provides benefits to local communities while ensuring enriched experiences for visitors can be termed as ecotourism . The Forest Environment and Wildlife Management Department through the JICA funded Sikkim Biodiversity and Forest Management Project (SBFP), has prepared the Sikkim

Ecotourism Policy 2011. The policy advocates for certain strategies and guidelines for ecotourism development particularly for protected areas and also to bring consensus on the concept of ecotourism.

For serious nature lovers, Sikkim has a host of products to offer such as birding, butterfly watching, botanical and zoological excursions, nature walks and soft trekking around protected areas. Sikkim's wealth of biodiversity that include some of the most enigmatic species of flora and fauna can be leveraged to attract researchers, students and hobbyists for high value tourism. For the development and promotion of nature based tourism or ecotourism this policy lays down the following -

- a) Identify important potential areas for promotion of nature tourism (birding, butterfly, biodiversity) in collaboration with the FEWMD, universities, colleges and research institutions and with involvement of tourism stakeholders, tourism development committees, NGOs, etc.
- b) Prepare interpretation/ information materials for these areas with proper maps made available at all tourist information centres and through homestays and travel agents.
- c) Prepare comprehensive syllabus and conduct trainings for local youth as nature guides using experts of the respective fields from a pool of NGOs, CBOs and enthusiasts.
- d) Set aside budget for purchase of necessary equipments required for the various nature - based activities and make these available through local guides and tourist facilitation centres on hire.
- e) Develop packages around nature - based tourism for promotion by local and outside travel agents.
- f) Promote annual meets at national and international level related to nature based activities (birding/ butterflies/ flora / fauna) to attract interested visitors. Prepare packages and market bird and butterfly tours with the help of local travel agents and guides.
- g) Coordinate with FEWMD for all activities being developed and planned in and around Protected Areas for convergence with the Sikkim Ecotourism Policy.

3. Adventure based tourism

Sikkim with its stupendous mountains, gorges and valleys, glaciers, snows, lakes and rivers, forests and altitudinal and topographical diversity, has tremendous potential

for development of adventure tourism which would also be in alignment with the tourism policy goals of bringing in high value tourists to the state. With the establishment of the Indian Himalayan Centre for Adventure & Ecotourism (IHCAE) at Chemchey, there is an excellent opportunity to develop high class training and certification within the state. However the general consensus of the trade in this sector is that it is becoming dominated by unprofessional and unhealthy competition that is undermining the quality of services and lowering revenues. There is therefore a need to have long term comprehensive planning, high quality infrastructure, encouragement of local stakeholders, improvement of standards and training with strict regulation and aggressive marketing in adventure sports. Focused efforts to improve and promote tourist traffic in routes other than the already popular ones such as the Yuksam-Dzongri-Goechela route which currently accounts for over 90% of trekking packages shall be made. Key considerations for this sector are as -

- a. Under adventure tourism trekking, mountaineering, rafting, mountain biking and paragliding are some of the key products that are already being promoted which shall be continued, while various new activities that can be promoted in the future such as zip-lining, skiing, kayaking and river-boarding etc. shall also be looked into.
- b. Survey and revaluation of all existing adventure sports routes and areas and infrastructure thereof as mentioned in point (a) and identification of potential new ones shall be undertaken by the Department in collaboration with experts and experienced agencies.
- c. Preparation of new and updated overall professionally prepared maps and information material for all of Sikkim and detailed maps of individual areas and routes, and making these available for dissemination.
- d. For existing areas, 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 country 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.
- e. For potential new areas development of identified trails for biking, and trekking to meet international standards shall be undertaken.
- f. All adventure related activities shall function only under strict technical guidelines drafted and approved with the help of technical experts of the respective fields. Existing guidelines shall be reviewed for all adventure activities and immediate steps for notifying guidelines for those activities operating without shall be taken

- g. Training and certification of all adventure tourism stakeholders shall be organised with IHCAE and recognized agencies playing a central role. Modalities of certification process shall be worked out in conjunction with trade bodies and institutions.
- h. Encourage locally certified adventure agencies through incentives like training, subsidized equipments and marketing. All treks and expeditions shall be accompanied by certified guides, cooks and porters with a first preference for locals.
- i. An online data base of certified local guides, cooks and porters shall be prepared.
- j. Together with the industry associations, standardization of adventure related packages and rates, elimination of unhealthy competition, review of rates for guides and service providers and group insurance for service providers and tourists shall be undertaken.
- k. Incentives to local entrepreneurs in the form of subsidized equipment, marketing and training facilities, etc. shall be provided in a timely manner.
- l. Facilitate better communication facilities (such as through use of SAT phones / radio-amateur radio (WLL) with dedicated channel and tower) which are a prerequisite for the adventure sector and for ensuring safety/rescue of the tourists in collaboration with concerned departments.
- m. Re-examine the permit regime for mountain peaks and the role of the IMF and the Army in order to streamline clearances, gain clarity of rules and guidelines and the role and rates of Liaison Officers.
- n. Establish a sustainable high altitude, quick response rescue team system in collaboration with the industry, military and paramilitary forces and the STDC.
- o. Engage with the local service providers and experts for a comprehensive strategy to promote the adventure tourism sector at both national and international through holding of biking / trekking / paragliding expeditions, and rallies and participation in national/international tourism fairs and events.

4. Culture based tourism and village homestays

Sikkim with its plethora of ethnic communities has tremendous potential for offering tourists a multidimensional cultural experience. At the heart of the rural experience are the homestays spread across the state which provide a glimpse into the village lifestyle and culture. Ethnic cuisine and food products, organic produce, ethnic songs and dances, traditional dresses, handicrafts, vernacular architecture, festivals, traditional medicines, folktales, are some of the items on offer in the cultural basket. There is a growing concern that rapid development and modernization is slowly eroding these cultural treasures and tourism can play a major role in its conservation. The Tourism Department's project to create over 1500 homestays in villages across the state and the State's organic mission shall support the culture and rural based tourism provided linkages are developed. Following are proposed for developing the culture based tourism-

- a) Identify key areas and products for culture based tourism and identify traditional resource persons for these items and include them in remunerative packages
- b) Document and develop handbooks / brochures/ information material on ethnic foods and cuisine, festivals, traditional medicines, folktales, traditional dresses, handicrafts, etc. in collaboration with universities, colleges and research institutions..
- c) Provide capacity building and training for a wide range of tourism stakeholders (homestay operators/ village guides and cultural interpreters/ cooks /porters/ community based organizations promoting tourism.)using standard training modules. Gender and marginalized sectors need to be targeted and included.
- d) Review the existing Sikkim Homestay Establishment Rules by bringing better clarity and further strengthen it by including criteria for beneficiary selection. Ensure dissemination of schemes and rules through a state wise sensitization programme.
- e) Take measures to conserve vernacular architecture by incorporating traditional designs in all new homestays constructed by the Government. Incentives for conservation of vernacular architecture in the form of maintenance support, architectural advice and tourist visitor fees shall be employed.
- f) Establish strong links with the State's organic mission and explore the potential of utilization of organic produce through hotel industry and specific organic gastronomy tours to villages growing organic produce.

- g) Prepare a calendar of festival events with the listing of key villages and towns where these can be witnessed.
- h) Promote training for production of local handicrafts items providing adequate market linkages. Outlets shall be made in all districts and key tourism centres for sale of these items.

5. Religion based Tourism

Although Sikkim does not fall in the main Buddhist circuit, it still has wide acceptance as a place for understanding Mahayana Buddhism as practiced by the Karmakargyudpa and Nyingmapa sects and owing to the strong association it has with Guru Padmasambhava and Lhatsun Chenpo. The *Nay-Sol*, a religious scripture, details and describes Sikkim as a sacred landscape and is like a travel guide for location of the sacred sites in the state. Buddhism in Sikkim while retaining the basic principles of Mahayana Buddhism has assumed a characteristic distinct from that of Tibet by its amalgamation with the Bon religion practiced by the Lepchas the original inhabitants of Sikkim in the pre-Buddhist period. There are over seventy Buddhist Monasteries and numerous places of hermitage and meditation present in all corners of the state, some dating back nearly 300 years, offering great spiritual pull for visitors. Monasteries such as Tashiding, Pemayangtse and Phedang, Dubdi, Sangacholing, Tholung, Ralang, Rumtek and Phodang see a constant stream of pilgrimage visitors and tourists throughout the year and especially during religious festivals. Sikkim's close association with Bhutan religiously has also drawn many visitors from the neighbouring country for religious purposes. The Namgyal Institute of Tibetology with its storehouse of ancient Buddhist manuscripts and texts and a long history of research in Tibetan Buddhism, serves as an asset for the state, drawing in researchers and scholars from all across the world. Apart from this rich religious heritage the State Government has also developed religious monuments and religious places such as the statue of Gurupadmasambhava in Samdruptse, Tathagatha Tsal, Chaar Dhaam, etc. that are boosting Sikkim's tourism. Sikkim is therefore well positioned to attract pilgrims and tourists with religious interests.

Specific packages can be developed for monastic tours, meditation and Buddhist learning, that connect the various monasteries in the state supported by good and meaningful interpretation by trained guides. Facilities for housing pilgrims during festivals need to be upgraded and linkages established with monasteries and homestays for housing the religious tourist. Interpretation centres supported by competent trained staff should be established in and around the main monasteries.. This should be done in coordination with the relevant departments such as the Ecclesiastical Department and the monastic bodies. Integrating Sikkim's religious tourism circuit with existing Buddhist circuits in the region would also help in promotion of religious tourism. The recently launched Manasarovar pilgrimage

should be leveraged to provide opportunities to local travel agents for conduct of the tours.

6. MICE Tourism

In recent years Sikkim has become an important destination for the holding of Meetings, Incentive Events, Conferences and Exhibitions. Many hotels have upgraded or planned their infrastructure to include proper conference hall venues with the necessary equipments to cater to the demand for this fast growing form of tourism. Sikkim's peaceful atmosphere, salubrious climate and numerous cultural and natural attractions forms the perfect combination for institutions and companies to hold their MICE events in the state. MICE tourism also offers an excellent product to tide over the seasonality of tourism. It can also be linked with other tourism products on offer as part of the pre-/post leisure activity for such packages. Current capacity for hosting MICE events is very limited, with very few venues big enough to hold large events – indeed some of these belong to the Government. Quality of the infrastructure and supporting equipment generally needs improvement. Current customers comprise mainly the Government, local companies and institutions, though the number of companies and organizations from outside holding events in Sikkim is slowly growing. There is a strong need to build more high quality and larger MICE infrastructure.

The Department shall look into ways and means of supporting development of MICE infrastructure and also to promote Sikkim as a prominent MICE destination. As recommended by the National Tourism Policy 2015(draft), a state level MICE Promotion Bureau shall be established to work in tandem with the proposed National MICE Promotion bureau to promote MICE activity throughout the year in the state.

7. Health and wellness

With increasing consumer demand for wellness services and products, the global wellness market is now estimated to be around US\$3.4 trillion (*The 2014 Global Spa & Wellness Economy Monitor*). While a large section of visitors specifically travel for seeking wellness experiences to maintain their health, there are growing numbers of tourists who want to keep up with their healthy habits when they travel for business or pleasure.

Sikkim's cool climate and unpolluted environment makes it ideal as a retreat for those seeking recuperation and well being. Moreover, there are rich traditions in the landscape that make use of the vast treasures of medicinal plants and healing herbs that are available. An important part in the wellness sector Sikkim is on spiritual healing and Sikkim also has a lot to offer in this through various meditation techniques and courses. Also a number of spas have already been established and initial capacity building exercises for this sector conducted through various agencies.

The draft National Tourism Policy stresses on the promotion of this sector by creating a talent pool of practitioners and standardization of products, processes and infrastructure while also reaching into the indigenous health care systems. A similar strategy can be adopted that looks into capacity building of locals, documentation of traditional healing and health rejuvenating practices and adequate of the marketing of the product.

8. Casinos and gaming

There is an increasing number of visitors coming into the state as the market for casinos is steadily on the rise. This will further be enhanced by the recent establishment of the gaming sector. These visitors can be tapped effectively as potential tourists for other sites of interest and tourism products within the state by adequate and focused marketing strategies.

Objective 7: Marketing and publicity

Lonely Planet's recognition for Sikkim as the top region to visit in the year 2014 was helpful in catapulting the state into the international scene. The opening of Mansarovar Yatra through the Nathula Pass in East Sikkim has also expanded possibilities for attracting more tourists. However, marketing and publicity efforts of Sikkim both at national and international levels have been minimal. On this front, the private sector has taken a lead role to promote Sikkim as a tourist destination. Therefore for marketing and promotion of Sikkim, the key objectives shall be based around the following:

- a) Create a marketing cell within the Tourism Department with the sole responsibility of working towards promotion of Sikkim tourism.
- b) Diversify and market tourism products to attract high value tourists through adventure tourism, rural tourism, wildlife and birding, religious tourism that focus on enhancing visitor experience.
- c) Garner adequate and sustained funding for marketing and promotion of Sikkim both through Government sources and participation of the private sector, and create brand equity for Sikkim tourism in consonance with the vision of this policy. A professionally designed and sustained long term campaign supported by adequate high quality publicity materials and a wide media presence shall be created.
- d) Create a strong online presence for Sikkim Tourism through websites, mobile applications and social media with well researched and up to date information.

- e) Create portals for booking of hotels and transport services with facilities for online payment.
- f) Enhance participation in National and international Travel and Tourism trade marts with a clear strategy and planning.
- g) In alignment with the national policy of SWADESH Darshan, develop opportunities for local people of Sikkim to travel to rural areas of the state.

Objective 8: Enabling Environment

For the tourism sector to establish itself as a main driver of the State's economy, the sector has to maximize local employment through diversification of products, and create an enabling environment for local tourism stakeholders and for benefits from the industry to remain within the state. Currently with a tourism curve that has shown an increasing trend, there are more youth from the state showing willingness to work in this sector. Various schemes of the State Government have also motivated local youth towards tourism as an income generating activity. The construction of homestay scheme, the luxury vehicle provision for unemployed youth, and the Chief Minister's Self Employment Scheme along with Livelihood Schools that provide courses on tourism etc. have provided support to some extent to make tourism a viable economic activity. The key challenge in the State has been due to the hospitality sector being largely run by outside parties, which means that properties are leased out to outstation providers. For tourism stakeholders, the tedious permit regime of the State has also been a major impediment to easy and smooth travel of tourists within the state. For creating an enabling environment, the following is proposed:

- a) Institutional financing on soft terms for encouraging local entrepreneurs to take part in tourism ventures.
- b) Maximize benefits for local entrepreneurs through provision of incentives for self - run hotels and restaurants, as well as hotels that employ locals in the form of marketing support, recognition through awards for these establishments by the Tourism Department and by making Centrally Sponsored Schemes for marketing available for local entrepreneurs only.
- c) Introduce single window systems for streamlining and simplifying processes of obtaining or renewing licenses related to the tourism sector.
- d) Simplify and streamline the process of permits for hassle-free experience for visitors entering restricted areas and protected areas, with efforts to increase awareness about Sikkim's regulations and requirements. Liaison with the Central Government to free up more areas from the permit regime.

- e) Encourage Public Private Partnerships for tourism ventures through a transparent regulatory framework to ensure sustainability.

Objective 9: Planning and Policy implementation

For implementation of the policy through key actionable strategies, the process of planning will be critical. The planning process needs to be coordinated with other policy areas and also flexibly capitalize on market trends and respond to market changes. One serious lacuna for the planning process is however the lack of adequate data and research. There is little reliable, verifiable, up-to-date data on basic tourism variables like hotel rooms and bed capacity, tourist arrival figures, etc. Analysis to determine changes in tourist inflow trends and preferences, feedback mechanisms from tourists and feedback from different tourism service providers from all across the state needs to be continually incorporated into the planning machinery

For implementation of this policy, the following steps are recommended -

- a) Organise meetings and consultations within the Tourism Department and with other tourism stakeholders to sensitise them about the Tourism Policy, its goals and objectives.
- b) Constitute the recommended committees; create separate divisions within the Tourism Department as outlined by the policy and any other sub - committees as deemed necessary for meeting the various objectives.
- c) Strengthen the Statistics and Marketing Research Section of the Department to play a critical role in planning by providing consistent, credible, relevant and up-to-date tourism statistics and information. A web-based system of data collection from tourists and service providers can improve the speed and reliability of data generated.
- d) Prepare action plans looking at short, medium and long term goals through a series of workshops organised within the Tourism Department and with other tourism stakeholders for the relevant sectors such as capacity building, standards and certification, marketing and promotion, product development, etc. These action plans shall –
 - Review the previous master plans to incorporate any relevant and useful aspects
 - Collaborate with local universities and institutions/NGOs, to aid the department in various aspects of socio- cultural research pertaining to tourism

- Incorporate detailed budgeting and dovetail Centrally Sponsored Schemes and the Departmental Annual Plan for providing the necessary funding support.
- e) Undertake continuous monitoring and evaluation on the implementation of the plan for taking corrective measures wherever necessary.

5. INTER SECTORAL COORDINATION AND CONVERGENCE

The Tourism industry is a multidisciplinary sector relying on a large number of stakeholders with each having a significant role to play. The implementation of the Tourism Policy shall require many action points that will go beyond the jurisdiction and functioning of the Tourism Department. Addressing issues of core infrastructure such as roads, water supply, electricity, telecommunications are of utmost significance for ensuring quality services to visitors. Moreover a large part of tourism occurs within areas that are under the jurisdiction of the Forests, Environment and Wildlife Management Department, which also needs due consideration. The Police Department and the Transport Sector also are key stakeholders as the State has strict permit regimes that need to be adhered to. Coordination and convergence with these allied departments and sectors shall therefore be critical for the policy to be implemented in true spirit. Following are the measures recommended -

- a) In alignment with the draft National Tourism Policy (2015), constitute an Inter Department Coordination Committee (IDCC) to address issues of convergence and synergy.
- b) Develop strategies in collaboration with the line departments for providing special attention to popular tourist circuits and destinations in terms of core infrastructure support from the allied sectors.
- c) Seek convergence for all tourism development within forest limits and protected areas with the Forest, Environment and Wildlife Management Department in consonance with the Sikkim Ecotourism Policy, 2011.
- d) Coordinate with the Police Department on addressing issues of permits, facilitating the processes related to the permit regime and to obtain information on tourist arrivals.

- e) Coordination with Army for support in relief and rescue and facilitating access to restricted areas for tourists.
- f) Linking of the tourism sector to the organic mission of the State Government shall lead to benefits for both sectors. These linkages can be brought about by facilitating a steady market supply for the organic produce to the hotel and restaurant industry, as well as in homestays.
- g) For promotion of religious tourism seek coordination with the Ecclesiastical Department in developing monastic tours, and interpretation of the religious history of the state.
- h) Create special opportunities for the tourism industry to adopt sustainable and renewable energy options through centrally sponsored schemes and subsidies that are available from relevant departments.

Acknowledgement

WWF – India and ECOSS would like to acknowledge the support of the following in the preparation of this document. Shri Ugen T Gyatso, Hon'ble. Minister for Tourism & Civil Aviation Department, Commerce & Industries Department and Shri P.D. Rai Hon'ble. Member of Parliament Lok Sabha Sikkim for seeding the idea of having a Tourism Policy for the state at the initial stakeholder consultation last year. Shri C. Zangpo, Secretary Tourism & Civil Aviation Department has been the backbone of this endeavour with his keen insights that has helped us all through the process of development of this document. Shri Jigme D Bhutia, Additional Secretary, Tourism & Civil Aviation Department has given his constant support and guidance during the whole process and his sincere interest in getting this policy ready within the given timeframe. We are grateful to the entire officials of the Tourism Department for the great support provided during the various stakeholder consultations, and during the various brainstorming sessions organized in the department.

We sincerely thank Dr. Thomas Chandy (IFS) PCCF cum Secretary, Forest, Environment and Wildlife Management Department for providing his inputs on the Sikkim Ecotourism Policy and its many objectives. Mr Tashi Densapa, Director Namgyal Institute of Tibetology, was of immense help for the background he provided on the earlier Tourism Master Plan. The information provided by Ms. Binita Rai, CEO Sikkim Tourism Development Corporation on the functioning and challenges of STDC were highly insightful. The team has been supported by Ms. Suchismita Das, Research Scholar, University of Chicago who has been with us since the first stakeholder consultation, and we sincerely acknowledge her help.

This policy mainly draws its inspiration and a large part of its content from the many stakeholder consultations organised with the various sectors of the tourism industry. We cannot do without thanking the members of TAAS, SAATO, SUTO, SHRA, SAMA, Luxury Vehicle Association, the various taxi driver associations, individual homestay owners and adventure tour operators, Check Post representatives. Their years of experience of working in the tourism trade sector and their commitment to raise the standards and quality of tourism in Sikkim greatly motivated the team involved in writing this policy. Lastly, we thank the Tourism Department for entrusting us with the task of developing the policy and spearheading the process.

WWF – India and ECOSS Team