Introduction

The current institutional and governance framework for tourism development in the Andaman Islands is complex and multifaceted, on account of several factors. Being a union territory (UT), direction and financial support for tourism development in the islands largely comes from the Centre while responsibility for implementation rests with the relevant departments of the Andaman and Nicobar Islands (A&NI) Administration. In addition to the Central and State Governments, there are other bodies – at the national and international level – that have also influenced tourism development in the islands. This chapter presents a detailed outline of three aspects of the framework in which tourism now develops as a context, to understand the implications referred to in coming chapters. The first part focuses on the different institutions involved at various levels and their roles with regard to tourism issues in the islands.

The second part details the process of governance, especially local self-governments prevalent in the islands, and the consequent implications for development of tourism. The third part provides an overview of the multiple policies and plans that have been prepared for guiding tourism development in the islands.

The UTs are specified in Schedule I, Part II of the Constitution of India and are administered in accordance with the provisions of Articles 239–241 of the Constitution. Under the Government of India (Allocation of Business) Rules 1961, the Ministry of Home Affairs (MHA)is the nodal ministry for all matters of UTs relating to Legislation, Finance and Budget, Services and appointment of Lieutenant Governors and Administrators. The Union Territory Division of the MHA deals with all legislative and constitutional matters relating to UTs, including the National Capital Territory of Delhi. It also functions as the cadre controlling authority of the Arunachal Pradesh–Goa–Mizoram and Union Territories (AGMU) cadre of Indian Administrative Service (IAS) and Indian Police Service (IPS) as well as the Delhi–Andaman and Nicobar Island Civil Service (DANICS) and the Delhi–Andaman and Nicobar Island Police Service (DANIPS). Moreover, it is responsible for overseeing the crime and law and order situations in the UTs. Importantly, all the demands for grants submitted by the UTs to the Union Government are channelled through the MHA making it the key ministry with respect to financial matters of the UT as well.

The central MoTC is the nodal agency guiding and supporting tourism development in the A&NI. Although it is only after 1997, when the MoTC–WTO (now UNWTO) master plan was prepared, that the islands have been identified as an important site for tourism promotion and the Centre has extended support in promoting and marketing the islands through its “Incredible India” campaign. The islands have also availed of Central Government schemes such as the large revenue generating schemes and rural tourism schemes under which projects for tourism have been sanctioned. The Central Government has commissioned several studies on tourism in the A&NI in the past five years. Major among these have been the “Development Strategy for Environmentally Sustainable Tourism in the Andamans” (UNDP/WTO Project IND/93/032), a project financed by the UNDP with the World Tourism Organization (WTO) as executing agency on behalf of the MoTC and A&NI Department of Tourism and undertaken by planning consultants Shankland Cox Entec, April 1997; “Carrying Capacity Based Developmental Planning for Implementation of Master Tourism Plan in the Andaman Islands” prepared by National Environmental Engineering Research Institute (NEERI), October 2000 and “Perspective Plan for Tourism Development in Andaman & Nicobar Islands: Draft Report”, May 2002 by A.F. Ferguson and Co. However, none of these master plans have been yet implemented in the islands.

Established in 1986 by the then Prime Minister Rajiv Gandhi, the MoTC was instituted to be the highest policy-making body for the island territories of India to “formulate policies and programmes for an ecologically sound, sustainable and integrated development of Andaman & Nicobar and Lakshadweep group of Islands”.3 Institutionally, the IDA is under the Chairmanship of the Prime Minister with its Secretariat located within the Planning Commission. A Standing Committee of IDA, set up under the Chairmanship of Deputy Chairman, Planning Commission evaluates various programmes, their constraints and strategies of implementation, and follows up on the recommendation of the IDA. During Rajiv Gandhi’s era, the IDA met regularly, sponsored many scientific studies and took major policy decisions, which, if implemented, would have had far-reaching implications. However, the activities of the IDA took a back seat in the 1990s after his death, with occasional meetings and no clear role in developing policies for the islands.4 After a long gap, the Tenth Meeting of IDA was held in January 2003 at Port Blair, A&NI at which a Standing Committee of Secretaries was set up for the development of A&N and Lakshadweep Islands. After the Congress-led UPA government took over in 2004, the IDA was convened for the first time in June 2007. While previous IDA meetings have dwelled largely on issues of land distribution, concessions to islanders and regulating immigration into the islands, the XI meeting discussed tourism prominently. It recommended that a single window clearance should be provided for tourism projects in the A&NI.5 The MoTC yet again reiterated the need to promote high-value, low-volume tourism in the islands and that although the Maldives and Mauritius model is recommended, the islands must be uniquely developed.

Apart from the MoTC, there are other important central-level ministries that intervene on specific aspects of tourism development across the country, including in the Andamans. One such body is the MoEF that has direct jurisdiction and administration over the protected areas and the entire coast of the A&NI. Any activity within these forest areas and nearby or
along the coast, including tourism, needs the direct approval of the MoEF. In recent years, with the MoEF also entering the tourism arena, especially in promotion of ecotourism, such initiatives have also been introduced in the Andamans.

Another ministry that plays a highly influential role vis-à-vis the islands is the Ministry of Shipping. Considering the dependency of the islands on shipping services and the increase in demand on account of tourism, the ministry has had a pivotal role in ensuring the smooth operation of shipping services in the islands and thereby indirectly on tourism as well. In addition, the Ministry of Shipping is slated to play a pivotal role in implementing the central government’s cruise tourism plans that have been developed since 2005 and in which the A&NI have been identified as a clear cruise destination.

The IP&T is the main administrative unit concerned with the development of tourism in the A&NI. The vision of the tourism department is “to exploit to the maximum the natural beauty and beaches of the Andamans Islands to promote tourism”. The department believes that tourism has significant potential for revenue generation for the A&NI Administration and employment for islanders. The IP&T is the nodal agency of the Administration that is supposed to coordinate with central-level agencies and all other departments on the A&NI Administration on issues related to tourism. The IP&T believes that while the MoT is not the single authorising agency on issues, it is certainly the most important central-level ministry with which it coordinates on tourism projects. Being a UT with little funds of its own to develop tourism, the IP&T capitalises on central-level schemes (such as the large revenue generating schemes or rural tourism schemes) to develop projects on tourism for the islands.

The department is the nodal agency with regard to environment and forests in the islands. Unlike other departments of the Administration which are accountable to the central MHA, the Department of Forests comes directly under the central MoEF. In 2002, with the Supreme Court Orders, the department was converted from a “commercial” department to a “service” department. Earlier, regulating the timber trade was one of the most important activities of the department, as it generated large amounts of revenue for the A&NI Administration. But the regulation on timber trade following the Supreme Court Order of 2002, led to a reordering of the department’s priorities now privileging conservation of the island ecology. The forest area of the islands (reserved and protected) directly comes under the jurisdiction of this department, which is responsible for conservation of this area. Any development activity within these boundaries requires their permission.

The department per se is not involved in tourism development or promotion activities. But it has undertaken some “ecotourism” activities which are permissible in the protected areas of the islands. Even here, the department is basically involved in providing basic amenities and the minimum requirements such as clearing trekking tracks, providing signage, basic accommodation or tents and so on. There is no large-scale promotion of tourism or provision of services related to tourism that the department is involved in.

Even revenue generation from tourism is not a priority. The department essentially defines its role as a facilitator of ecotourism and other permissible activities, which are regulated, in select protected areas of the islands. The coordination with the tourism department is high because the forest department is responsible for giving the necessary permits.

The present mandate of the department is to preserve the lifestyle of the Primitive Tribal Groups (PTGs) that inhabit the A&NI and minimise, to the best possible extent, their interaction with non-tribals. With regard to the trend of “Jarawa tourism” that was on the rise along the Andaman Trunk Road (ATR), the administration has clearly discouraged such forms of tourism on the ATR. It issues notice to all tour operators warning them against participating in any such form of Ja-rawa tourism. The department is clear that Jarawas or any other tribe should not be marketed or sold as products tourism and that tribes should be kept far away from tourism. In this sense, the department has no specific role in tourism development on the islands except to ensure that tourism does not contribute in any way to the cultural or physical degradation of these tribes. There is not much coordination with the Department of Tourism on any matter at all.

The Directorate is concerned with the regulation and use of air transport services within the territory of the A&NI which largely involves the use of its fleet of helicopters and fixed-wing aircraft. The responsibility of regulating air transport services from the mainland to the islands rests with the central Ministry of Civil Aviation. The priority use of the helicopters is for emergencies such as transporting patients, evacuating and for use of VIPs. The current interface of the Directorate with tourism is in renting out its helicopters for tourists to visit certain popular islands such as Havelock and Neil. While the priority use of helicopters is reserved for VIPs to undertake visits or tours of other islands, since 2002 it has also been hired for tourist use on an individual request basis. The department added a new helicopter to its fleet in 2005, which was bought from the funds of the tourism department to increase the availability of helicopter services for tourists to Havelock, Neil, Mayabunder and Hut Bay. However, as part of government policy, the helicopters service is run at highly subsidised rates and therefore no revenue generation from renting copters out to tourists is negligible. But the department feels that as its fleet capacity increases, there is more scope to keep aside one helicopter mainly, not exclusively, for tourist use, where an advance reservation system would be put in place and prices increased accordingly. The A&NI Administration Department of Tourism has provided funds for the purchase of a new helicopter for priority use for tourists. Shipping facilities are the backbone of the islands and the nodal agencies entrusted with the task of ensuring smooth and efficient shipping services in the islands are the Directorate of Shipping, A&NI Administration and the Shipping Corporation of India.

The priority of the Directorate is to ensure that the needs of islanders for their interisland movement and supply of their basic necessities is met. Tourism comes only next. Shipping services have been subsidised by the central government to a large extent. Today, in spite of the reality that the islanders might be able to pay more for these services, the Directorate admits that there is political pressure that will not allow the ticket prices to be raised. The current state of shipping services is that the Directorate is woefully short of ships to even meet the local demand. But as it feels that tourism should not be completely ignored it is accommodating the needs of tourists as far as possible within its present constraints.

There is constant pressure on the Directorate from the Department of IP&T to cater more to the needs of tourists. In the peak tourist season, the ratio of tourists to locals in the Foreshore sector might be 40:60, but in the tourist off-season it might fall to 10:90. But now, especially in the post-tsunami context, the priority of the Directorate is to cater to local connectivity needs, relief and rehabilitation requirements (especially in the Nicobar sector) and not to cater to tourists needs. The Directorate is coordinating directly with the central MoS in the purchase of new ships, improvement of shipping services in the islands and even discussing policy initiatives such as the privatisation of shipping services in certain sectors of the islands. The port facilities, which come under the Port Management Board, are also being looked into seriously and there are plans to revamp the entire port.

The main role of the Department of Police in the context of tourism is in issuing of the Restricted Area Permits (RAPs)
to foreign tourists. The foreigners and immigration branch of police is responsible for issuing of RAPs to foreigners at the airport and seaport. It is given initially for a period of 30 days and is extendable for 15 days. On issues of tourist security, the islands currently do not have any tourism police deployed. The particular police stations are responsible for the stay and movement of foreigners. While the islands are a fairly safe destination, the movement of foreigners at all time is recorded by police stations and through forms which are submitted by tourism establishments housing foreign tourists.

Apart from the above listed departments, two other public institutions currently involved in tourism activities in the islands are the Andaman and Nicobar Islands Integrated Development Corporation (ANIIDCO) and the Andaman and Nicobar Islands Forests and Plantation Development Corporation (ANIFPDL). ANIIDCO was incorporated on 28 June 1988 under the Companies Act, 1956 for rapid economic growth of the islands, with the main objective of developing and commercially exploiting the natural resources for the balanced and environment-friendly development of the territory. The chief areas of operation of ANIIDCO are in the sectors of fisheries, tourism, finance, industry and supplies. As part of its tourism sector activities, ANIIDCO currently runs one three-star hotel – the Megapode Nest that has an average occupancy of 70 per cent through the year and an approximate turnover of Rs 2.5 crore. The management feels that this hotel is currently running on a no-profit-no-loss basis mainly on account of the high number of employees, who, the management feels, have low productivity. Plans are on to expand the number of rooms on the property and outsource the catering and other services to improve efficiency.

Apart from Megapode Nest, ANIIDCO also runs two restaurants in Port Blair, but these do not bring in much revenue. ANIIDCO’s future plans in tourism include developing a shopping complex on a 10,000 m² property in Port Blair that would also house a three-star hotel and developing their 48-acre beach-front property on Havelock Island. For the latter, the bidding process is complete and major brand owners that would also house a three-star hotel and developing their 48-acre beach-front property on Havelock Island. For the latter, the bidding process is complete and major brand owners such as the Taj Group, the Park Group and the Casino Group have expressed interest. This project, to be developed on lease by ANIIDCO in collaboration with one of the big companies, is to be a flagship project for the corporation that envisages a 150-room property with an investment of approximately 150–200 crores.

The ANIFPDL was incorporated under the Companies Act, 1956 in 1977 with its headquarters at Port Blair by the Government of India (GoI) in the wake of acceptance of the report that was submitted in April 1997 presented a comprehensive long-term Tourism Structure Plan for the Andamans with proposals for both the spatial and product development of tourism in the islands. This report was presented to the Steering Committee of the project and accepted on their behalf by His Excellency Ishari Prasad Gupta, the then Lieutenant Governor of the islands.

The Steering Committee accepted this report in principle as a “framework for guiding the development of the tourism strategy and policies of the islands subject to such adjustments as may be necessary for practical or political reasons”. It is unclear whether the A&NI Administration or the MoT has taken on the task of implementing the Master Plan in its entirety. However, the Tourism Vision Document of the A&NI Administration has clearly articulated its desire to implement the recommendations of the MoT–A&NI Administration-WTO-UNDP report. It has also suggested undertaking another detailed research study as a continuation of the previous one that could assess the status of the tourism sector and suggest strategies accordingly. In the post-tsunami context, the UNWTO launched a massive tourism recovery programme titled the Phuket Action Plan, which however did not include India.18 There has since then been no direct activity by either of these organisations in the islands.

CONCLUSION
The administrative identity of the Andaman and Nicobar Islands as a “union territory” as against a “state” assigned by the Constitution of India has specific implications for understanding how any development activity, including tourism, functions in these Islands. This section presents the existing governance structure in the islands emerging from the context of being a UT. It also examines in detail the current system of local self-governance, as it has important implications for efforts towards democratizing tourism development here.

REFERENCE