

Government will give Rs. 500 crore to SCI to lease out cruises promote cruise tourism: Union Minister Shri Nitin Gadkari

Tourism Minister suggests no GST for cruise tourism for first five years, to boost cruise tourism

Shipping and Tourism Ministers interact with industry on promotion of cruise tourism

In order to boost cruise tourism in India, Union Minister for Shipping, Road Transport and Highways, Water Resources, River Development and Ganga Rejuvenation, Shri Nitin Gadkari and Union Minister of State for Tourism (I/C), Shri K. J. Alphons interacted with associates of travel and trade fraternity on various issues concerned with cruise and other tour and travel related matters. The deliberations were held as part of the Jawaharlal Nehru Port Trust (JNPT) Annual Awards event.



Addressing the gathering, the Union Minister Shri Nitin Gadkari said that the Government of India is focusing on sea route and inland waterways. He said that we have to promote domestic tourist destinations. He suggested building jetties along the coastal belt of Maharashtra. The Minister said that under Sagarmala, the Government will give Rs. 500 crore to Shipping

Corporation of India to lease out cruises to promote cruise tourism. He said that the Government is promoting use of methanol and ethanol fuels to be used in cruise so as to bring down fuel cost. Shri Gadkari suggested cruise tourist companies to bring cruises from abroad and refurbish them in India, noting that this will be cost-effective for them. He said that the Government is ready to co-operate with the industry and work on innovative ideas.



The Tourism Minister Shri K J Alphons said that tourism has done extremely well last year. He said that the Government is looking towards doubling the foreign tourist arrivals in three years. The Minister suggested that no GST may be applied for first 5 years, so as to boost cruise tourism business; he said that though the Government will lose money in the short run, it will give handsome profit going ahead. Citing the various steps taken by the Government to promote cruise tourism such as upgradation of cruise terminals and enabling freer flow of passengers, the Minister said that the Ministry of Tourism has invested Rs. 100 crore for cruise terminals in various parts of the country.



Earlier, the Minister gave away the JNPT Annual Awards as well as the Indian Port Rail Corporation (IPRCL) Awards. The Minister also unveiled the Special JNPT Annual Edition Issue brought out by Exim Bank.



He also awarded a Letter of Approval for SEZ.

A panel discussion on 'JNPT: India's No 1 Container Port to becoming a global port' was held on the occasion.



Background Note on Cruise Tourism

Development of cruise tourism in India is identified as a thrust area by the Government of India. A task force has accordingly been constituted under the headship of Secretary (Shipping) and Secretary (Tourism). World-renowned consultants M/s. Bermelo & Ajamil and Ernst and Young were appointed to prepare a roadmap / action plan for development of cruise tourism in India. As per the report of the consultants, there is tremendous growth potential in this sector. As against 2 lakh cruise passengers presently visiting India, 4 million passengers are expected to be visiting in coming 25 years. Almost 80% of this, i.e 3.2 million are expected to take cruises from Mumbai Port and 70% of the projected passengers are likely to be Indian citizens.

Many measures have hence been taken to improve the infrastructure, processes, ease of doing business and reduction in tariff. This has resulted in increase in arrivals of cruise ships to India by 24% and of cruise passengers by 52%. An International Cruise ship was home-ported in Mumbai Port in year 2016-'17 with 7 voyages from Mumbai Port. This year the home-porting ship is expected to do 9 voyages in the coming cruise season 2017-18.

In order to meet the increasing expectations in this sector, following measures have been taken by stakeholders:

- The Standard Operating Procedures have been finalized by port authorities, customs, Immigration, Security, CISF, state government, ship agents, tour operators, etc. to make cruise experience better. With clarity in rules and uniformity in procedures, cruise ships and passengers are assured of proper services.
- To enable foreign cruise ships to operate domestic cruises, Indian government has relaxed the cabotage restrictions for 10 years.
- Mumbai Port which is going to be hub for more cruises is developing a new Cruise Terminal of about 40,000 sq.m, with all passenger amenities including retail, hotel, separate departure/arrival in place of present terminal which is only about 3,000 sq. m.
- To make competitive and reasonable tariff, all ports will have a uniform tariff comparable to the European Ports, which will give much relief against the current tariff.
- Similarly, e-visa and e-Landing Cards have been introduced to provide quick and faster clearance from the ports.
- Customs processes have been greatly simplified and there is hardly any Custom interface with passengers.
- Security as per ISPS processes have been introduced and passenger clearance takes place very quickly. Further, ease of doing business is facilitated by RFID and Access Control system i.e. more technology is utilized for security purposes, reducing the manual processes that sometimes irritate the passengers.
- Consistent efforts are being made to attain the projected expectations in this direction.

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