

**GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT**

“Andhra Pradesh Tourism Policy 2020-2025” -Orders-Issued.

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**YOUTH ADVANCEMENT, TOURISM AND CULTURE(T) DEPARTMENT**

**G.O.MS.No. 11**

**Dated: 28-12-2020.**

**Read:**

G.O.Ms.No.9, Youth Advancement, Tourism and Culture  
Department. Dt:12.06.2015.

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**ORDER:**

Andhra Pradesh is a land of abundant Tourism potential. With the second longest coastline in the country – 974 kilometers, a rich spiritual and cultural heritage, ancient and historical religious places, serene valleys and hills, forts, national parks, bird sanctuaries, caves, airports, seaports etc., the State of Andhra Pradesh holds vast tourism potential.

2. The Government of Andhra Pradesh is committed towards the socio-economic development of the State and regards the Tourism Sector as one of the key growth engines for the economy of the State and crucial for employment generation.

3. The Government intends to build world-class luxury resorts and other tourism infrastructure, attract large scale investments, develop unique products, and position the State as a preferred tourism destination.

4. The Government, after careful consideration and detailed examination of various issues connected to the area of Tourism, has obtained a number of suggestions from various stakeholders, examined them and after detailed consultations, hereby approve the Andhra Pradesh Tourism Policy, 2020-25 as appended to this order replacing the earlier Tourism Policy, 2015-2020.

5. The Policy shall come into operation from the date of issue of this order and shall remain in force up to 31.03.2025.

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6. All the concerned departments of Secretariat / HoDs shall take appropriate action to implement the provisions made in the "Andhra Pradesh Tourism Policy 2020-25" following due process.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**RAJAT BHARGAVA  
SPECIAL CHIEF SECRETARY TO GOVERNMENT**

**To:**

The Chief Executive Officer, Andhra Pradesh Tourism Authority, Vijayawada  
The Managing Director, AP Tourism Development Corporation Limited,  
Vijayawada  
The Commissioner, Printing & Stationary, A.P., Vijayawada.

**Copy to:**

The Secretary to Governor, Raj Bhawan, A.P., Vijayawada  
The P.S. to Additional Secretary to Chief Minister.  
The P.S. to Chief Secretary to Government  
All Private Secretaries to the Ministers  
The Special Chief Secretary to Government, Water Resources Dept.  
The Special Chief Secretary to Government, Industries & Commerce Dept.,  
The Special Chief Secretary to Government, Revenue (R&S, CT& Excise)  
Department.  
The Principal Secretary to Government, Finance Department  
The Secretary to Government, Social Welfare Department.  
The Secretary to Government, Tribal Welfare Department  
The Secretary to Government, MA&UD Department  
The Secretary to Government, Energy I&I Department.  
The Secretary to Government, Information Technology, Dept.,  
Departments of Secretariat / All Heads of Departments  
The Accountant General, A.P., Hyderabad.  
The Pay & Accounts Officer, A.P., Vijayawada.  
The Deputy Pay & Accounts Officer, A.P., Hyderabad.  
The Convener, State Level Banker's Committee.  
All District Collectors through Andhra Pradesh Tourism Authority, Vijayawada  
All Sections in the Department.  
The GA(Cabinet)Dept.

**//FORWARDED::BY ORDER//**

**SECTION OFFICER**

## **Andhra Pradesh Tourism Policy 2020 – 2025**

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## 1. Introduction

Tourism is a major engine of economic growth and an important source of employment & foreign exchange earnings in many countries, including India. It has great potential to create large scale employment of diverse kind, from the most unskilled to the most specialized.

According to WTTC (World Travel & Tourism Council), the industry has contributed to about 6.8% of GDP of India during 2019. It had also created about 3.98 Cr jobs contributing to about 8% of Indian workforce. Annually, it adds to over \$30bn to Forex reserves, which is equal to about 5.6% of India's total exports.

Andhra Pradesh is a land of abundant Tourism potential. With the second longest coastline in the country – 974 kilometres, a rich spiritual and cultural heritage, ancient and historical religious sites, serene valleys and hills, forts, national parks, bird sanctuaries, caves, airports, seaports etc., the State of Andhra Pradesh holds vast tourism potential.

The Government of Andhra Pradesh is committed towards the socio-economic development of the State and regards the Tourism Sector as one of the key growth engines for the economy of the State and crucial for employment generation.

The natural advantages for tourism have made the State one of the most visited destinations in the country. The domestic tourist foot fall of the State has increased from 93 Million in the year 2014 to 237 Million in the year 2019. The religious destination- Tirupati is the most visited place in the State by domestic tourists, attracting over 36 million tourists annually. The State has received multiple awards at various forums including the most coveted National Tourism Award – The Best State for Comprehensive Tourism Development.

Though Andhra Pradesh has made significant strides in development of Tourism, the true tourism potential of the State is yet to be explored. The next phase of growth will need reimagination of tourism and rethinking of the tourism development strategy to truly unlock the tourism potential of the State.

The Government of Andhra Pradesh intends to build world-class luxury resorts and other tourism infrastructure, attract large scale investments, develop unique products and position the State as a preferred tourism destination.

The Tourism Policy for the period 2020 – 2025 has been prepared through extensive stakeholder interactions, benchmarking with other states, internal discussions and study of the draft National Tourism Policy that is under development.

The policy has been crafted keeping in mind the ever-changing nature of tourism, the strengths and advantages of tourism in the State, the interests of large-scale and small-scale investors and all the stakeholders of tourism.

The policy outlines the tourism development strategy of the State for the next 5 years including key interventions and thrust areas. The policy also lays emphasis on the engagement of local communities, industry stakeholders and the associated departments of the Government for effective implementation of the proposed initiatives and interventions.

## 1.1. Abbreviations

ADP	Annual Development Premium
ALR	Annual Lease Rent
APTA	Andhra Pradesh Tourism Authority
APSSDC	Andhra Pradesh State Skill Development Corporation
COD	Commercial Operations Date
DOT	Department of Tourism
EoDB	Ease of Doing Business
GoAP	Government of Andhra Pradesh
GoI	Government of India
MoT	Ministry of Tourism, Government of India
NIDHI	National Integrated Database of Hospitality Industry
NSDC	National Skill Development Council
PRASAD	Pilgrimage Rejuvenation and Spirituality Augmentation Drive
PPP	Public Private Partnership
SAATHI Industry	System for Assessment Awareness and Training for Hospitality Industry
SRO	Sub Registrar Office
UNWTO	United Nations World Tourism Organization
WTTC	World Travel & Tourism Council

## 2. Vision and Objectives

### 2.1. Vision

“To sustainably develop tourism in Andhra Pradesh and position the State as one the most preferred tourist destination through development of luxury resorts, and by providing world-class tourism products and experiences”.

### 2.2. Objectives

To realize the vision, Govt. of Andhra Pradesh has set the following broad objectives for this policy.

- A. To develop high-end luxury resorts at prominent tourist destinations in the State.
- B. To attract and facilitate private investments and entrepreneurship in tourism sector in the State
- C. To position the State as a preferred tourism destination nationally and globally.
- D. To create a conducive environment for co-creation of diverse tourism products and experiences
- E. To foster skill development and build institutional capacity for skill development in tourism sector

- F. To provide best quality experience at all touch points to the tourists visiting the State
- G. To promote responsible tourism practices among all tourism stakeholders

## 2.3. Policy Validity

- a) This "Policy (Andhra Pradesh Tourism Policy 2020-25)" will be valid from date of notification to March 31, 2025.
- b) This Policy shall be applicable to all Tourism Units that are registered and commenced construction during the earlier Policy 2015-20 period and achieving COD (Commercial Operations Date) within the new policy period.
- c) This Policy shall be applicable to all new Tourism Units applying for registration and commencing construction within the policy period.
- d) This Policy will supersede any GO/Circular issued earlier, which are in contravention to the provisions of this policy.

## 3. Strategic Interventions

### 3.1. Initiatives

The Government has identified the following initiatives to realize the vision and achieve objectives set out in this policy.

#### **To develop high-end luxury resorts at prominent tourist destinations in the State.**

- Attractive incentives and land parcels with lucrative business potential

#### **To attract and facilitate private investments and entrepreneurship in tourism sector**

- Incentivize private investments and PPP (Public Private Partnership) projects
- Facilitate EoDB (Ease of Doing Business)

#### **To position the State as a preferred tourism destination at National and Global level.**

- Effective and targeted omni-channel marketing of tourism products

#### **To create a conducive environment for co-creation of diverse tourism products and experiences**

- Development of diverse products and experiences through theme-based development

#### **To foster skill development and build institutional capacity for skill development in tourism sector**

- Sensitisation and capacity building

#### **To provide best quality experience at all touch points to all tourists visiting the State**

- Infrastructure development and standardization of tourism products

### **To promote responsible tourism practices**

- Encourage hygiene, cleanliness, sustainable and prudent environmental practices
- Involve host communities in planning, development and management of the destinations

### **3.2. Thrust Areas**

In conjunction with the proposed initiatives, the Government shall lay thrust on the following critical and high impact areas.

- a) Undertake extensive investor outreach and provide end-to-end handholding for tourism projects
- b) Enable better industry linkages through registration of all tourism trade establishments and regular interactions with stakeholders
- c) Catalyse the development of budding tourism themes viz., Buddhist tourism, Adventure tourism, Eco tourism and Rural tourism
- d) Prioritize the development of theme parks and amusement parks
- e) Improve inter-departmental coordination for effective implementation of the proposed interventions

### **3.3. COVID Responsiveness**

The COVID-19 pandemic has had a devastating impact on Travel and Tourism sector. The Government has taken several initiatives in response to the pandemic, such as issuing guidelines for safe tourism operations, conducting sensitization workshops, registration of tourism trade for facilitation and promotion. The industry has also shown great resilience and is emerging out of the pandemic as the economic activity and travel are showing signs of revival.

The pandemic has also brought in a paradigm shift in tourism sector and the following trends are emerging and these have been factored into the development strategy.

- 1) Safety and security remain to be the critical deciding factors for travel and tourism
  - a. APTA shall work with industry bodies and other stakeholders to ensure strict compliance with the issued guidelines
  - b. APTA shall also encourage trade establishments to get certified through the SAATHI (System for Assessment Awareness and Training for Hospitality Industry) portal of Government of India
- 2) Virtual tours, videos, interactive media, and other similar digital marketing initiatives are gaining prominence
  - a. APTA shall endeavour to create virtual tours and short videos for all the prominent tourist destinations in the State.
  - b. Digital Marketing has been identified as the primary mode of marketing and will be given precedence over conventional modes of marketing.
  - c. Influencer marketing initiatives such as familiarization Trips, co-branding, etc. shall be undertaken
- 3) Weekend Getaways and Revenge Travel are driving the initial phase of tourism revival

- a. APTA shall create detailed brochures, videos and other marketing content to promote road trips and other weekend getaways.
  - b. APTA shall also create tourism circuits for short trips by collaborating with tour operators and associations and accordingly create the necessary infrastructure and eco-system to promote the circuits.
- 4) Travel by own means is being preferred over public transportation
- a. APTA shall endeavour to improve tourism signages at prominent tourist destinations and along the major roadways connecting these tourist destinations.
  - b. APTA shall also endeavour to facilitate the operations of self-drive rental companies at major cities in the State.
- 5) Increasing awareness towards responsible travel and preference towards nature destinations, rural destinations and farmstays
- a. APTA shall put in place a framework to encourage responsible tourism practices in the State.
  - b. APTA has also identified Rural Tourism, Eco Tourism, Buddhist Tourism and Adventure Tourism as thrust areas for development.

### **3.4. Research & Analytics**

The field officers of Andhra Pradesh Tourism are the first source of information and are a critical part of planning and strategy for development of Tourism in the State. However, in these evolving times, it is essential to track the progress of key indicators spanning across various allied industries of Tourism such as aviation, transport, health, hospitality, recreation, and entertainment, etc.

APTA shall collaborate with hospitality institutes, tourism experts, industry associations, enthusiast groups, tour operators and other stakeholders to set up a mechanism to regularly convene on various issues and accordingly plan the requisite initiatives.

APTA shall endeavour to collaborate with tourism service providers and utilize the registration portal to collect anonymous statistics on tourists visiting the State, their profiles and the changing dynamic of tourism in the State, so as to aid in planning and strategy for development of tourism in the State.

## **4. Theme Based Development of Experiences**

### **4.1. Rural Tourism**

#### Arts and Crafts

The State is blessed with unique Arts & Crafts in each of its districts, providing livelihoods to several thousand communities, some of which have been practicing these art forms & crafts for several centuries. These are the true testimony to the rich ancient cultural heritage of the State. Through development of tourism products, the State shall endeavour to promote these Arts & Crafts that form unique identity for the State and create avenues for them to thrive. One of the initial steps shall be to integrate the local Arts, Crafts & Cuisine with all important tourism activities in the State.

APTA will endeavour to establish experience centres at each of these locations that shall serve as the focal point for creation of experiences around the art / craft. The centres will have display areas with history of the craft, experiential activity areas for the visitors to try their hand at the craft, souvenir shops and basic amenities.

### Agri Tourism / Farmstays

Villages of Andhra Pradesh with their culture, greenery, cuisine and vibrant life have lot to offer for the tourists. Irrespective of age group, origin of travel, everyone loves to experience the unique way of village life and cherish these experiences.

This provides a unique opportunity to generate employment and steady income for the villagers via tourism. Furthermore, the affinity for authentic and localised farm experiences has grown owing to improved accessibility, increasing levels of awareness and environmental consciousness.

The initiative needs effective positioning, promotion and skill development. APTA shall encourage farm owners to construct accommodation in their farmlands for tourists to experience village life and farming. The Farmstays will be listed on digital channels of AP Tourism and promoted. The helpers / guides shall be given training on hospitality and tourism.

### Action Plan

- Develop the identified villages on a public private partnership basis.
- Conduct skill development workshops to train the locals in various tourism related functions required to build the eco-system.

## **4.2. Heritage Tourism**

### Modernization &Renovation

The modernization and renovation efforts at Kondapalli Fort and Bapu Museum are prime examples of the potential these historical monuments have to preserve the culture and heritage of the State and also develop into major tourist attractions.

### Heritage Stays

Andhra Pradesh has been a place of significant historical importance. The rich historyof the State has gifted it with forts, bastions and palaces that whisper the tales of rulers who have made a mark in history.Dept. of Tourism shall explore the possibility of conversion of these heritage buildings into accommodation units while ensuring preservation and conservation of these monuments.

### Heritage Walks / Tours

Heritage walk or Heritage Tour is a concept that helps to explore the unexplored and neglected richness of a place. It helps in development of history and character of the city through generating interests and involvement of the local community in the conservation activity. APTA shall seek to conduct heritage walks and tours for students, enthusiasts and other stakeholders by collaborating with experts. Special emphasis shall be given to skill development activities for the guides at the monuments and sites.

### Action Plan

- Promote heritage walks, heritage hotels and cultural tourism.
- Develop museums in coordination with ASI and Archaeology department through upgradation of infrastructure, application of augmented reality and virtual reality to enhance tourist experience, development of short films to depict historical & cultural significance etc.
- Conserve and beautify important monuments in identified tourism circuits and special tourism areas

### **4.3. Buddhist Tourism**

Andhra Pradesh is the birthplace of Mahayana Buddhism. There are more than 40 Buddhist monuments across the State. Vizag cluster – Shalihundam, Thotlakonda, Bojjanakonda, Bhavikonda and Amaravati Cluster – Amaravati Stupa, Undavalli Caves, Nagarjuna Konda are prominent Buddhist tourism clusters. Both the clusters are being developed under “Swadesh Darshan” scheme.

The subsequent phase of Buddhist tourism development in AP shall focus on promotion of circuits. The State Tourism Corporation shall start operating tour packages in both these clusters. The circuits shall be promoted at other prominent Buddhist sites such as Bodh Gaya, Sarnath, etc. The sites and circuits shall also be promoted in key source markets such as China, Japan and Sri Lanka.

All the literature pertaining to Buddhism in the State shall be translated into multiple languages including foreign languages and promotion material such as Coffee Table books and brochures shall be prepared accordingly.

### Action Plan

- Promote Buddhist tourism to popularise the historical significance of Buddhism in the State.
- Develop special Buddhist circuits by linking all the Buddhist sites in close coordination with other states.

### **4.4. Eco Tourism**

Andhra Pradesh is blessed with 1 Tiger Reserve, 1 Elephant Reserve, 1 Biosphere Reserve, 3 National Parks and 13 Wildlife Sanctuaries. Eco Tourism shall be developed by creation of experiences which have low-impact on environment have high-involvement of the local communities. The focus shall be on responsible tourism to ensure the benefits are cascaded down to host communities to foster inclusive development.

### Trekking, Nature Walks& Cycling

Safe trekking routes shall be created and documented. The routes shall have steps, markings, amenity centres as necessary. Forest regions of SV National Park, Papikondalu Wildlife Sanctuary, Nallamala Wildlife Sanctuary and Araku shall be focus areas. Capacity building activities shall be undertaken for training of local youth as guides.

Safe routes shall be carved out and cycling in groups shall be encouraged. Mechanism shall be put in place for ease of obtaining permissions through online applications.

### Wildlife Safaris

Safe jungle trails shall be created. APTA shall encourage local entrepreneurship and private player participation to operate these safaris. However, they shall be first registered with competent authority / body and strictly operate under the guidelines issued for the activity.

### Nature Camps

APTA shall identify and notify suitable locations for setting up of temporary accommodation for nature camps. Interested players shall apply for permission from competent authority / body and setup tented accommodation at these sites.

### Action Plan

- Closely work with adventure tourism players to identify, document and develop nature trails to cater to the growing trekking enthusiasts.
- Develop basic tourism infra at these identified spots.
- Closely work with the Dept. of Forest to create a State level body for development of Eco Tourism

## **4.5. Beach and Water Based Tourism**

Andhra Pradesh has 974 Kms long coastline that hosts some of the most beautiful beaches in the world. Rushikonda Beach was recently awarded the much-coveted Blue flag certification. Beach and water-based tourism is one of the most preferred forms of tourism in the State. GoAP shall strive to further develop beach and water-based tourism in the State through several active interventions.

### Water Sports& River Cruise

Setup of water sports at new destinations shall be facilitated. GoAP will endeavour to develop boating and cruise infrastructure such as marinas and jetties.

### Water Villas

APTA shall identify locations suitable for setup of water villas in consultation with experts and concerned Government departments. APTA shall undertake feasibility studies and accordingly invite participation from private investors for setting up water villas at these locations. The construction and operation of water villas shall be in strict compliance with the applicable laws and regulations.

### Beach Shacks

APTA shall encourage private player participation in development of beach shacks at prominent beaches across the State. The selection of the operator shall be through a transparent bidding process. The shacks shall be constructed in compliance with the CRZ norms and other applicable statutory regulations. The operator shall be liable for the operations of the shacks and shall ensure the operations of the shacks are in strict compliance with applicable laws and regulations.

### Action Plan

- Identify and develop specific beach strips as water sports hubs with other planned infrastructure like seasonal shacks and water villas.
- Develop more blue flag certified beaches to improve the overall quality of beach tourism in the State

## **4.6. Adventure & Recreation Tourism**

### Adventure Tourism

Adventure Sports in Andhra Pradesh is a theme of tourism that has gained prominence in the recent years. The diverse geographical landscape and variety of tourism products that the State has to offer, attracts tourists looking for diverse experiences, from all over the country. APTA has seen increased interest from adventure sports operators for starting services at various prominent tourist locations in the State.

Dept. of Tourism has been facilitating and shall continue to facilitate the development of adventure sports in the State. Dept. of Tourism has also put in place a mechanism to encourage all the adventure tour operators to adhere to the guidelines issued by Ministry of Tourism, Government of India. Dept. of Tourism shall endeavour to strengthen this mechanism and ensure strict adherence to safety protocols.

### Recreation Tourism

The recreation & adventure tourism industry mainly consist of amusement parks, theme parks, adventure parks, Family Entertainment Centers (FECs) etc. Global leaders like Universal Studios, Disney, Sony and Ripley Entertainment etc. are planning to foray into the Indian Market. Andhra Pradesh shall endeavour to tap investment by these global giants.

Andhra Pradesh currently has limited visibility in the recreational tourism space. However, the advantage of the State being one of the most visited states in India & its varied landscape shall be leveraged to position AP as the recreation & adventure hub of the country.

Creating Mega Amusement Parks in location like Tirupati, Vizag etc. that already attract millions of tourists annually shall create avenues for tourists to extent their stay also benefiting the local economy.

### Action Plan

- Fast track proposed projects in the priority zones and initiate concept studies/ pre-feasibility studies for proposed projects.

## **4.7. Religious Tourism**

Andhra Pradesh is home to many important religious sites. While some of the sites are famous across the world, others are prominent only in Andhra Pradesh and nearby states. The tourism ecosystem around these sites is well developed. The sites shall be promoted through documentation and dissemination of history and faith surrounding these sites and creation of tour packages to these

sites, from across the country. Roadshows shall be conducted in all the prominent cities of the country to empanel tour operators and promote religious tourism packages.

#### Action Plan

- Focus on nation-wide outreach for well-developed religious tourism sites while prioritising intra-state outreach for smaller and upcoming sites.

### **4.8. Cuisine Tourism**

Andhra Pradesh Tourism shall seek to develop and promote tourist circuits that showcase the unique cuisine of the State. The State has already leveraged its rich cuisine to conduct food festivals, cooking competitions and workshops hosted by professional chefs in the past. Further, Andhra Pradesh Tourism shall also endeavour to collaborate with Coffee Board of India to develop Andhra Pradesh as India's leading Coffee Tourism destination through development of coffee tourism packages.

#### Action Plan

- Focus on community participation and involvement in cuisine tourism to drive employment creation and add authenticity to the endeavour.
- Collaborate with restaurant operator organisations and tour operators to develop local cuisine tourism packages and food festivals in various cities.
- Eventually expand cuisine tourism initiatives nationally to reach a wider and more diverse audience.

### **4.9. Wellness Tourism**

Wellness tourism is one of the fast-growing forms of tourism that attracts domestic and foreign tourist seeking spiritual solace. India, being the land of Yoga, Spiritually & Ayurveda, is the major spiritual & wellness centre for the world, attracting Millions of Foreign and domestic tourist annually to famous ashrams & wellness centres like the Art of Living by Sri Ravi Sankar, Brahmakumaris, Isha Yoga by Jaggi Vasudev and other non-spiritual wellness centres like Ananda Spa etc.

Andhra Pradesh with its rich religious & spiritual history and its strong roots in ancient schools of medicine like Ayurveda, Siddha etc. It also has a perfect ecosystem for setting up spiritual ashrams & wellness centre with its rich spiritual history, long coastlines and vast expanses of eco-friendly locations.

#### Action Plan

- Ashrams/ Spiritual Centres – Encourage development of Spiritual Centres/ Ashrams in the State.
- Develop Wellness Centres – Promote development of quality spa and wellness centres in the State that operate on various schools of wellness like Ayurveda, Chinese and Thai etc.

#### **4.10. MICE Tourism**

Meetings, Incentives, Conferences & Exhibitions (MICE) tourism has evolved as a blend of business and leisure travel. Hence, while it is extremely important for MICE destinations to contain convention centres, premium and quality hotels, the destinations that offer attractions beyond business purposes are preferred over the plain business locations. Andhra Pradesh with its variety of tourism themes can be developed as a global MICE destination with a mix of tourism experiences. This will be supported by major convention centres across key hub locations in the State.

An eco-system for a seamless hassle-free experience for MICE tourists, in partnership with all stakeholders: tour operators, hotels & resorts, airlines, local travel operators, event managers, etc, shall be developed.

##### Action Plan

- Expand the list of MICE hubs by identification of new locations with high potential.
- Collaborate and engage with star-hotels to develop mega-MICE projects as the focal point for each MICE hub.
- Work closely with associated stakeholders – tour operators, travel operators, airlines, event managers etc. – to ensure a holistic development plan.

#### **4.11. Medical Tourism**

Develop the key zones of Andhra Pradesh as Medical Hubs for economical treatment of critical ailments. Strengthen the medical tourism eco-system enable hassle-free living & treatment to patients visiting Andhra Pradesh.

Andhra Pradesh has a natural advantage as it already is a proven medical hub with large multi-specialty hospitals developed in the State. AP has produced one of the largest pools of doctors many of whom practice in several countries across the globe.

##### Action Plan

- Develop Healthcare Hubs at 2-3 regions in the State to be developed as Medical SEZ with cutting edge facilities in research & treatment.
- Connect with the Andhra NRI Doctor community for planning and attracting investment in the Healthcare hubs.
- Develop a medical tourist eco-system in partnership with local medical tourism stakeholders like Hospitals, tour operator, hotels, transport providers etc to ensure smooth arrival, quality treatment & economical lodging facilities during the course of treatment for patients and their relatives.

### **5. Tourism Infrastructure Development**

Quality tourism infrastructure, especially hospitality and connectivity, is the backbone of Tourism for any destination. The prominent tourist locations in the State have well developed infrastructure and have attained the threshold to be able to attract private investments. The upcoming and focus

destinations need development of robust infrastructure to supplement the product development and promotion efforts.

GoAP envisages that a majority of tourism infrastructure projects will be driven by private sector investment. A relatively smaller proportion of projects will be through Public-Private Partnerships (PPP) and direct Government investment.

### **5.1. Hotels & Resorts**

Hospitality infrastructure is a well evolved ecosystem in the State. The Government run AP Tourism Development Corporation owns and operates hotels and resorts at multiple locations in the State. Prominent tourist destinations such as Araku and Horsley Hills have seen a rapid increase in tourist footfalls and overall development in the regions through development of hotels and resorts.

GoAP has selected priority tourist destinations for development of hotels and resorts and identified marquee land parcels at these locations.

GoAP foresees that a significantly high proportion of tourism investments in the State will be through hotels and resorts and accordingly has incentivized their development through an investor friendly land allotment policy and attractive fiscal incentives.

### **5.2. Wayside Amenities**

APTA has estimated the supply gap for Wayside Amenities on major State Highways and National Highways connecting tourist locations in the State and has also identified suitable locations for setup of Wayside Amenities. APTA shall facilitate development of Wayside amenities at these locations under PPP mode or through private investments. The projects shall be eligible for fiscal and other incentives in accordance with the terms of this policy.

### **5.3. Homestays**

Homestays are an integral part of hospitality infrastructure. Apart from benefitting the host communities by the way of providing alternate income, they aid in giving an authentic local tourism experience to the tourists. Furthermore, the low capex requirements and ease of setting up a homestay establishment, make development of homestays a priority initiative for the State.

GoAP has put in place a mechanism to facilitate the development and operation of homestays where the owners / operators can register themselves with the APTA. The listed establishments and promoted through the marketing initiatives of AP Tourism.

APTA shall undertake sensitization and skill development workshops to encourage the development of homestays in the State. APTA shall also incentivize the development of homestays that form a part of Rural Tourism, Agri Tourism and Culture Tourism.

### **5.4. Tourism Land Bank**

APTA has identified land parcels those are in proximity to prominent and upcoming tourist destinations and are suitable for development of hotels, resorts, amusement parks, wayside amenities and other tourism infrastructure.

The land bank database shall be made available online and updated regularly. APTA shall also endeavour to secure land from other departments, should the land be apt for tourism purposes and / or the land be identified by investors for development of tourism infrastructure projects.

Land shall be made available for development of tourism infrastructure projects in accordance with the rules and procedures detailed in the Section – Land Allotment Rules & Procedure of this policy.

### **5.5. Last Mile Connectivity**

Majority of the tourist locations in the State are well connected through a network of roadways and railways. However, certain locations – especially those in hills and forests – need better last mile connectivity. The transport ecosystem is also underdeveloped in certain locations.

GoAP shall endeavour to develop last mile connectivity including facilitation for development of transport ecosystem for these locations.

### **5.6. Basic Amenities at Tourist Locations**

APTA has identified tourist destinations that do not have basic amenities like washrooms, changing rooms, drinking water, etc. Amenity blocks shall be created at each of these destinations with provisions for washrooms, changing rooms, air-conditioned lounges, cafeteria, etc.

The amenity blocks shall be constructed using funds from GoI or GoAP or multilateral organizations or shall be developed under PPP model.

### **5.7. Special Tourism Zones**

APTA shall explore comprehensive destination development through setting up Special Tourism Zones. The STZ will have all the necessary infrastructure for easy setting up of tourism units. The possibility of additional incentives for projects in Special Tourism Zones shall be explored.

### **5.8. Central Funded Schemes**

Dept. of Tourism will actively pursue the various schemes of Government of India such as Swadesh Darshan, PRASAD (Pilgrimage Rejuvenation and Spirituality Augmentation Drive), etc. for development of tourist clusters and tourist circuits.

### **5.9. Assistance from Multilateral Agencies**

GoAP will explore the possibility of funding tourism infrastructure development through the programs of Multilateral Agencies such as World Bank and Asian Development Bank.

### **5.10. Standardization of Tourism Products and Services**

#### Facilitation of Tourism Trade

APTA has put in place a mechanism by which all the stakeholders of tourism trade, viz., Hotels, Resorts, Homestays, Tour Operators, Adventure Sports Operators, Water Sports Operators, Cruise Boat Operators, shall register with the APTA.

APTA shall endeavour to collaborate with industry players to facilitate better industry linkages. APTA shall facilitate the SAATHI (System for Assessment Awareness and Training for Hospitality Industry)& NIDHI (National Integrated Database of Hospitality Industry) certification process for all the registered trade establishments.

### Quality Framework

GoAP shall put in place a quality framework to standardise tourism products and services across all segments such as accommodation providers, tour operators, adventure tour operators, service providers like spa and wellness, guides, restaurants etc.

GoAP shall seek to establish convergence with the classification mechanism of Government of India and facilitate grading of the trade establishments in the State.

## **6. Skill Development and Capacity Building**

Skills and service are key factors that will drive superior tourist experience in Andhra Pradesh. To ensure sustainable growth of the tourist sector, presence of a skilled and experienced workforce is essential.

As per NSDC (National Skill Development Corporation), it is estimated that the tourism sector in the State will have an incremental workforce requirement of over 1 Million skilled manpower by 2022. To generate the adequate quantity and quality of manpower for the industry as also to up-skill the existing workforce employed in the State Tourism sector, the capacity of the education & skill development infrastructure in the State must be increased.

The endeavour of GoAP is to cultivate a pool of trained world-class manpower for the Tourism Industry. This vision will be achieved in line with Government of India's initiatives by coordinating with Andhra Pradesh State Skill Development Corporation (APSSDC), leading hotel management institutes and universities of the State.

The GoAP will undertake initiatives to cater to the demand for skilled manpower in the tourism sector and raise awareness of tourism and importance of good customer service in local communities.

### **6.1. Positioning Andhra Pradesh as a Tourism Education Hub**

Developing a dedicated Tourism Universities/ Hotel management institutes in line with national and international tourism education institutions for providing tourism education and research is necessary to formalize tourism education and skill development in the State.

Collaboration with industry stakeholders, tapping into private investments and support of foreign universities and international experts will be key to drive this initiative.

### **6.2. Skill and Capacity Development Programs**

Activity based training modules shall be developed with the help of experts and institutions. There shall be short modules that deal with common areas like sensitization and basic tourist handling, as

well as special modules dealing with history of sites, treks / safari routes, expertise on flora of the region etc.

All the stakeholders of tourism, viz., taxi and auto drivers, hotel staff, guides, service providers, tour operators shall be encouraged to undergo training on the common modules and guides shall be required to undergo training on the modules specific to their area of operation. State guide licenses shall be issued to monitor the services provided to the tourists.

Issue of training completion certificates by the expert / institution shall be encouraged. Provision of internship opportunities through the skill development programs will also be explored to enable experience building and provide the stakeholders a platform for growth.

## **7. Responsible Tourism**

This Policy aims to promote sustainable and responsible tourism, to position Andhra Pradesh as a topmost destination for sustainable and responsible tourism.

Sustainable Tourism is all about minimizing the negative impact of tourism on social, environmental and economic aspects and maximizing the positive impact. Responsible Tourism is about taking responsibility by all Stakeholders for achieving sustainable tourism and to create better places for people to live in and for people to visit.

For tourism operators it is about providing more rewarding holiday experiences for guests whilst enabling local communities to enjoy a better quality of life and conserving the natural environment.

### **7.1. Cleanliness and Waste Management**

Tourism operations produce large quantities of solid waste, some of which is toxic. Responsible waste management is not only about carefully planning the disposal of waste. It is also about reducing and recycling waste that is generated, ensuring that you take responsibility for your waste “from the cradle to the grave”. There are 3 major facets of waste management – waste reduction, waste disposal and recycling.

APTA shall collaborate with volunteers, experts, SHGs and NGOs to sensitize the host communities and other stake holders on waste management through cleanliness drives, workshops, promotional activities, etc.

#### Plastic Free Zones

The GoAP shall endeavour to declare tourist destinations are plastic free zones and undertake the necessary sensitization initiatives and make the regulatory and institutional changes.

### **7.2. Destination Planning and Management**

In-line with the guidelines of Government of India, the APTA shall endeavour to create destination development plans for major tourist destinations in the State. A strategic framework for destination planning will include carrying capacity, access, basic infrastructure and core tourism infrastructure, which needs to be developed as part of public infrastructure. Involvement of host communities in planning and development of destinations shall be given due importance.

### **7.3. Accessible Tourism**

According to a study commissioned by the Ministry of Tourism, Govt. of India, persons with reduced access to tourism including persons with disabilities and their families, potential people with reduced mobility due to old age, represent a third of the population.

In line with the resolution “accessible tourism for all” by UNWTO (United Nations World Tourism Organization), APTA shall endeavour to encourage all the stakeholders to adopt accessible tourism practices through use of technology, sensitization workshops and associated infrastructure development in the State.

### **7.4. Safety and Security of Tourists**

Sensitization campaigns will be implemented for women & children tourists and tourists in general in Andhra Pradesh and such campaigns will be publicized on national and global platforms.

In response to the pandemic, special COVID, health and hygiene related sensitisation workshops will be conducted for tourism industry stakeholders with focus on State specific issues as well as guidelines issued by the Government of India.

## **8. Promotion and Marketing**

An omni-channel marketing strategy shall be followed to increasingly attract national and international tourists to the State.

### **8.1. Strategic Partnerships**

APTA shall encourage tie-ups between the tour operators of the State and the operators located in key source markets for the State through participation in tourism trade fairs & marts.

APTA shall also endeavour to partner with Tourism and other related departments of other states.

Furthermore, APTA shall endeavour to establish industry linkages through various modes like conducting webinars, organising roadshows, partnering with industry bodies etc.

### **8.2. Brand Campaigns**

APTA shall promote iconic tourism destinations of the State by conducting mass media and on-ground campaigns at key source markets.

Such brand campaigns will leverage the unique natural and socio-cultural elements of the State and promote unique offerings of the State.

### **8.3. Digital Marketing**

APTA shall create and utilize its repository of digital assets such as photos, creatives, short clips, how to videos, 360 tours, etc. to develop customised digital marketing and media campaigns across multiple platforms.

APTA shall develop interactive digital content such as Virtual tours, AR (Augmented Reality) & VR (Virtual Reality) application for all the prominent tourist destinations in the State.

Further, familiarization trips for influencers will be explored for the promotion of tourism circuits and products of the State.

## **8.4. Interactive Tourist Engagement**

APTA shall strive to undertake activities that actively engage tourists and capture their perspectives and experiences in the State to bring out a genuine and authentic view. Initiatives such as gamification, interactive tourist forums, democratizing content creation etc. shall be explored.

## **9. Incentives and Concessions**

### **9.1. Classification of Tourism Projects**

- a) "Tourism Undertaking" means a legal entity under relevant law engaged or to be engaged in one or more tourism projects.
- b) "New Tourism Unit" means a new Tourism Infrastructure Project or Tourism Service set up for the first time by a Tourism Undertaking which satisfies the conditions indicated and have commenced their commercial operations within the Policy Period; i.e, date of commercial operations falls between date of notification of this Policy and March 31, 2025.
- c) Micro, Small, Medium, Large and Mega Tourism projects are categorized as follows:

S.No.	Classification	Description
1	Micro Projects	Investment not more than Rs. 1 Crore and expected annual turnover not more than Rs. 5 Crores
2	Small Projects	Investment not more than Rs. 10 Crore and expected annual turnover not more than Rs. 50 Crores
3	Medium Projects	Investment not more than Rs. 75 Crore and expected annual turnover not more than Rs. 250 Crores
4	Large Projects	Investment greater than Rs. 75 Crores and less than Rs. 400 Crores
5	Mega Projects	Investment of Rs. 400 Crores or more

### **9.2. Eligible Projects**

To be eligible for incentives, the project needs shall confirm to the clauses in the section 2, "Policy Validity" of this policy and compliant with the definitions and minimum requirements as prescribed in Annexure I.

The list of Tourism Infrastructure and Service Projects is only indicative and not exhaustive. Tourism Department will periodically review the list of Tourism Infrastructure & Services and shall propose inclusions/ deletions/ modifications considering the market demand and suggestions of the Industry.

### **9.3. Industry Status**

Mega Tourism projects/ 5-star and above projects shall be accorded 'Industry' status.

### **9.4. Land Conversion Charges**

- a) Private investors shall follow due approval process for conversion of land for Tourism Infrastructure projects as required by the Revenue Department or Urban Development Authority.
- b) If conversion of land is permitted by the relevant Government authority, GoAP will waive 100% of Land Use Conversion charge.

### **9.5. Registration and Stamp duty**

- a) Reimbursement of 100% of stamp duty and transfer duty paid by the units on purchase of land for all new Tourism Units.
- b) Reimbursement of 100% of stamp duty for lease of land / shed / buildings, mortgages and hypothecations for all new Tourism Units.

### **9.6. State component of GST (SGST)**

Reimbursement of 100% of net SGST accrued to the State for all new Tourism units for a period of (5) five years from COD or up to realization of 100% of the fixed capital investment, whichever is earlier.

### **9.7. Power Cost Reimbursement**

For all new Tourism Projects electricity charges shall be reimbursed @ Rs.2.00 per Unit for a period of (5) five years from COD.

## **10. Land Allotment Policy & Procedure**

Establishment of tourism infrastructure which includes hotels, resorts, MICE, wayside amenities, amusement parks, wellness resorts etc. is of paramount importance for development of tourism and for employment generation.

The procedure detailed hereunder has been formulated after extensive stakeholder discussions and consultations.

### **10.1. Applicability**

The procedure detailed hereunder will be applicable for allotment of Government lands to tourism projects. It may be followed by any Department or Corporation or Authority for allotment of Government lands to tourism projects.

Notwithstanding anything contained in this policy, the Government can also make allotment of land for any Tourism Project or any hotel chain (having 3 star and above chain of hotels), as per the provisions in the general Government Orders on land allotment issued by Revenue Department

(G.O. Ms 571 of Revenue ((Assignment. I) Department dated 14.09.2012 including any amendments/ changes thereof).

## 10.2. Project Type and Extent of Land

Land allotment may be done for the following projects, subject to the maximum extent of land as detailed hereunder.

S.No.	Category	Type of Project	Maximum Extent of Land
1.	Micro, Small, Medium and Large Tourism Projects	Hotels (Three-Star and above category hotels as per guidelines of Ministry of Tourism, Government of India)	Up to 5 Acres
2.		Resorts, including beach resorts, jungle resorts, hill resorts etc. (Three-Star and above category hotels as per guidelines of Ministry of Tourism, Government of India)	Up to 10 Acres
3.		MICE Centres	Up to 10 Acres
4.		Wayside amenities	Up to 3 Acres
5	Other proposals	Amusement Parks, Golf Courses, Theme Parks and others	To be Decided on a case by case basis
6	5-Star and above projects / Mega Tourism Projects	Hotels, Resorts, Mega theme parks and others	To be Decided on a case by case basis

## 10.3. Tenure of Allotment

For all projects other than Mega Tourism Projects/ 5-Star and above hotels, the lease tenure shall be up to a maximum of 33 years plus 3 years of construction period. The terms of the next lease will be determined by the policy prevailing at that point of time.

The tenure of the land lease for Mega Tourism Projects / 5-Star and above hotels shall be maximum 'up to 90 years' plus 4 years of construction period.

## 10.4. Project conceptualization and bid preparation

**Project Objectives** - Each project will have specific measurable goals ("Minimum Development Obligations") which the developer should achieve within the specified time frame.

Project may also have quality related goals ("Minimum Service Obligations") which, the unit once operationalized, should establish and maintain

The successful bidder / Developer, may at its own discretion, implement components over and above the minimum development obligations and minimum service obligations.

**Project Profile**—The Project profile would contain, the land location, land details, distances from important landmarks, the estimated project cost, Minimum Development Obligations, Minimum Service Obligations and other such details

The project cost will be estimated using the engineering wing of APTDC or any other Government agency or by engaging consultants. The project cost would include only the construction cost to meet the Minimum Development and Service Obligations

Appropriate implementation milestones along with implementation period shall be defined in the bid document.

## **10.5. Allotment Procedure**

For Large Projects, Mega Tourism Projects / 5-Star and above projects, land shall be allotted through SIPB (State Investment Promotion Board) route.

A competitive and transparent bidding process will be adopted for allocation of land for tourism projects initiated by Dept. of Tourism. Notice inviting private participation will be adequately publicized and the bid process shall be specified in the advertisement.

For new tourism projects, one of the following methods may be adopted for land allotment.

- a) Allotment on lease rent basis
- b) Allotment on lease rent and revenue sharing basis (ADP)
- c) Allotment on free hold basis as per the prevailing policy

### Allotment on lease rent basis

- Land may be allotted to new Tourism Projects other than Large Projects, Mega Tourism Projects / 5-Star and above projects through transparent bidding.
- The parameter for bidding shall be "Annual Lease Rent (ALR)" and the bidder quoting the highest ALR shall be awarded the project.
- The upset (reserve) price for the bidding shall be 1% of the SRO (Sub Registrar Office) value of the land parcel and set as the 'Bidding Parameter'.

### Allotment on lease rent and revenue sharing basis (ADP)

- Land may be allotted to new Tourism Projects other than Large Projects, Mega Tourism Projects / 5-Star and above projects Tourism Projects through transparent bidding on fixed lease rent and revenue share basis.
- The fixed lease rent shall be fixed as 1% of the SRO (Sub Registrar Office) value of the land.
- The parameter for bidding shall be "Additional Development Premium (ADP)", which shall be a percentage of annual gross revenue of the Tourism project or minimum annual assured amount, whichever is higher.
- The bidder quoting the highest ADP shall be awarded the project.

### Allotment on free hold basis as per the prevailing policy

- Lands may be allotted to new tourism projects through SIPB as per prevailing guidelines

## 10.6. Lease Payment and Escalation

The land lease would begin from the date of handing over of land to the successful bidder/ developer.

The Annual Lease Rent (ALR) and / or Additional Development Premium (ADP), as quoted by the successful bidder, shall be enhanced by 5% in a block of every 3 years.

The land lease shall be payable in advance on quarterly basis.

### Special consideration for deferment:

- The successful bidder may be allowed an optional deferment period of (i) Two years, or (ii) The period of achieving Commercial Operations, whichever is earlier.
- The successful bidder requesting for moratorium shall have to exercise the option at the time of Agreement.
- In case the option is exercised, the successful bidder shall have to pay the Lease rent corresponding to the deferment period with an interest of 5% per year, in addition to the lease amount payable for the succeeding period, in 8 equal quarterly instalments.

## 10.7. Eligibility to Bid

- The bidders should show Technical and Financial Capabilities as per the guidelines issued by the Government from time to time.
- For Mega Projects / 5 Star / 7 Star projects, one of the consortium parties should be operating 5 star + 7 Star facilities.

## 10.8. Bid Structure

### Consortium

A bidder can participate either as a sole bidder or in consortium where the maximum number of members permitted in a Consortium is three (03) for Mega Tourism Projects / 5 Star and above projects, and maximum two (02) for other projects.

### Bid Security

The Bid Security for the projects under this policy shall be 1% of the estimated project cost.

### Performance Security

The Bidder shall submit an unconditional and irrevocable Bank Guarantee for 2.50% of the estimated Project cost, valid for the entire construction period, as a pre-condition for signing of the agreement.

### Project Development Fee

The Bidder shall submit a non-refundable DD for 1.00% of the estimated Project cost subject to a maximum of Rs. 50 Lakhs towards the Project Development Fee as a pre-condition for signing of the agreement.

### Securing ALR& ADP

The Bidder shall submit an unconditional and irrevocable Bank Guarantee equal to sum of one-year ALR and ADP upon handing over of the site. The Bidder shall ensure that at any point of time the security is equal to the sum of ALR and ADP of that year.

### Bid Evaluation Process

The bids received shall be first evaluated for compliance to technical and financial eligibility requirements. The financial proposals of technically and financially eligible bidders only shall be opened to identify the successful bidder.

### Treatment of Tie

In case of tie, the tied Bidders shall be requested to provide their best and final offer in sealed covers which shall be opened on a specified date. The Bidder offering the most advantageous final offer shall be adjudged the winner.

If the tie persists, the technical score of the tied Bidders shall be calculated. The bidder with highest technical score shall be declared as the successful bidder.

If tie still persists, the successful bidder shall be selected by draw of lots, which shall be conducted with prior notice, in the presence of tied bidders who choose to attend.

### Conditional Land Lease

The land lease deed, part of the development and lease agreement signed with the successful bidder / developer, shall be conditional subject to:

- a) Meeting the implementation milestones (as defined in the bid document)
- b) Meeting all the Minimum Development Obligations, as mentioned in the bid document and achieving commercial operations within the implementation period
- c) Maintenance of Minimum Service Obligations during the operations period, as specified in the bid document
- d) All other terms & conditions of this policy and the respective bid document

It is also important that the leased land is used only for the purpose for which it has been leased and not for any other purpose. Any change, arising out of statutory or legal requirements, shall be only after express, written consent of the Government. Non-compliance to above would give the Authority / APTDC the right to cancel the conditional land lease.

In case of default in maintenance of Minimum Service Obligations, Government of Andhra Pradesh may give grace period / cure period upon expiry of which the conditional land lease would stand automatically cancelled

### Consequences of Cancellation of Conditional Land Lease Deed / cancellation of development and lease agreement

- a) In case of cancellation, the Government shall resume the possession of land from immediate effect including any asset(s), construction etc. on the land.

- b) The Government shall not be liable for any type of compensation to the developer,
- c) The Government may also invoke the Performance Bank Guarantee of the developer

### Transfer of Lease

The leased land cannot be alienated / transferred / sub-leased / sold / mortgaged, in part or full, to any third party.

### Mortgage

The Developer may mortgage its lease hold rights only after obtaining written consent of the Government. However, under no circumstances can a developer mortgage the land leased to it.

### Lock-in-Period

The Lock-In period shall be two years post Commercial Date of Operations (COD), i.e., the date on which the project is open to tourists on a commercial basis, after due testing, trial running and commissioning.

## **11. Special Provisions for Mega Tourism Projects/ 5 Star and above projects**

For Mega Tourism Projects / 5 Star and above projects, additional incentives may be given based on the request of the investor, on a case-by-case basis.

For Mega Tourism Projects / 5 Star and above projects, land may also be allotted directly on lease hold or free hold basis depending on the request of the investor and the potential of the project to develop tourism in the region.

Apart from the land lease, freehold models stated above, other models of Public Private Partnership such as Joint Venture, Developer- Brand operator, Deferred Annuity can be adopted for Mega Tourism Projects/ 5 Star and above projects. The decisions on which model to follow, the terms of the model etc., shall be processed through the SIPB for the decision of the Government.

The Government may also explore the possibility of creating a Special Purpose Company (SPC) for undertaking development of luxury hotels & resorts, development of Special Tourism Zones (STZ) and tourism infrastructure development.

The following procedure shall be followed for provision of incentives and allotment of land for Mega tourism projects/ 5 Star and above projects.

1. Each proposal for setting up a Mega Tourism Project/ 5 Star and above projects shall be accompanied by a Detailed Project Report (DPR) that shall be evaluated by an Evaluation Committee comprising of officials from the Dept. of Tourism.
2. The evaluation report and the proposal shall then be sent to Chief Executive Officer, Andhra Pradesh Tourism Authority for remarks.
3. The proposal shall then be sent to the Government and subsequently to State Investment Promotion Committee (SIPC) and then to the State Investment Promotion Board (SIPB)

4. The proposal with recommendations from SIPB shall be sent to the Cabinet for final approval.

## **12. Institutional Mechanisms**

### **12.1. Conducive environment for Tourism investments**

- a) In addition to the incentives proposed, Govt. of Andhra Pradesh desires to facilitate a conducive environment for setup and operations of Tourism Infrastructure Projects and Tourism Services.
- b) Timely clearances and responsive post-investment facilitation services have been identified as the cornerstones for improving business environment and boosting investor confidence.
- c) Institutional arrangements are put in place to secure accelerated development of tourism in State and to address all issues while monitoring and securing the development of tourism in the State.

### **12.2. State Investment Promotion Board**

For transparent implementation of PPP projects, the bids shall be processed to the State Investment Promotion Board (SIPB) through the State Investment Promotion Committee (SIPC). The decisions of the STPB will be converted to Government Orders.

For Mega projects/ 5 Star and above projects and Unique Tourism Projects, proposals for which DPRs are received shall be processed to the Cabinet through the SIPB.

### **12.3. Investment Facilitation Cell**

APTA shall be the Nodal Agency for implementation of the Policy. To assist investors, an "Investment Facilitation Cell" shall be setup and strengthened as "Single Desk Bureau".

The Investment Facilitation Cell shall process new tourism investment proposals received in the State. The Cell shall carry out initial due diligence on investment proposals received. It shall also attend road shows, solicit investments.

The single desk system set up in the Industries Department shall be leveraged to ensure that all Tourism Infrastructure projects, and Tourism Services are granted approvals within the prescribed timelines. APTA and the Industries Department shall co-ordinate to achieve the objectives.

## **13. Annexure I – Definitions**

### **13.1. New Tourism Unit**

A 'New Tourism Unit' means a new Tourism Infrastructure Project or Tourism Service set up for the first time by a Tourism Undertaking which satisfies the conditions indicated, and have commenced their commercial operations within the Policy Period, i.e., date of commercial operations falls between date of notification of this Policy and March 31, 2025.

### **13.2. Total Project Cost**

The term 'Total Project Cost' for Tourism Infrastructure Projects, which meet the criteria shall include:

- i. Land/area in effective possession and as required for the project.
- ii. Building i.e. any built-up area' used for the eligible unit including administrative buildings, residential quarters and accommodation for all such facilities, as required for the running of the unit.
- iii. Plant and machinery i.e. tools and equipment including water sports equipment, tents, other equipment as are necessarily required and exclusively used for sustaining the working of the eligible unit but will not include cutlery, crockery, utensils and Furniture.
- iv. Cost of fencing, construction of roads, landscaping and other infrastructure facilities etc., under the project.
- v. Vehicles used for specific tourist activities.
- vi. Installation charges.
- vii. Technical know-how including cost of drawing and know-how fees
- viii. Movable and immovable equipment, including transport vehicles specifically required for offering the Tourism Services.

### **13.3. Ineligible Investment**

The following investment shall not be covered under Total Project Costs and will be ineligible for incentives viz.

- i. Working Capital
- ii. Goodwill
- iii. Second-hand plant and machinery purchased or shifted
- iv. Interest capitalized
- v. Consumables stores, inventories for maintenance or repairs

- vi. Any investments in any asset which has a life span of less than five years
- vii. Know-how fees or cost of drawing payable to a sister concern of eligible unit

### 13.4. Date of commercial operations:

Date of Commercial Operations of a Tourism Unit is the date on which the Tourism Unit is open to tourists on a commercial basis, after due testing, trial running and commissioning under relevant Government rules.

### 13.5. Eligible Projects

#### Tourism Infrastructure Projects

S.No.	Project	Remarks
1	Hotels	Minimum category: 3 Star or above as per the guidelines of Ministry of Tourism, Govt. of India
2	Resorts, Water villas	Minimum category: 3 Star or above as per the guidelines of Ministry of Tourism, Govt. of India
3	Heritage Hotels	Minimum category – Heritage Basic as per guidelines of Ministry of Tourism, Govt. of India.
4	Amusement Parks / Theme parks	Entertainment centres equipped with stalls for games and refreshments, entertainment shows, recreational devices such as a Ferris wheel, roller coaster, etc. Theme Parks specifically oriented towards tourism in which landscaping, buildings and attractions are based on one or more specific themes, such as jungle wildlife, fairy tales, cartoon characters, mythology etc.
5	MICE Centres	Minimum seating capacity of 1,000 pax, with built-up area of minimum 10,000 sft of convention area. Three (3) Star or above category hotel as per the guidelines of Ministry of Tourism, Govt. of India.
6	Golf Courses	Minimum 9-holes course. Club House with minimum built up area of 5,000 sqft
7	Botanical gardens	Large open areas home to biologically rich plantation, wide variety of fruit yielding species, medicinal herbs etc. Such gardens may act as natural conservation sites for specific group of endangered plants
8	Urban / Rural Haats	Stalls to showcase traditional cultural/handicrafts/ arts & crafts. Stage / Amphitheatre for cultural performances.
9	Tourism & Hospitality Training Institute	Must be recognized institution by relevant regulatory authorities.
10	Wayside amenities	Built over a land of 1500 Sq yards with a built-up area of minimum 2,000 sqft. Minimum facilities to be offered – Dormitory/ Rooms, Food courts, Communication facilities, Toilets, Shops, Car parking.
11	Spiritual / Wellness Centers	For Spiritual centres- Auditorium or well covered open area with seating capacity of minimum 500 people. Accommodation facilities for minimum 100 people. For wellness centres, Certified/licensed medicinal facilities

		with at least 20 well trained staff. Well-trained yoga teachers with relevant certifications. Minimum 25 rooms, of quality equivalent to three star or above categories of hotels
12	Museums	Built up area of at least 10,000 sq ft.
13	Arts, crafts and culture experience centres	Built up area of at least 1,000 sq ft.
14	Farm stays, Agri-tourism	As per MOT guidelines
15	Home stays	As per MOT guidelines
16	Service apartments	As per MOT guidelines

### Tourism Services Projects

S.No.	Project	Minimum Requirements
1	Beach side Shacks	Should be not more than 500 meters away from GoAP/APTDC approved tourist beaches. Should have space of sit-down service for minimum 10 pax, serving food with approved standards of hygiene and quality. Should not be more than one storey or 200 sq. meters in built up area
2	Water sports (sailing/windsurfing, scuba diving, water skiing, river rafting, kayaking)	As per the Guidelines of Govt. of India.
3	Water Ride/Sailing facilities	Should be at a tourist destination and not be used for regular ferrying of passengers. Operators must be registered with local regulatory authorities
4	Sea/ River Cruises	Capacity to host a minimum of 25 passengers (river cruise) and 50 passengers (sea cruise). Facilities for on-board dining, accommodation and entertainment
5	Adventure Services	A company operating these activities must be registered with Adventure Tour Operators Association of India or Ministry of Tourism. Guidelines issued by Ministry of Tourism for recognition of approved Adventure Tour Operator should be adhered to.
6	Ropeways	Design of the Aerial Ropeway shall be in accordance with the guidelines issued by Bureau of Indian Standards, MoEF (GoI) and any other guidelines issued by Central/State Government.
7	Heli-Tourism	Licensed operators by the Ministry of Civil Aviation. Approved standard quality helicopter meeting all regulatory norms. Pilots must have Commercial Helicopter Pilot License (CHPL).
8	Aero sports	Operators with valid license from the Ministry of Civil Aviation, Approved standard copter meeting all regulatory norms and Pilots must have Commercial Pilot License.

S.No.	Project	Minimum Requirements
9	Farm (Agri) tourism	Traditional accommodation (farmstays, camps etc.), local cuisine, local farming methods, etc. Guided walks and farm trails and Farm activities. Home stay in traditional accommodation.
10	Rural Tourism Services	Applicable for services promoting rural lifestyle, local arts / culture/ handicrafts / handlooms offered at pre-identified villages under Heritage Tourism category. Home stay in traditional accommodation. Shop / Museum promoting local arts / handicrafts / handlooms etc. Serving hygienic local cuisine to tourists. Guided tours of village for tourists
11	Heritage Walks	Heritage walks are a way to explore the history of a city/town/village. Professional guides take the tourists on a tour through different historical/heritage monuments across the location. Minimum Requirements: Licensed tour guides
12	Caravan Tourism	Minimum features of Caravan as prescribed under Ministry of Tourism guidelines on Caravan Tourism
13	Inbound Tour Operators/Travel Agents	Recognition granted by Ministry of Tourism as approved Inbound Tour Operator and valid during policy period
14	Cab services / Car hire services focusing on tourism	Recognition granted by Ministry of Tourism as approved Domestic Tour Operator and valid during policy period
15	Food courts/ Restaurants at tourist destinations	Food court: Minimum 3 different vendors at food court serving different types of cuisine. At least one well recognized food chain serving food and beverages, with a minimum presence in 5 other locations in India. At least one vendor serving local Andhra cuisine <ul style="list-style-type: none"> <li>o Common dining area</li> <li>• Restaurant</li> <li>o All mandatory licenses required to setting up and operating a restaurant including Food Business Operator license, Food Safety License, Eating House License, Health / Trade License</li> </ul>
16	Rest rooms at tourist destinations	Rest rooms must be certified by proper authorities following international standards <ul style="list-style-type: none"> <li>• Use of ISO certified equipment</li> <li>Provisions for separate rest rooms for male, female and differently abled</li> <li>• Appropriate measures for ensuring proper hygiene, water and sanitation arrangements</li> </ul>
17	Cloak rooms at tourist destinations	These can be 24-hour manned facilities or can have fixed timings based on tourist inflow <ul style="list-style-type: none"> <li>• Proper arrangement of racks</li> <li>• Provision for charging nominal fee for the items</li> </ul>
18	Parking facilities at tourist destinations	Minimum capacity for parking of 100 cars
19	Souvenir Shops at Tourist Destinations	Above 50% of the products must be sourced from local manufacturers/artisans

<b>S.No.</b>	<b>Project</b>	<b>Minimum Requirements</b>
20	Light & Sound/Laser Shows at tourist destinations	Proper seating arrangements for minimum 50tourists • System for controlling lighting and sound • Adequate power arrangements
21	Audio / video guide services at tourist destinations	Provides information and history of the tourist destination guided by number markings. • Can have GPS-guided audio/video navigation of the destination as an optional value addition • Content validated by local authority / Tourism Department • Audio available in multiple international and Indian languages as per specific tourist destination