

SCCI

THE REGIONAL BUSINESS
ORGANIZATION OF SOUTH ASIA

OPPORTUNITIES AND RESTRAINTS

for

TOURISM DEVELOPMENT IN SOUTH ASIA



South Asian Association for Regional Cooperation



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ABSTRACT

SAARC is home to exotic valuable tourist resources and attractions, which could be truly utilized as an impetus for reducing widespread poverty, could spur economic growth and has the potential to uplift one of the poorest communities of the world. SAARC countries have not yet exploited its enormous potential of intra-regional and international tourism to generate employment, reduce the prevalence of widespread dejected poverty, enhance the economic well-being and cater to peace and stability in the region.

Tourism being non-sensitive in nature, have spill over effects on the dynamics of cooperation at regional, national and international level. With low political sensitivity, tourism could have multi-fold technical, cultural and economic repercussions. Tourism however in the South Asian region has been highly vulnerable to political rifts, financial instability, law and other situations, and other external shocks.

Despite that, the region has very vast potential to cater as market for both intra-and inter-regional tourism, tourism in the region has not flourished as of yet. SAARC having the most geographic intensity, unique identity and exotic cultures and values, with shared physical connectivity built centuries ago and with diverse landforms and topography, art and culture, diversity of religion and linguistics has the potential to be one of the thriving and demanded tourist destination across the world.

The regional stakeholders of SAARC, the governments of member countries and the private sector actors needs to work together to create effective demand of international and regional tourists, to foster a conducive environment and to cater and tap international and regional tourist arrivals and to counter the negative narrative or perception of the insecure, chaotic and disorganized region.

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1. INTRODUCTION

Tourism is a diverse and unique industry, that has the potential to three priority goals of reducing unemployment by generating employment, income generation and foreign exchange earnings for developing countries. The tourism industry could be vital in economic development as it has a multifaceted and multiplied impacts on the other production sectors towards achieving economic growth. Tourism has a total contribution of 10.3% to the global GDP by supporting 330 million jobs around the globe. The direct contribution of tourism to the global GDP in 2019 was 3.5%, and every 4th new job created in the last five years was related to tourism and travel.

South Asia is home to exotic valuable tourist resources and attractions, which could be truly utilized as an important vehicle for reducing widespread poverty, could spur economic growth and is a promising impetus for the development of one of the poorest communities of the world. The diverse topography, geography, history and culture, a variety of climatic conditions, natural resources and scenic beauty of the region make it home to unique tourist destinations across the globe.

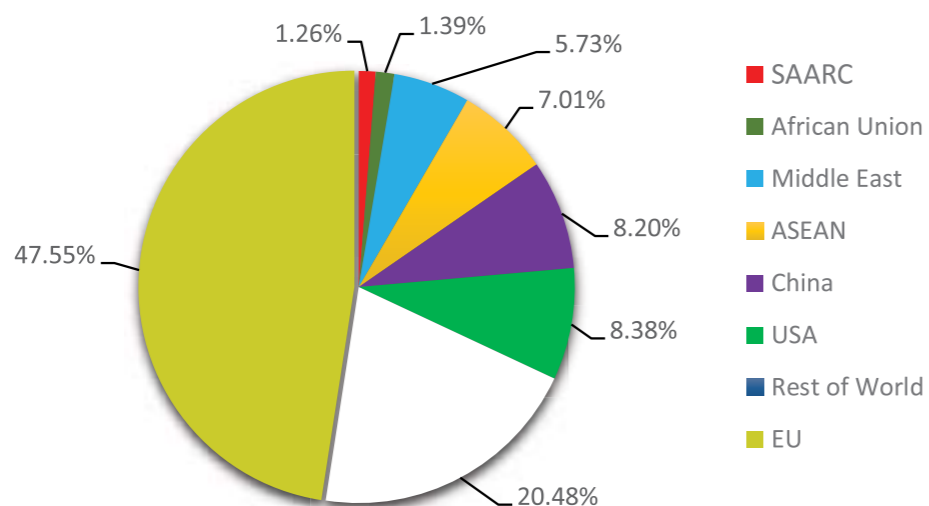
The region is the land of the top two highest mountain peaks of the world Mount Everest and K-2, the mountain ranges of the great Himalayas, the Hindu Kush and the Karakorum. The names and nomenclature, art and artifacts, architectures, archaeology, cultures and traditions associated with different religions make the region hotspot for religious tourism. The centuries old civilizations, vast array of geographic features, striking beaches, lush green valleys, exquisite mountain ranges, splendid archaeological and religious monuments and above all open hearted and hospitable inhabitants makes South Asia a very attractive destination for intra-regional and international tourists. Moreover, the rudiments of historical civilizations and several ancient holy places and shrines associated with Buddhism, Sikhism, Hinduism, Islam and other religions are major attractions for religious tourists across the world.

Even so the South Asian countries are located close together and share the cultural and religious resources of interest to the tourists, and share common socio-economic and physical characteristics, the SAARC countries have not yet exploited a bit of enormous potential of intra-regional and international tourism to generate employment, reduce prevalence of widespread dejected poverty, enhance economic well-being and cater peace and stability in the region, by promoting international tourism and especially intra-regional tourism to bring the people of the region closer and promote harmony among the SAARC nations.

International tourist arrivals to the South Asian region in 2019 were 27 million with an average growth rate of 8% per annum which is relatively higher than the other regions, however the market

share of South Asian in international tourist arrivals is 1.38%. Despite that the region has such a great potential of tourism, South Asian share of international tourist arrivals is very low as compared to other regions, out of 1.8 billion international tourist arrivals globally in 2019, international tourist arrivals in South Asia were mere 25 million, 1.25% of total international tourist arrivals.

Fig 1.1 Number of International Tourist Arrivals



South Asia can emerge as one of the most attractive tourist destinations due to its natural and cultural diversity and price competitiveness (Sinha & Sharma, 2020). With one of high spending per traveller economies like Bhutan, Maldives, Nepal and Sri Lanka, South Asia is one of most important strengths for the region to thrive as tourist hub, however, the regions actual tourism industry remains abysmally low. With a quite remarkable range of tourist attractions and destinations, with very high market potential South Asia has yet to develop and show on the list of top destinations for Chinese, ASEAN, European and US markets. Tourist and hospitality skill, especially that of small or medium sized service providers is limited. Market relevant tourist information and interpretation don't exist in the region. Major heritage sites and monuments are in poor state of conservation.

As compared to the other bordering regions, facilities at the borders, especially to the tourists are inadequate, cumbersome and hostile. South Asia is considered as one of most difficult regions on terms of access safety and security (Pandey, 2016). Connectivity is one of major issues in terms of road, rail and air connectivity of the region is poor due to lack of adequate infrastructure, and due to strict visa regimes. Lack of people to people connectivity hinders growth of both intra-regional tourism and development of SAARC as a common brand of tourism.

Tourism in the region is also concentrated in major tourist destinations, mostly in or around urban and developed segments and poorer and remote communities are excluded to benefit from tourism. Every country in the region has its own target niche market and no initiative has been taken to harness regional complementarities even with having huge potential and interdependence for market exploration and for product diversification.(Pandey, 2016).

The economic potential of tourism in the South Asian region has yet to be unleashed, however despite several impediments, contribution of tourism sector in economies of member countries of SAARC is significant as compared to the efforts and initiatives of governments and other stakeholders. Table 1.1 illustrates the economic contribution of travel and tourism sector in South Asian economies for 2019. Travel and tourism sectors contribution to GDP for Maldives was USD 3.06 billion in 2019 that was around 52% of the GDP of Maldives. Sri Lankan travel and tourism sector contribute USD 8.96 billion, 10.4% of the total GDP. Whereas share of tourism sector for Bangladesh was USD 9.42 billion, India was USD 191.3 billion, for Nepal USD 2.09 billion, and for Pakistan USD 15.07 billion that is 1.86%, 6.9%,6.7% and 5.7% respectively.

Table 1.1 Economic Contribution of Travel and Tourism in South Asian Economies for 2019

Country	GDP		Employment		International Visitor Impact	
	USD Billion	% of GDP	Million Jobs	% of Total Employment	Visitor Spending Billion USD	% of Total Exports
Bangladesh	9.42	2.7	1.86	2.9	0.35	0.8
India	191.30	6.9	40.11	8.8	30.80	5.8
Maldives	3.06	52.6	0.15	53.5	3.19	83.5
Nepal	2.09	6.7	1.04	6.9	0.81	30.1
Pakistan	15.07	5.7	3.45	5.5	0.95	3.6
Sri Lanka	8.96	10.4	0.89	10.9	4.76	24

Source: World Travel and Tourism 2021

The travel and tourism sector is one of major job creating industries across the world, one in every tenth job in the global labour market is pertinent to travel and tourism industry. Travel and tourism and allied sectors in South Asian region provided nearly 50 million jobs in 2019. In Maldives half of the labour force is employed in travel and tourism sector, followed by Sri Lanka where labour force engaged in travel and tourism sector was 10.9%. In India 40.11 million jobs were created by tourism and travel sector followed by Nepal with 1.04 million jobs, and Pakistan with 5.5 million jobs in 2019. India receives more than USD 30 billion as international visitor spending impact, that is more than 5.5% of its total exports, followed by Sri Lanka with USD 4.76 billion, Maldives with USD 3.19 which is more than 83% of its total exports.

This study is an attempt to evaluate intra and inter regional tourism cooperation potential in the region, and to highlight the constraints and impediments in the growth of regional tourism in South Asia along with evaluating the tailbacks in the policies, institutional arrangements, loops in policy implementations and to provide a way forward for better policy implementation, for a vibrant and robust tourism industry across the region, and highlighting opportunities and low lying fruits for regional cooperation for tourism in the region.

2. REGIONAL TOURISM INITIATIVES IN SOUTH ASIA

Tourism has been one of the key objectives of the formation of SAARC. Realizing the potential of tourism in economic development, the SAARC nations developed cooperation in the area of tourism in late 1980s. In 1986 the SAARC nations agreed to adopt a travel voucher scheme to promote intra-regional SAARC tourism. An Integrated Programme of Action was adopted by the SAARC nations in 1990s for promotion of cooperation in the tourism and transport sectors. A tourism committee was setup in 1991 to promote tourism in the region to cooperate on training programmes, information exchange, marketing, investment and intra-regional tourism, among other things. Subsequently, the SAARC Tourism Council was formed to give impetus to tourism activities. In 1999, SAARC entrusted the task of promoting tourism to “the Tourism Council of Chamber of Commerce and Industry but sooner it realized the importance of the subject and decided to complement SCCI activities in a public – private partnership.

The SAARC Tourism Council agreed to develop joint promotional material, better use of websites and other means to promote the region focusing on sustainable eco-tourism, human resource development, networking with other international tourism organizations and greater participation by the private sector in July 2004. These efforts culminated in the 12th SAARC Summit held in Islamabad in 2005 during which 2005 was declared ‘South Asia Tourism Year’.

The second SAARC Tourism Ministers meeting, held in Bangladesh in 2006, agreed to a comprehensive action programme for the promotion of tourism. This programme, among other things, included the simplification of visa procedures, direct air links between the capitals of SAARC member countries, human resource development, the promotion of a South Asian ‘identity’, promotion of the role of the private sector, promotion of cultural and eco-tourism, networking with international tourism organizations and the implementation of the SAARC Action Plan.

However, despite efforts made by the SAARC and other several organizations, tourism has yet not flourished as expected in the South Asian Region. The region receives a very minute share of the international tourism market. The South Asian nations attracted only 8 million international tourists

in 2005, 12 million in 2010, 17.1 million in 2014 and 24 million in 2019, whereas the neighboring regions like ASEAN region receives ten times more tourists than South Asia. The international tourist arrivals in ASEAN countries in 2005 were 49 million, 70 million in 2010, 96 million in 2014 and 138 million in 2019.

With the low influx of tourists in the region, the income receipts from international tourism are also low in South Asian region. The market shares of South Asia in the tourism sector have always been dismally low. South Asia has captured only 7% of the market share of the Asian Tourism Sector, whereas the ASEAN region and the North East Asia has capture 25% and 50% of the total market share of Asia-Pacific, moreover the total market share of South Asia is less than that of Thailand which is 7.5%.

Tourism, with its robust contribution in economic growth and job creation across the world, has become even more crucial for South Asian countries to promote policies that not only foster



Picture Courtesy by (Jordi Castellsague) Harmandir Sahib, Golden Temple Amritsar, Punjab India.

tourism growth but more proactively contribute toward travel facilitation and human resource development. SAARC has yet to expand its tourism base and the current share of arrivals of international tourist visiting the South Asian region is rather very insignificant with much less share of per capita tourist receipts.

For South Asian countries a viable and promising approach is to present and basing its unique and variegated natural, cultural and historical tourist attractions. ASEAN member countries are well developed in tourism, and have joined hands to developed it mutually through a regional



Picture Courtesy by (Nasim Dadfar, Unsplash) Band-e Amir, Bamyan Afghanistan.

common marketing and promotional approaches, SAARC nations however has far remain isolated in this respect. None of the Tourism Policies of South Asian member countries consist any notion of regional collaboration for tourism development or promotion.

A former region of the Persian Empire and important stop along the silk roads, here are caravanserais, ancient bazaars, citadels and forts, palaces, royal gardens and obviously a stunning mountainous landscape. With history of more than six thousand years, Afghanistan offers many historical sights and attraction. More than two thousand year old famous Buddha statues of Bamiyan, Tomb of Hazrat Ali (AS) in Mazar e Sharif, Balkh the mother city of all cities and lakes of Band-e-Amir are major tourist attractions. The beautiful landscape, with green deserts, mountains, forests, natural lakes, variety of wild animals and above all the pleasant weather, has made the hilly Badakhshan province an ideal place for visitors.

Bangladesh has potential to attract international, regional and domestic tourist for riverine tourism in Sunderbans forest area the largest mangrove forests on earth. Lakes in Rangamati, beaches and resorts of Cox's Bazar and centuries old Buddhist and Islamic archeological monuments offers a vast potential of attracting international spiritual tourists. However, tourism in Bangladesh could not flourish due to very low priorities in the national development plans.

Bhutan with its mountain scenic beauty, very rich and strong Buddhist cultural traditions and century's old monasteries with enchanting architectural styles and life patterns has enormous potential to attract international tourists. However, on principles of conservation of both culture and environment Bhutan allows very limited tourists with serious restrictions imposed on tourists from neighboring countries.

With very robust and comprehensive tourism policies and approaches India has successfully developed and marketed its tourist attraction, especially beach resorts and southern culture and the northern areas of India for mountain tourism along with beach tourism, mountain trekking, wildlife tourism, winter sports, conference and convention and incentive market tourism.

Maldives, also known as the tropical heaven of immaculate beaches, has tourism as the largest economic industry in Maldives. Major attractions for tourists in Maldives include attractive small islands, beaches and marine environment and diversified products that revolves around ocean and beaches with very vigilant restriction over over-development or deterioration of the marine environment.

Nepal has a very well established tourism sector with diversified tourist attractions in Kathmandu, Pokhara and Lumbini. With expansion and diversification of new tourist destinations Nepal has successfully amplified its tourist base. Pakistan possess much more potential for product diversification and development, for any genre of tourism. Centuries old urban cities and civilizations, beaches, historical well persevered religious sites of Hinduism, Sikhism and Buddhism. Scenic mountains of north Pakistan are very famous and potent tourist destination for adventure tours.

Sri Lanka's tourism is primarily based on eco-cultural and combination of beach attractions. Though well developed, however tourist attraction in Sri Lanka has potential to develop new marine and beach attraction, and promote cultural and historical sites. (Raquib, n.d.)



Picture Courtesy by (Sujan Sincere ,Pixabay) Fort Aurangabad Bangladesh.

3. REGIONAL TOURISM INITIATIVES IN SOUTH EAST ASIA

ASEAN was established in 1967 with an aim to maintain political stability and peace in the region. Economic cooperation and formation of an economic bloc were formed in 1990's by the member countries of their own accord. Tourism was one of the specific areas of cooperation within the ASEAN since its inception. Early intervention in the ASEAN regional tourism cooperation include formation ASEAN Tourist Forum in 1981, establishment of Tourist information center in 1988 and Visit ASEAN Campaign in 1991. In 2002 ASEAN member countries signed ASEAN Tourism Agreement with seven core objectives that remains the blueprint for cooperation in Regional Tourism promotion.

The objectives of ASEAN Tourism Agreement included cooperation in facilitating into and within ASEAN, cooperation in tourism industry among ASEAN member states to enhance efficiency and competitiveness, to reduce restriction to trade in tourism and travel services among ASEAN member states, establishing an integrated network of tourism and travel services to maximize complementary nature of tourist attractions across the region, to promote ASEAN as a single tourist destination, human resource development and engagement of public and private sector for promotion of intra and inter regional tourism development (Wong et al., 2010).

The ASEAN Tourism Agreement has three broad and extensive components in its objectives first is to strengthen unity and identity of ASEAN as single tourist destination maintaining its significance internationally and to compete with other regions, second is to liberalize flow of capital and easing out flow of people across the borders, and the third is to enhance the competitiveness of tourism industry across the region. Road Map for Integration of Tourism Sector by the ASEAN Economic Ministers was drawn on 2004, and it serves the action plan to implement the ASEAN Tourism Agreement.

Since the signing of the ASEAN Tourism Agreement and adoption of the Road Map for Integration of Tourism, the volume of international tourist arrival in the region have increased tremendously. Average growth rate of international tourist arrivals in ASEAN after adoption of this road map since 2004, has been 8.93% in 2019, which was mere 3.36% earlier, in 2004.

4. ISSUES IN SOUTH ASIA'S TOURISM DEVELOPMENT

ourism being non-sensitive in nature, have spillover effects on the dynamics of cooperation at regional, national and international level. With low political sensitivity, tourism could have multifold technical, cultural and economic repercussions. Stakeholders may steer the nature and scope of the spill over impacts of tourism. It could contribute to the cooperation and integration by

spreading out to other relevant sector of transportation, hoteling, catering and arts and handicrafts production. Tourism has the potential to foster and nurture cooperative relationships and to give birth to win-win partnerships among the regional stakeholder. (Collins, 2011)

Tourism however in the South Asian region has been highly vulnerable to the political rifts, financial instability, law and other situations, and other external shocks of natural disasters etc. Despite that

the region has very vast potential catering as market for both intra-and inter-regional tourism, tourism in the regional has not flourished as of yet. The region receives very small number of international tourist arrival, with very low per capita receipts, hence contribution of tourism to the regional GDP is minimal as compared to the world average.

This section evaluates major constraint of the tourism development in the region and will relate as how these factors are hampering the influx of regional as well as international tourist arrivals in the region, despite enormous potential.



Picture Courtesy by (Setu Chhaya, Pexels) A Buddhist Monastery With Red Lights in Thimphu, Bhutan.

4.1 Scarcity of Credible Tourist Information

Tourist information have direct impact on promotion of local, national and regional tourism products and services and caters the needs and interests of travelling. Higher the level of credible and ample tourist information higher shall be destination attachment and willingness to travel. Unfortunately in case of South Asia no reliable source of information is available to keep the tourist aware of regional security situation, currencies and tourist permits application, visa requirements and procedures at the borders (Rasul & Manandhar, 2009).

Due to lack of political stability and law and order situations across the region travel and tourist policies, procedures and provisions keeps on altering, and no credible source at regional level is available to relay these information. Information deficit has contributed to the negative image of the region across the world. Therefore, it is vital to develop a designated system of tourist information including country information, pre-trip information and post trip information. "Destination SAARC" is an effort by SCCI, a regional network of apex chambers to provide credible information about tourist destination in the South Asian region collectively.

4.2 Lack of Intra-Regional Tourism

In 2019 more than 40 million tourist travelled within ASEAN more than 30% of the total tourist arrivals in the region(GlobalData, 2021). Intra-regional tourist arrivals in the region were mere



Tourist information Board at Muktinath Temple Nepal.

22% of the total tourist arrivals in the SAARC region for the year 2018. Bhutan and Bangladesh receive very high percentage of tourist arrival from the region, whereas Pakistan receives mere 7% of its total international tourist arrivals from the region. However, the volume of total international tourist arrivals in the Bangladesh and Bhutan is minimal with 77 thousand and twenty four hundred thousand only.

4.1 Intra-Regional Tourist Arrivals for the SAARC Region as % of total International Tourist Arrivals

Country	%age of Intra-Regional Tourist arrival in total International Tourists Arrivals
Bhutan	77.7%
Bangladesh	64.8%
India	24.5%
Maldives	11.2%
Nepal	28.1%
Pakistan	7.0%
Sri Lanka	24.1%

Tourist keen travel to low cost destinations closer to their home within the region are not able to do so and the intra-regional tourism could not flourish to due to prevalence of high intensity of barriers to travel that includes cumbersome travel procedures, strict visa regimes and nonexistence of travelling facilities.

4.3 Visa's And Cumbersome Traveling Procedures

Cross border travel in the region is rather burdensome with a number of formalities, stringent visa regimes and needless compulsion of permits for tourist activities in the certain areas for both international and regional tourists. Restrictive and complicated in nature, these travel procedures constrains arrival of regional and international tourists. Welcoming countries rank of the SAARC member show that except Maldives, Nepal and Sri Lanka, the SAARC countries doesn't accept many passports visa free, visa on arrival or with eTA.



Picture Courtesy by (Ajay Kumar from www.walkwithajay.com) Dedicated Immigration Desk for SAARC Countries at Paro International Airport Bhutan.

4.2 Welcoming Countries Rank 2021 - SAARC

Country	Global Rank	Passports Accepted Visa Free on arrival visa or with eTA.
Maldives	1	198
Nepal	9	185
Sri Lanka	10	179
Pakistan	59	50
Bangladesh	72	23
Bhutan	86	3
India	87	2
Afghanistan	89	0

While European Schengen Visa and ASEAN Visa enables eligible travelers to enter all Europe and ASEAN countries using a single vise, restrictive visa regimes in the South Asian countries are impeding both people to people connectivity and regional tourism in South Asia. Moreover, visa processing systems in the region and granting city restricted visas with police reporting are highly tourist unfriendly. Visa rejection incidences for neighboring regional nation has been reported to

be more than 50% in some incidences (Saha, 2021). Moreover, the problem is further compounded by inadequate information on visa, permit application and lack of information centers to gather information.

Flexible visa regimes are the most important requirement for tourism and connectivity. Some of the member countries of SAARC have visa on arrival and gratis visas with low restrictions; however, visa requirements for tourism, medical, business and employment are cumbersome and highly regulated. Often multiple-entry visas are not provided and in the case of India-Pakistan visa holders are bound for "police reporting". Moreover, for Pakistan and India no consular facilities exist in mega cities of each other and visa applicants have to travel long distances to Islamabad and Delhi to apply for a visa.

There is a need to simplify the visa procedures for tourists, medical and religious tourists and for business persons etc. Approvals and processes of visa applications are cumbersome and it takes months for processing the visas and approval or refusal. Constraints pertinent to the visas are not only hampering the mobility of people but are also restraining the development of an intra-regional tourism market in the region.

4.4 Poor Connectivity Infrastructure

Better connectivity plays a vital role in connecting tourist destinations and spurring domestic, regional and international tourist arrivals. Connectivity is the most sought-after feature of a travel destination by the tourists (Rakib & Hassan, 2020). Travel and transit facilities via air, rail and road in the region are very poor, making tourist destinations not accessible and doesn't cater to the demand of regional and international tourist arrivals. Surface movement across the region is hindered by the non-existence of plausible road and railway tracks and is further compounded by restraining cross-border movement of vehicles. Even though SAARC countries enjoy intense geographical proximity, that enhances physical connectivity, the South Asian region lacks adequate physical links between the member countries and travel and trade thus have become an arduous and expensive activity. Despite the fact that regional member countries have existing rail and road networks from the British colonial era, physical connectivity yet remains a big obstacle for SAARC countries.

Railways and roads are the major ways of physical connectivity in South Asia, especially between India-Nepal, India-Bangladesh, India-Bhutan and Pakistan-Afghanistan and Bhutan-Bangladesh. However, physical links are not used optimally, and the roads and rail networks in the region are not used for passengers between Pakistan-Afghanistan, India-Pakistan and India-Bangladesh.

Although air connectivity has witnessed considerable improvement in the last three decades and even smaller and remote parts of the world are linked to the developed mega cities, air connectivity in the South Asian region remains very low or non-existent, particularly between Bangladesh-Pakistan, India-Pakistan and Nepal etc.

4.3 Travel & Tourism Competitiveness Index of Transport

Country	Ground Transport Infrastructure		Air Transport Infrastructure	
	2017	2019	2017	2019
Bangladesh	69	60	113	120
India	39	28	32	33
Nepal	122	131	105	93
Pakistan	68	73	99	96
Sri Lanka	42	52	68	69

Source: (World, 2019)

The South Asian countries rank poorly in the Travel and Tourism Competitiveness Index. Nepal had the worst among SAARC countries, ranking 122nd out of 140 countries for the ground transport infrastructure in 2017, which has further deteriorated to 131 in 2019. Bangladesh, Nepal and Pakistan's ranking for the air transport infrastructure is very poor as compared to the neighboring ASEAN region.



Tourist vehicles crossing Banglabandha-Phulbari Border Crossing Point between Bangladesh and India.

Despite the fact that all of the SAARC countries pursue an open sky policy conferring right to fly to all airlines however most airlines in the region does not have even the code sharing facility, discouraging travel through regional airlines and opting longer routes with costly international airlines. None of the national flag carriers of the SAARC countries or any private airline from the SAARC regional has its operations in the region. Passengers from Pakistan cannot reach Nepal or Bhutan in 24 hrs and Afghan passengers can't reach Bhutan, Maldives or Nepal in a day. Moreover, ill managed travelling schedules and conditions, and price sensitivity of air travel across the region discourages tourist to opt for their favorite tourist destination by air.

4.5 Tourism Facilities, Services and Ambiance

Leisure activities like casinos, spas and night clubs and services like hotels and restaurants in the region are inadequate to attract international and regional tourist. Leisure activities in the SAARC countries are almost of the same nature and there needs diversified product/destination to attract regional tourist. Hotel rate in the region are too costly as compare to ASEAN.

There is no or very less public sector investment to enhance existing cultural/leisure capital and the tourist facilities and management in the SAARC region as whole remains in sorry status as compared to other regions like ASEAN.

4.3 Travel & Tourism Competitiveness Index of SAARC Countries for Selected Pillars

Country	Overall Ranking		Policy, Rules and Regulations		Safety and Security		Tourism Infrastructure		Price Competitiveness		Cultural Resources		Health and Hygiene	
	2008	2019	2008	2019	2008	2019	2008	2019	2008	2019	2008	2019	2017	2019
Bangladesh	127	120	114	123	129	105	122	133	10	85	100	75	107	103
India	65	34	102	69	108	122	80	109	20	13	13	8	104	105
Nepal	116	102	123	87	124	91	126	126	5	15	35	102	85	106
Pakistan	111	121	71	122	126	134	101	112	38	37	72	56	101	101
Sri Lanka	73	77	53	84	104	78	111	92	26	74	49	66	71	72

SAARC member countries rank very low for tourist infrastructure especially tourist services, safety and health and hygiene. South Asia has improved a lot as compared to 2008 or 2017, however the overall ranking, despite better price competitiveness and cultural resources has not improved and serious hurdles remain in South Asian countries for potential visitors.

5. INTEGRATED TOURISM DEVELOPMENT IN SOUTH ASIA

Leveraging the intense proximity and existing physical infrastructure, South Asia could commendably enhance its intra-regional tourist arrivals. Intra-regional tourism development is precursor to promote international tourist arrivals (Alwis, 2010) with enhanced tourism services infrastructure, better management and marketing of diversified and complimentary tourist destinations. However, that entails to develop its existing physical and cultural infrastructure and institutions to not only correct some inherent issues in tourism sector but to develop new tourist destinations and increase the demand for intra-regional tourism.

With identical tourist destinations, the South Asian countries concentrate to attract visitors from the same markets, and thus the member countries compete with each other. There is ample scope to enhance intra-regional tourism development, since there exist diversified demand in different



Picture Courtesy by (www.traveldine.com) Palace on Wheels Train Rajasthan India.

sector of tourism within the region that requires product diversification, appropriate marketing, distributional strategies and price integration.

South Asia with its huge cultural and natural assets added with its unique and diverse topography possess a very strong competitive position in the world tourism industry. Travel and tourism also generates more than 50 million jobs in the region (COVID-19 and Tourism in South Asia, 2020). The region as a whole fulfills all the necessary pre-conditions to be the leading international tourism destination. What South Asia needs is to be branded in international markets as a whole and

enhance with focusing on formal regional, inter-governmental and private sector collaborate and partnerships. It is high time for the regional stakeholders to seize the opportunity and collaborate for building a more productive, sustainable and resilient tourism sector at regional level based on dialogue and inter-state, intergovernmental and private sector collaboration for promotion of international and intra-regional tourist arrivals in the region on the following.

5.1 Spiritual Tourism

South Asia is home to numerous distinct religious and pilgrim centers and commemorations but the region has also restrictive boundaries based on ethnicity and religion. For centuries, different regions of South Asian has been the central and sacred places for Hinduism, Sikhism, Buddhism and Islam and the followers of these religions are scattered inordinately across the region. The partition of the subcontinent in 1947 has caused the majority of the follower of certain religion to migrate and relocated to a different country leaving behind their sacred religious places (Mir, 2020) . Buddhism and Sikhism for instance have their most revered religious places in Pakistan, but their majority is in India, Sri Lanka, Bhutan and Nepal, moreover there are several Muslim sacred sites in India that are inaccessible to the Pakistani Muslim majority population.

There is ample potential and demand by devotees and followers for transboundary pilgrimage and spiritual tourism, and that may enhance intra-regional tourist arrivals for the South Asian region. As per “Protocol constituting an agreement between the Government of India and The government of the Islamic Republic of Pakistan on visit to religious shrines” (Protocol on Visits to Religious Shrines, 1974) signed in 1974 both of the government’s grant limited number of Visitor Visa for the cross border sacred journeys. Thousands of devotees apply for limited number of visa’s for



Picture Courtesy by (Giselle Whiteaker from Pixabay) Sea Resort in Maldives.

the cross border pilgrimages however only 10-15% of devotees are permitted for the pilgrimage in organized parties to specific site. The numbers of visas and possibility of pilgrimages depends on the cross border political atmospheres.

Nepal, Bhutan, India, Afghanistan and Pakistan have well preserved rudiments of scared places of Buddhism. However due to nonexistence of proper marketing and branding these scared sites doesn’t attract pilgrims from Sri Lanka. Thus the transnational nature of the religious tourism in South Asia necessitates greater level of cooperation at the regional and bilateral levels.

5.2 Regional VFR Tourism

VFR a term coined for visiting a friend or relative has been recognized as being a sizeable form of travel across the world and has always been overlooked as market segment. VFR has never been address in either national or regional policies in the South Asian region as form of tourism. Due to the partition of sub-continent in 1947, formation of Bangladesh after disintegrating from Pakistan, the Afghan War and the Civil Wars of Sri Lanka millions of families and friend were compelled to relocate themselves and move away from their beloved family and friends.

The demand for VFR tourism is very high in stranded families of abovementioned tragedies but due to non-existence of a designated visa type these stranded families and friends cannot meet each other even on marriages, festivals and religious commemorations. The restricted visa regimes in the region creates a spurt in demand for VFR travel in the region. It is therefore essential for the regional countries to include the VFR visa categories and grant visas to the stranded families and friends on basis of reciprocity.



Picture Courtesy by (Faizan Adil from flicker.com) Shri Katas Raj Temples a complex of several Hindu temples located in Chakwal-Pakistan.

5.3 Medical Tourism

The notion of traveling for health and medical purpose is not new, and people have been travelling to the healers, doctors and shaman for times. Health tourism has grown considerably in recent decades and has become another source of revenue generation across the globe. Today global health tourism market surpasses USD 100 billion and is project to reach USD 300 billion by 2030. South Asia has more than 20% of the global market share of health tourism industry, with only India’s medical tourism industry amounting to USD 9 Billion in 2020 with highest number of medical tourists from the South Asia region (Kapoor, 2021).

The region possess higher intra-regional medical tourism potential with comparatively low costs, more experienced and educated physician added with geographical proximity, linguistic, climatic and cultural similarities of the destination and source area and is amplified by the huge disparities of access and availability of sufficient and affordable health facilities in the member countries of SAARC. Medical tourism has been a huge untapped market for the South Asian region due issues of mobility and movement. Given the poor status of health market in the region, SAARC

countries could achieve a win-win situation through regional cooperation in health tourism. Cross border public-private partnership, private-private partnerships and inter-governmental programs and liberalizing health care markets have become indispensable to enhance revenue generation and provision of affordable and accessible health care across the region. Thus cross border public private dialogues are needed to chalk out a tangible vision to develop an intra-regional program for cross border health tourism in the region that critically hinges on the SAARC Secretariat, the governments of the member states and the private sector of the region.



Sikka Khan visited his family in Pakistan after 74 years. Image credit Pakistan High Commission New Delhi

5.4 Developing Trans-National Buddhist Circuit

South Asia for millennia has been linked and integrated by trade routes, and religions spanned in Indo-Chinese region moving along these trade

routes. All the SAARC member countries share the ancient Buddhist heritage site scattered in Afghanistan, Bhutan, Bangladesh, India, Nepal, Pakistan and Sri Lanka have tremendous pilgrimage tourism potential for the more than 500 million Buddhist across the world. Its spiritual, cultural and historical significance makes it a distinct tourist attraction for the non-Buddhist tourists across the world. For South Asian region, Buddhist circuit is a tourism product with similar potential of a goldmine in context of not only employment generator and livelihood rather a stimulus for the socio-political integration of the South Asian region.

Table 5.1 BUDDHIST HERITAGE SITES IN SAARC NATIONS

Country	No of Sites
Afghanistan	120
Bhutan	2084
Bangladesh	500
India	834
Nepal	136
Pakistan	132
Sri Lanka	2971

Buddhist heritage in South Asia has the religious significance of over 500 million Buddhists across the world, and has potential to attract wide number of pilgrims, however these sacred sites are only visited by mere 0.005% of global Buddhist population. Tapping such huge potential requires a regional inclusive and integrated approach with a shared vision for decision making, improving tourist regulations and uplifting service infrastructure, with common branding and marketing.



Picture Courtesy by (Manjunath Kiran AFP) The International Patient Service division of Apollo Hospitals in the city of Chennai, India’s healthcare capital.

There is lack of common identity and due to nonexistence of regional cooperation at any level social and historical linkages between the sites do not exist. Thus the visitor gets only a narrow and bleak understanding of the site, and hence fails to observe overall existence of the well preserved and diverse Buddhist heritage across the region. The circuit as whole has not received considerable amount of investments as compared to other religious circuits and routes across the region and hence remains uncompetitive. Moreover, cumbersome travel policies, strict visa regimes, lack of coordination between the stakeholders, and lack of basic facilities at sites have restrained the circuit to unleash its potential.

6. CONCLUSION AND RECOMMENDATIONS

Promoting tourism is not less than selling attractive and believable dreams, while relating to the success stories of ASEAN where the leadership of this alliance have pragmatically solved the issues. South Asian leaders therefore need consistent commitment and strong will that converts into meaningful actions since the challenges are beyond the scope and capacity of the market forces. SAARC having most geographic intensity, unique identity and exotic cultures and values, with share physical connectivity, built centuries ago and with diverse landforms and topography, art and culture, diversity of religion and linguistics has the potential to be one of the thriving and demanded tourist destination across the world.

The regional stakeholders SAARC, the governments of member countries and the private sector needs to work together to create effective demand of international and regional tourist, to foster a conducive environment to cater and tap international and regional tourist arrivals and to counter the negative narrative or perception of insecure, chaotic and disorganized region. Regional cooperation to develop and promote an integrated tourism industry have become indispensable for the SAARC countries. The regional stakeholders need to prioritize tourism development in the cooperation areas. The member nations need to catalyze regional cooperation for tourism with support of the development partners and private sector with a regional strategic plan in line with the national tourism policies of the individual SAARC member countries. Some policy initiatives are being recommended as a basis for such regional frame work or strategic plan to be developed by the relevant stakeholders in the region.

- Tapping the potential of the regional tourism industry, South Asian economies have to exhibit very strong political commitment and coordinated efforts. The SAARC has to revive the Tourism Council, with an all-inclusive approach. Well represented by private sector and development partners the SAARC Tourism Council should be mandated to formulate and coordinate regional strategies to promote tourism and act as the platform for regional tourism development.
- The regional stakeholders have to strive together for the identity creation of SAARC. An accurate and strong identity of SAARC as a prime tourist destination is a prerequisite for the development of the tourism market in the region. Governments of the region and the private sector have to



Picture Courtesy by (Radio Pakistan) Sri Lankan Buddhist monks visit rock carved Buddha, Butkara Stupa in Swat Pakistan.

create a unique, collective and collaborative identity of South Asia that may embrace the notion of unity in diversity of South Asia.

- Common Branding of the region by the SAARC and relevant stakeholders is key in promoting and branding SAARC as tourist destinations aimed at increasing awareness in the regional and world travel industries. Joint marketing activities like SAARC Tourism Road Shows, exhibitions and conferences will brand the region as a premier tourist destination.
- Tourism development without connectivity and mobility is impracticable. Liberalizing of air travel and access to adequate and affordable means of travel by land, rail and water would be the prerequisite for the intra-regional, and inter-regional flow of tourist.
- Stringent Visa regimes have not allowed the regional potential of tourism to be untapped, therefore friendlier visa regimes, on regional and on bilateral basis needs to be introduced. Moreover, the SAARC countries may work together to grant SAARC Visa to the international tourists intending to visit two or more SAARC member countries.
- Creating networks, and promotion of formal and informal connections relevant to tourism in the region may create a vibrant tourism markets, and will enable regional tour operators offering joint packages, joint marketing and joint operations. The national governments need to frame and develop SAARC tourism clusters in the region.



Picture Courtesy by (Michael Turtle) Lumbini Museum, Lumbini Nepal.

- There is very limited data, and literature available for branding and marketing of tourist destination of South Asia. Publications, documentaries and social media packages must be developed in coordination with the relevant ministries of the member under the auspice of SAARC Cultural Center with the assistance of the private sector and SAFMA.

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