

INDIA CONSIDERS VISA FEE WAIVER TO FIGHT OFF THE CRISIS



Indians are considering visa fee waiver to compensate the negative impact of the global financial crisis. Indian tourism players and the tourism secretary Sujit Banerjee recently discussed the issues that bother the industry. The tourism professionals want the visa fee to be cancelled so that the country can lure more visitors. They also suggested the visa procedures simplification. Currently a tourist needs a \$35 visa that is valid for up to six months or they may acquire also a 15-day transit visa.

The tourism industry is an important foreign exchange earner but it is also one of the India's largest employers. The industry grew considerably in the past. The number of foreign visitors increased from 2.73 million in 2003 to 5.07 million in 2007. Officials expected the number of tourists to reach 10 million in 2010. Nevertheless, the tourism industry was not doing so well this October. The 2007 October growth reached 13.6 per cent but this October's growth was only 1.8 per cent. What more the recent terrorist attacks in so far safe Mumbai surely will not help to improve the image of the country.

The Tourism Ministry itself cannot waive the fee that contributes approximately \$175 million to the Indian economy. Sujit Banerjee explained the decision involves also External Affairs Ministry and Home Ministry.

Indian officials also want to diversify the tourism industry to better deal with the crisis. They intend to support rural areas and promote rural tourism. Other fields that may see some development are wellness, cruise, and adventure or faith tourism. A prosperous industry is the medical tourism where India leads the way with its lower costs and skilled personnel. This sector is expected to be earning approximately \$2 billion by 2012.

According to Leena Nandan of the Indian Tourism Ministry, the global downturn is a serious matter but it is unlikely to stop the Indian tourism growth completely. She said that the Indian tourism industry could be quite optimistic.

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