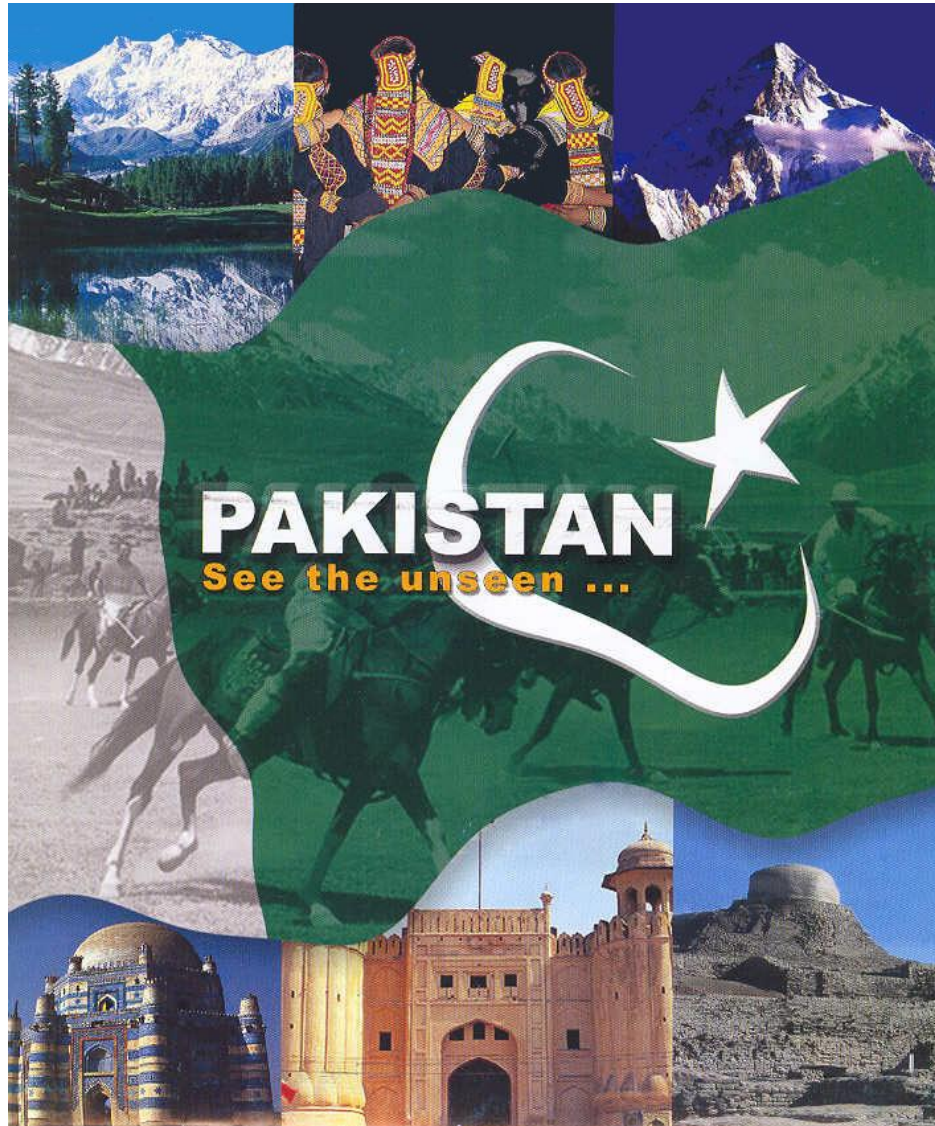




PAKISTAN
TOURISM
FORUM

A Position Paper on Challenges Faced by Tourism Industry of Pakistan



(Final Draft)

Acknowledgements

This position paper was developed after the consultation with many talented people who were brought together in the round table discussion organized by Pakistan Tourism Forum (PTF) under the auspicious of Sustainable Tourism Foundation Pakistan (STFP). Special thanks are hereby extended to all the members of Pakistan Tourism Forum (list given as Annexure-A) for their active participation in the discussion and help in formulation of recommendations for the strengthening of tourism sector in Pakistan.

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Convener, Pakistan Tourism Forum

March 2017

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Abstract

This position paper presents an overview of Tourism Sector in Pakistan and identifies key challenges it is facing in the post 18th Amendment scenario. It also suggests areas of improvement to develop the tourism as a priority sector and transform it into an engine of economic growth and employment generation in Pakistan.

Executive Summary

The tourism industry has emerged as a major income-driving industry in many developing and under-developed countries in the world. There are many examples that show how the thriving tourism sector can have positive impact on economic growth and development of the country. Pakistan is blessed with great natural beauty, cultural diversity and rich historical background. It is the need of the day that focus is shifted to this high potential sector and an integrated approach based on international best practices is adopted for using the sector as an engine of economic growth and employment generation.

A Round Table on the theme of “Challenges Faced by the Tourism Industry of Pakistan” was held today at Adventure Complex Islamabad on 16th February 2017. This round table was organized by Pakistan Tourism Forum (PTF) which acts as a Think Tank on tourism in Pakistan. Large number of stakeholders having representation of travel agents, tour operators, hospitality sector, transport sector, academia, civil society organizations participated in this forum and shared their views for the revival of tourism in Pakistan. This report present the summary of main points came under discussion in the meeting.

Beside various challenges faced by the tourism sector in Pakistan, this document highlights the core issue of poor governance of the tourism sector and other key challenges tourism industry in Pakistan is facing. Unless the core issue of management of the tourism sector is resolved the other issues will not be solved and it will not be possible to achieve sustainability of the sector. Therefore, there is need to create a synergy between the federal and provincial governments by having an integrated and holistic national tourism policy and tourism development strategy. It necessitates a common vision and mission mode implementation mechanism to fully utilize the great unexplored potential.

After the passing of 18th amendment in the constitution of Pakistan a huge gap has been created due to lack of proper planning at the time of this hasty decision. To fill this gap a new public /private sector partnership should be established with the creation of a Statutory Body which should have representation of all the provincial tourism departments, AJK Tourism Department, GB Tourism Department, private sector trade bodies/associations and key federal government departments such as Planning Commission, Ministry of Commerce, Ministry of Interior, Civil Aviation, Pakistan Railways and Ministry of Foreign Affairs.

This statutory body should be named the Pakistan Tourist Board (PTB) and it should be structured under a Board of Directors answerable to the Prime Minister. PTB should be responsible for Pakistan’s image building as tourist destination through international and domestic marketing and promotion, inter-provincial coordination for proper planning, research and development, implementation of national tourism industry standards, classification and licensing, visa facilitation, coordination with foreign office, ministry of interior, aviation, highways and railways departments and international cooperation.

1. Introduction

Pakistan is one of the few countries in the world which are blessed with a diverse inventory of tourism attractions. The country is home to one of the oldest civilizations in the world, locations with attractive scenic beauty, splendid mountains and peaks, sacred religious and historic places, seasonal varieties, unique arts and crafts and rich culture and heritage. These tourist attractions are spread across all the four provinces, Gilgit-Baltistan and Azad Kashmir.

In order to fully exploit this immense potential, there is a need to address a number of issues faced by the tourism industry in Pakistan. To prepare a comprehensive position paper on the present situation of tourism sector in Pakistan, Sustainable Tourism Foundation Pakistan organized a round table by inviting experts of tourism industry to discuss about the key challenges and formulation recommendation to solve these issues. The participants of this round table identified a number of areas impacting tourism sector, where the role of the government has been deficient and need immediate attention to revitalize this important sector on economy.

2. Performance of Tourism in Pakistan

2.1 Domestic Tourism in Pakistan

In any developing country, domestic tourism is a more pronounced activity compared to international tourism. In Pakistan, total number of domestic tourists during the year 2009 was 46.07 million.¹ About half of these tourists were the people who travelled to meet their social obligations (friends, relatives, etc.). About 14% travelled for recreation purpose. Other important categories were of the people who travelled for business, health or religious reasons.

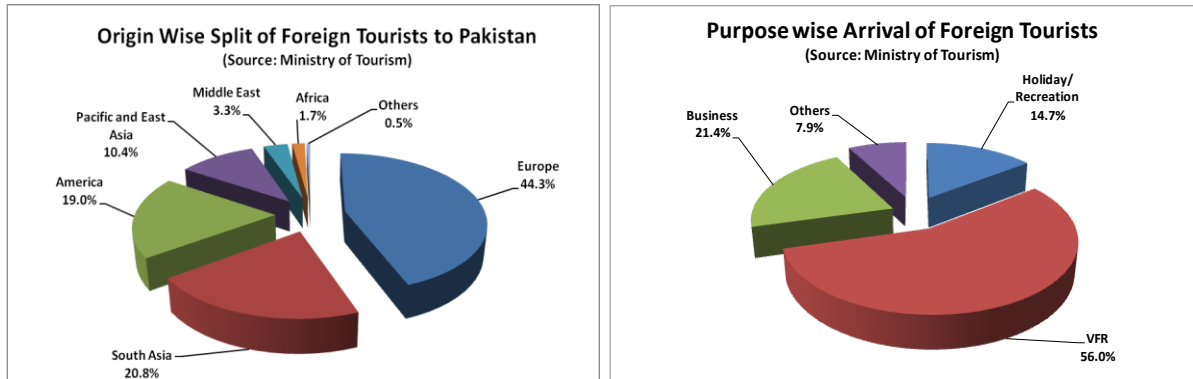
2.2. Foreign Tourism in Pakistan

According to World Tourism Organization's Report, in 2014, on a global basis, there were 1133 million foreign tourists. Total number of foreign tourists coming to Pakistan in 2014 were 0.965 million; compared to a figure of 0.557 million in the year 2000. Pakistan's share of the global tourism market in 2014 was only 0.09%; which is way below its potential. In South Asia, Pakistan's share out of a total of 18.26 million foreign tourists was 6.7%; compared to India's share of 46%.

Majority of the foreign tourists come to Pakistan from Europe. According to Ministry of Tourism's Annual Report of 2009, 44% of the total arrivals into Pakistan were from Europe; major share of which was claimed by overseas Pakistanis coming from United Kingdom. South Asia was the second largest origin for international tourists coming to Pakistan, accounting for 21% of the total. Of these tourists, a major share is contributed by the Sikhs coming from India for visiting their holy places.

More than half of the foreign tourists come to Pakistan to visit their friends and relatives (VFR). These travelers usually do not engage themselves in the typical tourism activities. It is only 14.7% of the total visitors to Pakistan who come with a motive of recreation and spending their vacations. This low share of real tourists in the total arrivals is a clear indicator of the untapped potential of Tourism sector.

¹ Figure based on Domestic Tourism Survey – 2000 by Ministry of Tourism



2.3 Foreign Tourism Receipts

Tourism sector of Pakistan has a high potential to contribute towards economic development of the country/province. During the year 2008-09, total share of foreign tourism receipts in the GNP was 0.3%; while its share in exports was 1.2%. Three year comparison is shown in the following table:

Year	GNP	Export	Tourism Receipts	Tourism Receipts as % of GNP	Tourism Receipts as % of Exports	(Rs. million)
						Tourism Position in Export
2006-07	5,560,382	1,029,312	16,906	0.3%	1.6%	15th
2007-08	5,673,352	1,196,638	16,486	0.3%	1.4%	17th
2008-09	5,914,702	1,395,848	17,392	0.3%	1.2%	19th

Source: Pakistan Economic Survey 2008-09

Tourism sector acts as a generator of quick and broad based economic activity. It is a major source of employment generation in the area. It is an important source of government's income through taxes; collected mainly from hotel sector. An increase in the number of tourists coming to a certain area leads to increase in activity in multiple sectors; including hotels, restaurants, wholesale trade, retail trade, road transport, air transport, communications, specific tourist sectors like tourist guides, porters, etc. Economic activity is enhanced as the tourist spends money on various services like hotel accommodation, meals, transport, shopping, etc.

3. Pakistan’s Competitive Positon in Tourism

One way of gauging the potential of Tourism is by comparing the performance of Pakistan with other countries of the region. The following figure shows the comparison of Pakistan with other SAARC countries in terms of the tourist traffic and foreign exchange receipts during 2012.

County	International Tourist Arrival (1000)		International Tourism Receipts (US\$ million)	
	2012	Change %	2012	Share %
Bangladesh	125	-19.4	105	-
Bhutan	105	59.1	61	-
India	6,578	4.3	17,971	5.2
Maldives	958	2.9	1,951	0.7
Nepal	803	9.1	353	0.1
Pakistan	966	-16.8	339	0.1
Sri Lanka	1,006	17.5	1,039	0.6

Source: World Tourism Organization (WTO)

4. Pakistan’s Ranking on Travel and Tourism Competitiveness Index

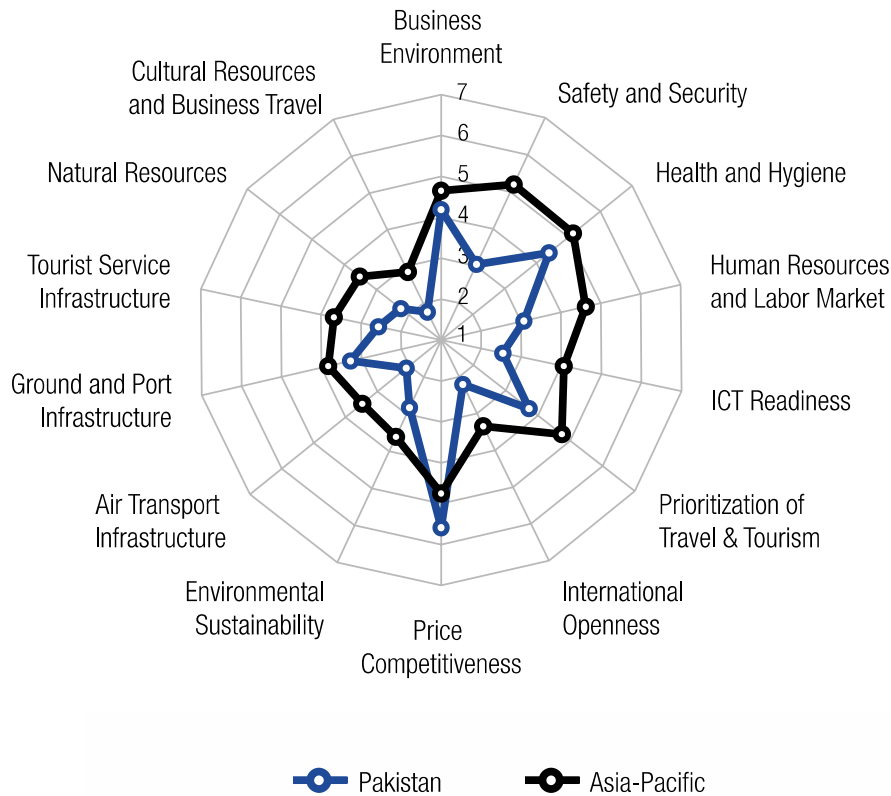
International competitiveness of countries with respect to their performance in Travel and Tourism is ranked in Travel and Tourism Competitiveness Index (TTCI) Report². Each of the eighteen pillars of TTCI depends on various factors which can impact the competitiveness on Travel & Tourism. A total of 90 factors are used for developing TTCI. These rankings provide a quick analysis on the strengths, weaknesses, opportunities and threats to Travel & Tourism in a country.

Pakistan is currently ranked 125 out 141 benchmarked countries on the Travel & Tourism Competitiveness Index developed by the World Economic Forum. It shows that Pakistan lags in all key sub-indicators with the exception of Price Competitiveness, which is there because of depreciation in the rupee.

Some more evident factors reducing the countries competitiveness include Enabling Environment (130th out of 141 countries), Safety and Security (138th out of 141 countries), Health and Hygiene (102nd out of 141 countries), Human Resource and Labour Market (138th out of 141 countries), Travel and Tourism Policy and Enabling Conditions (123rd out of 141 countries), Prioritization of Travel and Tourism by Government (120th out of 141 countries). Similarly, there is a low ranking in Environmental Sustainability (141st out of 141 countries) and Tourism Infrastructure (107th out of 141 countries).

² The Travel & Tourism Competitiveness Report 2015 is published by the World Economic Forum, Geneva, Switzerland within the framework of the Global Competitiveness Network and the Industry Partnership Program for Aviation, Travel and Tourism.

Few positive factors for Pakistan's tourism sector include, Pakistan being considered one of the cheapest countries in the world for tourists; ranked 9th in Price Competitiveness; ranked 60th in Cultural Resources and Business Travel.



Source: World Travel and Tourism Competitiveness Report 2015

5. Existing and Previous Tourism Policies and Plans

In Pakistan, the available literature on tourism planning and management reveals that tourism was taken seriously for the first time at policy making level in 1972 when a Ministry of Minority, Religious Affairs and Tourism was created, though this Ministry was disbanded in 1976 when the Tourism Division became part of the Ministry of Commerce again. In 1970, federal government created Pakistan Tourism Development Corporation (PTDC) as a public limited company with a mandate to develop tourism infrastructure and promote Pakistan as a tourist destination in international market. In 1977 the Ministry of Culture, Sports, Tourism and Archaeology was created. From 1977 till the formulation of National Tourism Policy of 1990 some planning attempts were made for isolated projects, however no comprehensive and structured effort was undertaken to promote tourism in the country.

The Government of Pakistan presented its' first formal National Tourism Policy in 1990, however, due to some fundamental issues this Policy has rarely been implemented. The major reasons of this failure in implementation included absence of stakeholder involvement, poorly defined responsibilities of various

public and private sector actors, financial limitations, institutional constraints and low capacity of concerned departments and agencies.

In year 2000, Tourism Ministry drafted a comprehensive Tourism Master Plan for Pakistan with the technical assistance of World Tourism Organization (WTO) and United Nation Development Program (UNDP). Once again due to non-seriousness at various levels of government this plan could not be implemented at any level.

In 2010, the Tourism Ministry drafted a relatively more comprehensive National Tourism Policy. The policy identified challenges and constraints for tourism industry in Pakistan, followed by marketing and developmental strategies. The marketing strategy emphasized on public private partnership, diversification of tourism products, information technologies, target markets for selling specific products, whilst, the developmental strategy emphasized the role of public (Federal & Provincial governments) and private sectors in tourism development. It also proposed PPP opportunities in tourism sector of the Country. Furthermore, the draft policy also recognized the importance of closer international and regional cooperation, joint marketing using international organizations, multi-country and bilateral relations for tourism development.

Although, the draft tourism policy-2010 was comparatively more comprehensive than national tourism policy of 1990, however, due to dissolution of Federal Tourism Ministry as a result of 18th Amendment in the constitution of Pakistan the work on developing the National Tourism Policy was deferred and the subject of tourism was transferred to the provinces.

At Provincial level tourism has been generally a very low profile sector. In 1987, Punjab government established Tourism Development Corporation of Punjab (TDCP) as public limited company to take over the affairs of tourism for the province. Due to personal interest of then Chief Minister (Present Prime Minister) an injection of assets was given to TDCP in terms of land, properties and financial resources and within few years TDCP established its name as a most active public sector tourism organization in the country. But later on due to scarcity of financial resources, lack of professionalism and lack of interest at heights level of provincial government, TDCP lost its importance.

Following the precedent of Punjab government, later governments of Sindh and KP (former NWFP) also established tourism development corporations at provincial level and started work on various tourism projects in the respective regions. Like all government tourism organizations in Pakistan, the STDC and TCKP (former STC) are handicapped by lack of financial resources and professionalism so are not fully able to perform the role for which they were created.

In terms of policy formulation at provincial level, no serious effort has been made so far to develop provincial tourism policy by Punjab or Sindh Province. The present government of Khyber Pakhtunkhwa has decided to accord priority to the tourism sector and transform it into one of the key engines of economic growth by making KP a preferred tourism destination for domestic as well as foreign tourists. For this purpose, Government of KP has announced its first Provincial Tourism Policy in March 2015 which was prepared in consultation with a large number of key stakeholders from the public and private

sectors with the support of USAID. The main objectives of KP tourism Policy is to establish Khyber Pakhtunkhwa as a preferred tourist destination, nationally in short to mid-term and globally in the long term by increasing tourist traffic in the province by at least 10 % over the next five years. More over there is target to increase the private sector investment, improve the quality of workforce and establish a tourism service providers' quality assurance regime in the province. KP government has also developed a framework for public private partnership to attract invest from private sector in tourism and hotel industry.

6. The Issue of Governance of Tourism Sector in Pakistan

The core issue of tourism development in Pakistan is the management and organization structure to run this sector. With the passage of time and the advantages of experience of other countries tourism administrations, it is possible to make comparisons and compare role of models best suited to Pakistan. There are many role models to choose from as almost all counties in the world have tourism management bodies of some kind.

Before making any recommendations for the improvement of the coherence structure of tourism sector in Pakistan, it is necessary to look at and evaluate the present organization and management structures which have been in place in Pakistan for the past forty five years.

6.1 Federal Ministry of Tourism and its Operational Wings

It is necessary to review briefly the tourism industry in Pakistan in its historical perspective. Awareness of the relative importance of tourism was slow to understand, and although Pakistan become a member of the **International Union of Tourism Organizations (IUOTO)** now the **UN World Tourism Organization (UNWTO)** in 1949, as a sector government activity, tourism was placed with **Ministry of Railways** where it remained until 1955. It was then transferred to the **Commerce Ministry**. It was during this period of (1955-60) that a proper organization for tourism was conceived and a **Tourism Bureau** was created in 1960 when it became part of Ministry of Commerce and attained the status of an attached department.

In 1964 it was transferred to the **Office of Chief Administrator Civil Aviation and Tourism**. When the Aviation Division was created in 1968, the Bureau remained as an attached Department of this Division. In 1970 it was downgraded to a cell through continuing as part of the Civil Aviation Division when most functions of the Bureau were assigned to a newly formed **Pakistan Tourism Development Corporation (PTDC)**. Tourism was taken seriously for the first time at the policy making level in 1972 when a **Ministry of Minority and Religious Affairs and Tourism** created, though this Ministry was disbanded in 1976 when the Tourism Division became part of the Ministry of Commerce again. In 1977, the **Ministry of Culture, Sports, Tourism and Archaeology** was created. A difficult period of time ensued with the imposition of Martial Law and what small tourism there was, declined as a result.

From 1977 to 1996 tourism remained in the same Ministry but was given various emphases in the administration and switched between divisions. In 1996 the Ministry became the **Ministry of Culture, Sports, Tourism and Youth Affairs** which was split into three wings namely Tourism and Sports, Culture

and Administration and Youth Affairs.

From the foregoing evaluation it can be easily surmised about the level of priority given to tourism sector by the government and the manner in which tourism was shifted around over the years. It very clearly shows that tourism had always on a relatively low priority in the government.

In spite of the fact that a **national tourism policy was introduced in 1990**, the sector was still accorded a very low priority, and tourism seemed to be attached to ministries with sectors requiring more attention and priority

In the pre 18th amendment scenario the Ministry of Culture, Sports, Tourism and Youth Affairs was responsible for the policy formulation, development, marketing and promotion of both foreign and domestic tourism besides coordination and regulating of federal and provincial governments and private sector activities responsible and involved in tourism with help of its following field organizations:

6.1.1 Department of Tourism Services (DTS): Established in 1976 after promulgation of three acts to ensure the standard and quality of facilities to be provided by the hoteliers, tour operators and travel agents. DTS has been mainly responsible to enforce these acts in the country as a whole and to ensure that tourists are provided the facilities/services which are promised them through its one federal and four provincial offices. DTS has been functioning based on totally outdated laws which are not acceptable either here in Pakistan or internationally. This is compounded by the fact that those responsible for licencing, standards and enforcement are unqualified in their task. They are basically untrained or experienced in what is now a highly professional and international sub-sector of the tourism industry. After the 18th amendment in the constitution of Pakistan, DTS regional offices in all the four provinces were handed over to provinces are now working under respective tourism departments and they do not have any formal link with the DTS office working at federal level. This situation has further deteriorated the performance of DTS. As a result there is no standardization or quality control of the tourism product and the travel agents, tour operators and hotels in private sector are dissatisfied and unresponsive to the meaningful involvement with the public sector tourism organizations in the areas of promotion and cooperation.

6.1.2 Pakistan Tourism Development Corporation (PTDC): it is a public limited company registered under the Companies Act in April 1970. It was created to be the government's arm and thrust for tourism development in Pakistan with objects to develop tourism infrastructure on an all over Pakistan basis, to promote and market Pakistan as tourism destination in foreign as well as domestic markets, to act as a catalyst to encourage to private sector to play a more active role in tourism development and to undertake tour operations and provide ground handling facilities.

PTDC is governed by a Board of Directors. The chairman is either appointed by the government or the position is held by the Minister of Tourism in the absence of an appointed chairman. The chief executive is the Managing Director who is the principal reporting officer to the Board. In most of the cases the appointment of Managing Directors has been as per the discretion of Prime Minister of Pakistan.

Over the years PTDC established a chain of hotels/motels at various tourist spots throughout Pakistan and also established 20 Tourist Information Centers (TICs) in different parts of the country. It established **TDCP Motels Ltd.** which undertakes the management of all the hospitality units operated by PTDC and also established **Pakistan Tours Ltd.** which acts as inbound tour company and provides ground handling and transport facilities for international and domestic tourists.

Since its inception PTDC has had a troubled time and its relationship with the private sector and the government has not been good. PTDC involvement in activities such as tours and hotels operation has been seen by the private sector as the government being directly in competition with the private sector.

On the other hand its funding from government has not been sufficient to enable it to function as originally envisioned and it is top heavy in institutional and administrative costs, so much so that most of its funding from government has been going on administration and staff cost.

After the **devolution of Federal Ministry of Tourism as a result of 18th Amendment in the constitution of Pakistan in 2010**, the funding to PTDC from Federal government reduced to the level that it has now become difficult for the management to pay even the salaries of its staff and meet overhead expenses. On the other hand provincial tourism authorities are demanding the devolution of PTDC to get the control on the properties managed by PTDC in respective provinces.

6.1.3 Pakistan Institution of Hotel & Tourism Management (PITHM) at Karachi: The Pakistan Institution of Hotel & Tourism Management (PITHM) was set up in 1967 at Karachi with an aim to train personnel for hotels, restaurants, airlines and tour operations. Some initial funding was provided by UNDP, ILO and the government of Pakistan. In 1972 it was registered as a society under the Societies Registration Act 1860, Since then the institute has been functioning as an autonomous body administered by a Board of Governors including representatives of the travel trade, hotel industry, PTDC and Department of Culture and Tourism Government of Sind. Till 2010 it was working under the auspices of Federal Ministry of Tourism and after the 18th Amendment in the constitution of Pakistan it has been working under the supervision of Department of Culture and Tourism Government of Sind.

The main function and activity of the institute is to impart knowledge by training manpower for the hospitality, travel and tourism industry in Pakistan. This is done by regular certificate and diploma courses offered by the institute on time to time basis. **Although PITHM is the oldest instate of its kind in Pakistan but still its standard is far below the required international standards of hospitality and tourism industry and as a whole it has failed to meet its aims and objectives.**

6.1.4 Pakistan Austrian Institute of Hotel and Tourism Management (PAITHM) Swat: This institute was established in 2001 at Gulibahar Swat under the deliberation of Vienna Agreement between that time Federal Ministry of Tourism and Austrian Development Agency, Austria with a mission to promote tourism and hospitality education through establishing a teaching hotel and to attract youth towards a splendorous career in tourism industry. The state of the art institute building includes admin and institute block, four student hostels, 26 rooms hotel with conference hall and two

restaurants. It started its operation in May 2006 and conducted few courses and later on after the Taliban's insurgency in Swat it remained closed for few years. After re-gaining control of Swat from Taliban in 2009, Pak Army occupied the institute building and used it as a detention cell/rehabilitation center. The building of the institute is still under the use of Pak Army. After the 18th Amendment, the institute was transferred to KP Tourism Department and now it is operating in a small rented building in Saidu Sharif Swat and only running some short courses for the hospitality sector with the support of NAVTTC.

6.2 Provincial Tourism Management Bodies

6.2.1 Tourism Development Corporation of Punjab (TDCP): In the province of Punjab the tourism policy and formulation is vested in **the Department of Forestry, Wildlife, Fisheries and Tourism**. The Secretary is the delegated official responsible for tourism. Like other provinces, tourism was generally very low profile sector at the provincial level. In 1987 the **Tourism Development Corporation of Punjab (TDCP)** was established as a public limited company owned by the Government of Punjab to take over the affairs of tourism for the province. Due to personal interests of then Chief Minister and Present Prime Minister an injection of assets was given to TDCP in terms of land and financial assistance. Its objectives were defined as:-

- To promote and develop tourism in Punjab
- To establish tourism infrastructure
- To promote and publicize the province's history, culture and archeological monuments and other features of interests to the tourists
- To provide quality tourist transport facilities
- To cooperate with the private sector to create tourist facilities and services.

TDCP with its head office at Lahore has established a network of regional offices at Bahawalpur, Multan, Rawalpindi and Murree. During the last thirty years, TDCP has established a number of tourist resorts at locations such as Patriata near Murree, Kallar Kahar, Fort Manro, Changa Manga, Lalsohanra National Park and some road side restaurants on GT road and on the way to Murree. It has also published pamphlets, brochures and booklets for the promotion of the province as tourist destination and has played a role in popularizing various places in Punjab for domestic tourism. In the initial years TDCP also introduce air-conditioned tourist bus service to different cities of Punjab besides launching a city sightseeing tour service in Lahore. In the later years, TDCP also got involved in hospitality and tourism management training by establishing an Institute of Tourism and Hotel Management (ITHM) at Lahore. Although ITHM offers diploma and certificate courses in hotel and tourism management subjects but its overall standard of instructions is very low as it is now well recognized as a training institution nationally and internationally.

In the initial years, TDCP received very good support from the provincial government but later on due to scarcity of financial resources, lack of interest at heights level of provincial government and lack of professionalism among its staff TDCP lost its importance gradually. Same as it happened in the case of PTDC, TDCP also got involved in business activities such as transport operation, tour operation and

management of its motels which has been seen by the private sector as the government being directly in competition with the private sector.

6.2.2 Tourism Corporation Khyber Pakhtunkhwa TCKP and Sindh Tourism Development Corporation (STDC): Following the precedent of Punjab government, later on governments of Sindh and KP (former NWFP) also established tourism development corporations at provincial level and started work on various tourism projects in the respective regions. Like all government tourism organizations in Pakistan, the **Sindh Tourism Development Corporation (STDC)** and **Tourism Corporation Khyber Pakhtunkhwa (TCKP)** are handicapped by lack of financial resources and professionalism so are not fully able to perform the role for which they were created.

6.3 Tourism Trade Bodies Operating in Pakistan

There are four main tourism trade bodies and associations operating in the private sector:

6.3.1 The Pakistan Hotel Association (PHA): The PHA is the recognized national representative of Pakistan's hospitality sector and represents the hospitality industry on the PITHM Board of Governors and various committees established by Federal Ministry of Tourism in the past. PHA is also affiliated to the International Hotels Federation which is the world body for national association of hotels. PHA is a responsible body with considerable professionalism at the management level and with its own executive office in Karachi. **PHA membership is mainly comprised of large hotels and very few medium and small hotels are its members. Moreover, it has so far not played any constructive role in the development and capacity building of hospitality sector in Pakistan and its relationship with public sector organizations at federal and provincial level and not very conducive.**

6.3.2 Travel Agents Association of Pakistan (TAAP): As the name suggests, TAAP is the representative body of Travel Agents in Pakistan and has nationwide membership and works closely with the aviation industry and with departments of the federal and provincial governments. It was established in 1974 with following objectives:

- To protect the interest of air travel trade and allied services.
- To promote tourism in Pakistan.
- To serve as a forum for raising and advocating to the Airlines, Government and other regulatory and official bodies the issues / views of its members in the interest of aviation/ travel and tourism industry of the country.

It is recognized as national trade body of Pakistan's travel agents and internationally it is member of Universal Federation of Travel Agents Associations (UFTTAA). TAAP has its office at Karachi and two regional chapters. So far it is the most well connected and well organized travel trade association in Pakistan having national and international recognition.

6.3.3 Pakistan Association of Tour Operators (PATO): PATO is the association of expert inbound tour-operators whose members are recognized / approved by the Department of Tourist Services (DTS).

With its office at Islamabad, PATO is the representative body of Tour Operators in Pakistan and has membership nationwide and works closely with DTS at federal and provincial level. It is relatively a new trade organizations and still passing through its infancy phase.

6.3.4 Sustainable Tourism Foundation Pakistan (STFP): Sustainable Tourism Foundation Pakistan (STFP) is a non-profit and non-political organization established by a group of eminent professionals from the tourism industry as well as environmentalists to promote Sustainable Tourism in Pakistan. STFP is also member of Global Sustainable Tourism Council (GSTC) and The International Ecotourism Society. The foundation is working closely with public and private sector stakeholders at national, regional and international level to facilitate and promotion the exchange of knowledge, experiences and ideas on best practices of sustainable tourism.

7. Assessment of Tourism Sector's Management

From the foregoing evaluation of the organizational structures of the tourism sector it will be recognized that there are serious deficiencies in the management and administration and controls of the sector.

With the abolishing of the Federal Ministry of Tourism as a result of 18th amendment in the constitution, there is no entity in the federal government which could take responsibility of looking after tourism affairs on a national level. There are many tourism-related interventions which are not province specific and which need to be dealt at the federal level; such as building country's image in foreign tourism markets, resolving difficulty in issuance of Pakistani visa, dealing with overall security situation, assurance of quality and service standard in tourism sector etc. Absence of an organization at the federal level has created a vacuum and inability to deal with tourism related issues at national level.

Tourism is vastly underrated industry in Pakistan. Its benefits and penetration down to grassroots level and its resilience to survive in times of crisis and conflict has shown that with support, nurturing and commitment, it can grow into a major economic generator and labour intensifying industry in Pakistan. However, **the low priority given to the sector has resulted in the government paying little attention to it in real terms over the last four decades, which has resulted in a drifting apart of the public and private sectors. This has been mainly due to the lack of support given by government in assisting the tourism private sector with any form of management, organizational or policy structure that could allow the fast moving industry to progress.**

Tourism is a commercial activity and governments do not make good marketing and promotional agencies. They are too slow moving, hampered by a bureaucratic system of administration that is left behind by the fast moving priorities of the tourism sector's commercial interests and the continues battle to convince the international tourist to visit, in the case, Pakistan. **Unless the development, management and promotion of tourism is given over to a sensible a public/private sector partnership or a private sector management structure, it is difficult to see how tourism can seriously be develop to a stage where international and domestic investment in tourism can be encouraged, which in turn**

would lead to an increase in economic activity in the sector.

8. Key Challenges Faced by Pakistan's Tourism Industry

Beside the core issue of governance of tourism sector in Pakistan, the members of Pakistan Tourism Forum (PTF) in the round table discussion held on 16th February 2017 have identified following key challenges faced by the tourism industry in Pakistan and have made recommendations to develop and promote tourism sector in Pakistan on sustainable lines.

8.1 Pakistan's Negative Image as a Tourism Destination

Pakistan's image in the world as a tourist destination is negative due to the existence of security issues in the country. The law and order issues do exist in some areas of the Pakistan; however, the reality is much better than the perception and the local and international media creates unnecessary sensationalizing; just to increase their viewership. Travel advisory reports are developed by the diplomats who rely only on the media and have no exposure to ground realities. This negative image becomes a strong barrier for the international tourists to travel to Pakistan and also discourages the domestic tourists for travelling.

8.2 Low Priority to Tourism Sector

In spite of the very evident importance of Tourism sector for Pakistan, the sector has never obtained its due attention from either federal or provincial governments. This fact is also substantiated by the report of World Travel and Tourism Competitiveness Report; which ranked Pakistan 120th on the factor of government prioritization of Travel & Tourism (T&T) Industry. In terms of T&T enabling conditions, Pakistan was ranked 123rd.

8.3 Security and Safety of Tourists

Inadequate peace and security situation in the country is the biggest challenge towards promoting tourism in the country. With security forces deployed on roads and all important places in the towns and their suburbs, the tourists feel threatened and do not want to visit those areas. In some areas, there is the practice of providing security escort to the foreign tourists; even without their request. This practice threatens and discourages the tourists. Moreover, in spite of holding valid visas foreign tourists are also required to obtain NOC from the Provincial Home Departments to visit most of the tourist areas. Getting NOC is cumbersome and involves a lengthy process hence it further discourage the movement of tourists within the country.

8.4 Difficulty in getting Pakistani Visa

Due to uncertain security and volatile geopolitical situation, tourists do not easily get Pakistani visa. The issue gets even more severe when entry into Pakistan is from India and Afghanistan; which restricts thousands of tourists traveling by road to come to Pakistan. On the other hand most of the countries have adopted E-Visa policy to encourage foreign tourists to visit their countries. Even India has introduced E-Visa facility to the citizens of more than 120 countries in the recent years and it has greatly increased foreign tourists traffic to India.

8.5 Lack of inter-departmental Coordination

Tourism is a cross cutting theme and is related to number of other departments and ministries; such as home department, foreign office, planning and development, trade and commerce, environment, wild life, forestry, civil aviation, railway, local governments, road and highways etc. However, all these ministries and departments keep working in isolation without taking into account the synergies which may be developed with Tourism. This results in missing out on many opportunities through which tourism development can take place without incurring much cost.

8.6 Lack of Private Sector Investment in Tourism Sector

Development of tourism infrastructure requires large funds; the provision of which is difficult for the government. One practical option to deal with this issue is to mobilize private sector funds into large development projects of public good. For this to happen, a regulatory framework is required, which can define the roles and responsibilities of the two partners from public and private sectors. Presently, there is no such policy to attract private sector investment in tourism.

8.7 Government in the Role of a Business Manager

Currently, the Tourism promotion organizations at federal and provincial levels are engaged in running commercial businesses. PTDC, TDCP and TCKP run most of its own hotels, rest houses and transport facilities on commercial basis. In this way, the government takes on the role of a competitor of the private sector instead of a facilitator and regulator. The tourism managing organization loses the sight of its prime objective of sector development and revenue generation becomes its main focus.

8.8 Lack of Proper Enforcement of Standards and Certifications

The responsibility of managing the laws and standards of hotels, tourist guides and travel agencies lies with Department of Tourist Services (DTS). Before devolution, DTS used to work under Federal Ministry of Tourism now it is working as a provincial entity. As per the mandate decided for DTS, it is responsible to ensure the quality of tourist services through implementation of the following Acts of Parliament:

- The Pakistan Hotels and Restaurants Act 1976
- The Pakistan Tourist Guides Act 1976
- The Travel Agencies Act 1976

Looking at the current low level of implementation of standards and quality of services offered by hotels and restaurants, it is evident that DTS has not been able to perform its functions very effectively. A Star System also exists for standardizing the quality of services offered by hotels but practically, there is no implementation of these standards.

There is also a weak implementation of standards and certifications for tourist guides. Likewise, in other services like transportation, there is no implementation of standards. There is no fitness certification system implemented for vehicles hired by the tourists. There is no standardization of transportation rates between different destinations. The issue of lack of standards and certifications also applies to tour operation businesses.

8.9 Lack of Proper Marketing and Promotion

In spite of being blessed with very valuable tourist attractions, Pakistan has not been successful in

developing itself into a popular tourist destination in the world. One of the key reasons for this has been the inability to take a structured approach for marketing and promotion; a failure in the art of presentation of our tourism to the world. There have been very insignificant activities carried out in this regard on local and/or international media.

During the past six decades, Pakistan has not been successful in developing a brand of its Tourism attractions. Pakistan has very rich natural, historic, archeological, cultural assets; which can very easily and quickly create a brand of Pakistan Tourism. Many countries have successfully branded their tourism attractions and one of the best example is Incredible India a brand created by India tourism authorities.

8.10 Insufficient Use of IT for Tourism Promotion

PTDC, TDCP, TCKP and other provincial tourism promotion organizations, through their websites, have ensured their presence on internet. However, none of these websites meets all the needs of tourists. There are no facilities for getting online information on room availability or for online bookings of hotels, transport facilities, tourist guide services, etc. Most of these sites are developed in a routine manner and are of little use to the tourists. There is need to provide a complete one-stop solution for the tourists. Following a stereotype approach limits the potential of information technology as a tool for tourism promotion.

8.11 Ineffective Participation in International Tourism Fairs and Festival

An important tool for promoting Tourism is participation in international fairs. PTDC has been participating in international fairs; however, this participation has not led to the desired results. On TTCI, Pakistan was ranked 62nd in terms of participation in international fairs. Compared to this, India was ranked 1st on this factor. This shows the interest of India and its commitment towards promoting its tourism. Pakistan's participation in the international fairs has not been very proactive. A small stall gives Pakistan an insignificant presence in a fair like ITB Berlin and WTM at London; compared to the presence of other countries. Adding to this is the fact that the people included in the delegation are usually not relevant.

8.12 Dilapidated Tourism Infrastructure and Negative Impacts of Natural Environment

Due to a recent history of natural disasters, the tourism sector in many areas especially mountainous regions has suffered major losses, including physical damages to buildings and equipment and lost businesses. This in turn has taken its toll on availability of tourist facilities in the country. Damage caused to access roads, unreliable supply of electricity, poor sanitation at tourist spots, and lack of proper solid waste management has worsened the situation.

During the past two decades, very little has been done for developing new tourist sites/attractions in the country. Lack of development of new tourist sites is particularly relevant for domestic tourism since they are interested in going to new places. There is no proper planning for the development of tourist places and unplanned development in and around tourist sites is damaging the natural environment and cultural heritage sites in many tourist areas.

8.13 Tourism Workforce Development

There is serious lack of an integrated approach for ensuring the supply of qualified human resource (managers and workers) for the tourism sector of Pakistan. There are no standardized degree courses on tourism and hotel management offered by large universities of the country. Few private colleges and universities offer under graduate and post graduate level courses but their overall standard is very low. Pakistan Institute of Tourism and Hotel Management at Karachi and College of Tourism and Hotel Management at Lahore offer short courses in hospitality and travel management. But again their standards are also not up to the level of recognized international quality standards and they need to work hard to improve their study programs.

8.14 Lack of Research in Tourism Sector

Research supports and intersects with all the key issue areas in tourism development and promotion. It helps identify the consumers and key trends in the industry and support case making, advocacy and policy making efforts. In Pakistan there is no proper mechanism to collect and disseminate data of tourist trends. Before devolution there was a cell in Ministry of Tourism which used to compile some data on tourism but now there is no such mechanism in place to even provide that much little information about the tourism sector growth in Pakistan.

8.15 Multiplicity of Taxes

One of the bottlenecks in achieving the full potential of tourism sector in Pakistan is the high rates and multiplicity of taxes by federal and provincial governments that has led to tourist package being out priced in comparison with other destinations. There is urgent need to unified and rationalized these taxes.



PTF Round Table Discussion on Challenges faced by the Tourism Industry of Pakistan

9. Recommendations in the light of International Best Practices for the Development and Promotion of Tourism in Pakistan

The tourism industry has emerged as a major income-driving industry in many developing and under-developed countries in the world. There are many examples that show how the thriving tourism sector can have positive impact on economic growth, employment generation and overall socio-economic development of the country. Pakistan is blessed with natural beauty, cultural diversity and rich historical background. We can learn from the best practices of other countries especially from our neighboring countries like India, Sri Lanka, Nepal, Iran and Turkey which has given priority to its tourism Industry as major sector of economic growth.

The members of Pakistan Tourism Forum (PTF) in the round table discussion have made following recommendations based on the international best practices to develop and promote tourism sector in Pakistan:

9.1 Prioritization of Tourism Sector by the Government: The government should officially declare tourism as an important sector of economy and adopt necessary policy measures to facilitate the positive growth of this sector. At political level the top leadership should demonstrate very strong will to promote tourism at national level as an engine of socio-economic development.

9.2 Leading Role of Federal Government: In all the countries the Federal Governments play leading role in establishing effective coordination among the provinces and key ministries at Federal level for investment promotion, infrastructure development, visa facilitation, marketing and promotion, enforcement of quality standards and mobilizations international donors and investors support. Therefore, federal government should play leading role to give boost to tourism industry in the country. A national tourism board as proposed in the improved management and governance of this sector should be established without any delay.

9.3 Government Role as Facilitator and Regulator: In all the countries governments' role in tourism is limited only to facilitation and regulation of the sector. In Pakistan, the tourism management organizations at federal and provincial levels are engaged in running commercial businesses as well. PTDC, TDCP and TCKP run most of its own hotels, rest houses and transport facilities on commercial basis. In this way, the government takes on the role of a competitor of the private sector instead of a facilitator and regulator. The tourism managing organization loses the sight of its prime objective of sector development and revenue generation becomes its main focus. It is therefore recommended that the government should focus on the formulation of facilitative policies for private sector to operate, set standards and monitor the implementation of the rules and regulations and create an enabling business environment for private sector to come forward in invest in tourism development projects.

9.4 Improved Coordination between Ministries and Departments: Most of the countries have established very effective inter-ministerial/departmental coordination mechanism at federal, provincial and district levels to bring synergies in planning and implementations of various activities of tourism sector. For example, in India tourism has been placed on concurrent list earlier it was a state subject.

They tourism coordination committees from union level to Panchiat levels. Similarly there is need to establish national, provincial and district level tourism councils in Pakistan to establish effective coordination and working relationships among the stakeholders of public and private sectors.

9.5 Development of Public-Private Partnerships: Most of the countries which have thriving tourism sector have encouraged public-private partnerships for tourism projects to meet the resource gap and create fiscal space for the government to divert scarce resources to other projects. This also takes care of the government's implementation capacity constraints by bringing in the private sector's efficient management skills. To successfully develop and implement PPP model, these countries have developed regulatory framework which defines the domains and roles and responsibilities of public and private sector partners. In Pakistan the new tourist sites should be developed on public-private partnership model. Government should provide land, road access and utilities whereas the major share of the investment should be injected by the private sector which should be recovered along with the projected profits.

9.6 Safety and Security of Visitors: Maintaining peace and security is the prime concern of all the countries. Concept of tourism police, toll-free phone helplines in multiple languages, installation of security cameras and other such measures are commonly used in these countries to ensure the safety and security of visitors. The safety and security of tourists should be the prime concern of the government and given high priority in overall security policy of Pakistan to provide safe and secure environment to the visitors during travel and at destinations.

Unnecessary restrictions on the movement of foreign tourists should be abolished and an institutional mechanism will be established to ensure issuance of fast track issuance NoCs and permits for trekking and mountaineering expeditions. Where necessary, invisible foolproof security should be provided to the foreign tourists so that they could enjoy their holidays without any fear and worry. There are cases of harassment and misbehavior to the tourists and by the tourists at destinations. To address such issues, government should introduce the concept of "Tourist Police" within existing setup at all major tourist places. The staff for tourist police should be selected out the best male and female staff available in Police Department and they should be especially trained in dealing situations/issues related with tourists. They should be placed in the existing police stations and police posts to provide assistance and guidance to the visitors as well as to the local community in maintaining the destinations hassle free.

9.7 Facilitation in Issuance of Tourist Visa: In most of the tourists friendly countries more and more emphasize has been given to facilitate in the issuance of visa to incoming tourists. India has introduced E-visa facility for 120 countries in 2014. It has significantly increased the arrival of foreign tourists in India. On the same lines government of Pakistan should also announce a revised tourist friendly visa policy and introduce E-visa facility to most of the tourists generating countries.

9.8 Environment Protection and Heritage Conservation: Conservation of natural environment and cultural heritage is part and parcel of the tourism development strategies in most of the countries as it is the key to ensure the sustainable use of tourism assets for the long term benefits. Provincial tourism departments in association with concerned departments and agencies should prepare master plans of major tourist destinations to ensure sustainable eco-friendly growth of tourism at destinations. Tourism

Departments should also develop necessary guidelines for the development of various kinds of facilities as per international best practices of eco-friendly tourism.

9.9 Development and Implementation of Service Quality Standards: Continues improvement and strengthening of the implementation of quality standards and certifications for the hotels, restaurants and other service providers in tourism sector is the hallmark of most of these counties. There is need to put in place a proper legal framework and implementation mechanism to ensure that the tourists get the real worth of their money they spend on buy these services. There is need to develop the capacity of DTS to play more active role as a monitor and regulator.

9.10 Effective Marketing and Promotion of Tourism: Most of the countries have adopted an integrated approach for the marketing and promotion of tourism based on proper market research and data collection about the potential tourists, their preferences and spending power etc. Diversified products have been developed for various segments of tourists and targeted marketing activities have been undertaken to attract maximum number of tourists. For example the marketing campaign of India Tourism under the brand name of “Incredible India” has shown great results in the past few years. There is need to develop a brand name for Pakistan as a tourist destination that that brand name should be promoted through joint marketing strategy by effectively pooling in available resources. The public sector organizations should participate very effectively along with their private sector players in international tourism markets such as London Tourism Mart, ITB Berlin and Beijing Tourism Mart which attract buyers and sellers from all over the world in large number.

Role of print and electronic media to promote the soft image is very important. Exposure trips of media persons, travel writers and TV channel teams should be organized regular basis to get positive projection on media. Private sector should also be encouraged to launch an exclusive TV channel on travel and tourism.

A joint task force should be constituted to provide synergy between private and public sectors in marking and to formulate innovative marketing strategy to promote Pakistan as an all season tourist destination.

9.11 Diversification of Tourism Products: In addition to the cultural tourism and adventure which Pakistan has been promoting through its promotional campaign, there is need to develop other tourism products such as wellness tourism, medical tourism, sports tourism, rural tourism, ecotourism and spiritual tourism. The government should adopt a very strategic approach for the development for these tourism sources, by creating guidelines for each type of tourism product, along with employment schemes for potential jobseekers in each sector.

9.12 Importance to Domestic Tourism: Although attracting more and more foreign tourists is always the preference of all the countries due to its potential to generate much needed foreign exchange but the importance of domestic tourist market cannot ignored. Therefore, the focus government should be on the development of infrastructure and facilities to serve the much larger domestic tourist market.

9.13 Attracting Religious Tourist from Abroad: There is need to pay special attention to attract foreign religious tourists from abroad as we have many holy sites belonging to different religions such as Hinduism, Sikhism, Buddhism and Islam. Necessary infrastructure should be developed to facilitate such tourists to practice their religious rituals and prayers at the sites of religious importance.

9.14 Development of printed and electronic information material on tourist site: Development of attractive printed and electronic information material on tourist site in multiple languages should also be the main focus of tourism promotion organizations.

9.15 Use of IT in Tourism: Most of the countries are using Information Technology (IT) very effectively to promote tourism. Online visa, online hotel booking, airline and transport booking and other services are now common features of most of the web portals of these countries. The tourism websites should provide a one stop solution to interested visitors to get all the information and facilitation they are required before leaving their home.

9.16 Effective role of national airlines: Most of the countries are very effectively using their national airlines to increase the foreign tourist traffic to their countries. Marketing through inflight magazine, showing inflight documentaries, offering group tour discount, arranging exposure trips for travel-writers and offering a range of incentives to frequent flyers are main feature of these airlines to attract tourists to their homelands. On the same lines there is need to engage PIA to play a more active role to promote Pakistan as a tourist destination.

9.17 Local Community Sensitization: In most of the countries the tourism development strategies for different tourist areas are designed with the participation of local community for ensuring its ownership and support. Opinion makers of the society like religious leaders, teachers, social workers, etc. should be engaged and mobilized for improving affinity of local communities for tourism in Pakistan. There is need to highlight the potential job creation opportunities and economic benefits in the local community mobilization campaigns. The importance of civic responsibilities, cleanliness and waste management should also be promoted through community leaders.

9.18 Improvement of Tourism Infrastructure: Having quality tourism infrastructure is a prerequisite for attracting tourists. Important components of infrastructure include access roads, railway tracks, airports, flights, road transport facilities, accommodation facilities (hotels, motels, youth hostels, etc.) should be developed by encouraging PPP model and also through the allocation of special funds under Annual Development Programs of Federal and Provincial Governments.

9.19 Tourism Human Resource Development: There is need to give a lot of importance to develop the work forces in tourism and hospitality sectors. Government should encourage private sector to establish training institutes to offer skill based course in tourism and hospitality to unemployed youth. Special grant packages should be introduced to provide financial and technical assistance to the institutes established under this scheme. Efforts should be made to create linkages with similar international institutions to ensure quality education system and globally certification mechanism.

9.20 Rationalization of Taxes: One of the bottlenecks in achieving the full potential of tourism sector in Pakistan is the high rates and multiplicity of taxes by federal and provincial governments that has led to tourist package being out priced in comparison with other destinations. It is recommended that taxes on travel and hospitality sub sectors should be rationalized and unified in consultation with the industry stakeholders.

9.21 International Cooperation: Development of international cooperation should also be given importance by the government. Holding consultations with other countries and international organizations for signing agreements of bilateral cooperation should be the regular feature. These agreements and protocols with other countries help to widen the links of friendship and promote cooperation in tourism sector.

9.22 Sustainable Development of Tourism: The principle of sustainable development dictates that the level of development does not exceed the carrying capacity of the area. The federal and provincial governments should ensure adherence to such limits through appropriate planning instruments, guidelines and enabling regulations and their enforcement. Efforts should be made that tourism in developed in such a way that it does not negatively impact on the natural and cultural environment of the destinations.

10. Recommendations for the Improvement of Management of Tourism Sector

The current trend in almost all regions of the world is towards public-private sector partnerships with the government providing the legal and regulatory framework and the private sector managing and marketing the tourism export product.

Where governments have eased themselves out of the director responsibility for tourism, varied forms of structures have been set up, from National Tourism Administrations, National Tourism Organizations to National Tourism Boards, Tourist Authorities etc. It is not the title which matter, rather it is the function and authority and power vested in them that matters. A number of NTOs are statutory bodies, which means that they have greater power and influence in the tourism decision making process than government departments. They contribute to policy formulation and have wide powers in licensing and control (including grading of the hotels etc.) as well as responsibility for human resource development, environment and development. As an example of the extent to which the private sector is now being vested with all aspects of tourism is that the Board Failte, the Irish Tourist Board, who now contract out all their publications and hotel classification to the private sector.

Despite some regional variations, current thinking even in the less developed countries of the world is that while governments should be more responsible for the development of tourism infrastructure, they should dissociate themselves of any interests they might have in tourism's commercial operation, In fact their role should be no longer to intervene directly in the development of their countries tourism industry, but should be more that of a catalyst; stimulating market growth and

supporting the private sector with fiscal and other incentives for investment.

At the same time as this change in thinking, there has also been a rationalization of government responsibilities and activities in management of tourism, with a growing preference for the separation of promotion and marketing activities from policy and regulation. Increasing autonomy is being given to statutory bodies with private sector management to assume full responsibility for marketing, planning and promotion of tourism.

Moreover, in the case of Pakistan, tourism is not yet in a position to promote itself internationally in a fragmented provincial/regional manner until the image of Pakistan as a country has penetrated the market. As a consequence any provincial tourism promotional activity in the absence of a National Tourism Organization will confuse and dilute the efforts of an overall country promotional policy. Also, there is an inherent danger in a decentralized system of the likelihood of overlapping and duplication of efforts.

In the light of above discussion, following recommendations are made to improve the overall management structure of the tourism sector generally in Pakistan.

10.1 The Establishment of the Pakistan Tourist Board

Different countries have different tourism structures according to their government's involvement in tourism. National Tourism Administrations (NTAs), National Tourism Organizations (NTOs) are generally recognized as important organs of government's tourism involvement. Tourism Authorities, Tourism Boards, Tourism Councils and a variety of other associated names are used to suit a particular approach. Each have their own particular reasons according to the extent to which government and private sector are involved either individually, separately or collectively.

In Pakistan there have been numerous suggestions to create a tourism authority and various forms of corporations have been set up. A tourism council was set up in 1991 but never functioned, and numerous committees of one kind or another set up have proved ineffective.

An official **Pakistan Tourist Board (PTB)** set up as a statutory public/private sector partnership body sets itself apart from the past confusions and uncertainties of objectives and functions. The PTB name and concept interacts internationally with generating markets professionals at all levels of the industry and takes away the confusion of function and purpose which tends to exist in the minds of private sector dealing with public sector corporations, authorities and councils etc.

Therefore, in order to fill the gap at national level after the 18th amendment in the constitution of Pakistan, a new public /private sector partnership should be established with the creation of a Statutory Body which should have representation of all the provincial tourism departments, AJK Tourism Department, GB Tourism Department, private sector trade bodies and key federal government departments such as PTDC, Planning Commission, Ministry of Commerce, Ministry of Interior and Ministry of Foreign Affairs.

- This statutory body should be named the Pakistan Tourist Board (PTB) and it should be

structured under a Board of Directors answerable to the Prime Minister.

- The departments of the PTB would be responsible for:
 - Pakistan's image building as tourist destination through Marketing and Promotion - International and Domestic
 - Planning, Research and Development
 - Industry Standards, Classification and Licensing
 - Interprovincial Coordination for Tourism Development
 - Inter-departmental coordination at Federal Level
 - International relations and cooperation
 - Visa facilitation
 - Coordination with Aviation, Highways and Railways departments
- The Department Heads (management staff) of the PTB including the Chief Executive would be employed from the private sector or public sector depending on qualifications and experience.
- UNWTO should be contacted by the PTB to provide immediate technical assistance to prepare a tourism revival strategy for Pakistan and provide assistance for developing marketing linkages at regional level.

10.2 Restructuring of Role of Pakistan Tourism Corporation (PTDC)

The PTDC apart from its functions as the federal government's arm for the management of hotels and motels and running tourism information centers, has been responsible for marketing and promoting tourism in Pakistan. As part of this function it also operates as a commercial tour operator competing with the private sector. In this regard it has a distinct advantage over the private sector tour operators. After the removal of tourism from the concurrent list as a result of 18th Amendment in the constitution of Pakistan, PTDC has been facing serious financial crises as federal government has stopped allocating any funds to PTDC for the marketing and promotional activities and management of its properties. So much so the management of PTDC was not able to pay the salaries of its staff for many years.

There is urgent need to restructure the role of PTDC to function as an arm of Pakistan Tourism Board for marketing and promotion of Pakistan as a tourist destination with effective collaboration with provincial tourism promotion bodies and private sector stakeholders. It is recommended that the assets presently owned by PTDC should be privatized and funds generated through this activity should be invested to create an endowment fund for the smooth functioning of the activities of the Pakistan Tourism Board (PTB). PTDC should have a small highly qualified and skillful professional team and it should exclusively focus on the promotional activities in domestic and foreign target markets. It should not engage itself in any commercial activity such as running of hotels, motels or tour operation businesses to avoid competition with the private sector rather it should function in the supportive role.

10.3 Restructuring of Role of Provincial Tourism Corporations/Departments

There is need to restructure the role of Provincial and regional Tourism Development Corporations. TDCP, TCKP, STDC, Baluchistan Department of Culture and Tourism, BG Tourism, AJK Tourism Department should work in close collaboration with the proposed Pakistan Tourism Board (PTB) and

their role should be to ensure the development of proper infrastructure for the tourism, investment promotion through public private partnerships, implement of tourism related laws and ensure quality standards under the guidance of PTB, development of tourism human resource, development of tourist resorts and destination within their geographic boundaries, conservation of natural and cultural heritage resources and promote their tourism destinations in the domestic and international target markets in coordinate with proposed tourism board.

They should not compete with the private sector rather they should function in the supportive role. There is suspicion of the role of these organizations in the travel industry which only serve to widen the gap of cooperation with the government rather that create a close working relationship with them.

10.4 Establishment of Provincial Tourism Boards

Lack of coordination among various government agencies is one of the major hindrances in the development of tourism at provincial level. There are many departments and authorities that directly or indirectly affect growth of the tourism industry. Moreover, development of tourist sites requires involvement and approval of a number of government agencies and local bodies. Therefore, it is recommended that provincial governments should establish Provincial Tourism Boards that can play affective role as a platform between government departments, related tourism agencies and private sector for the development of tourism at provincial levels. The Chairman of provincial tourism board should be the Chief Minister and Provincial Minister of Tourism should be the Vice Chairman.

Provincial Tourism Boards should establish effective liaison with key departments. These departments and authorities include the following:

- Planning and Development Department
- Provincial Tourism Corporation
- Information, Culture and Youth Affairs Departments
- Irrigation Department
- Finance Department
- Forests and Wildlife Department
- Environment Protection Agency
- Archeology Department
- Auqaf Department
- Civil Aviation, Pak Railway and Provincial Highways Authority
- Concerned Local Governments as and when required
- Private sector (Hotels, transporters, travel agents and tour operators)

Primarily, Provincial Tourism Boards should perform the following functions:

- Reaffirm commitment of provincial governments to tourism and ensure that it is incorporated in the vision/mission statement of the Government.
- Provide tourism policies and guidelines to turn the tourism industry into a major

sustainable, viable and quality sector which contributes to economic development of the province

- Liaise with the Provincial Departments and Local Governments to develop regulations at tourist destinations
- Act as a bridge between government Departments and the private sector tourism companies for easy communication and resolution of issues of tourism industry
- Coordinate, monitor and evaluate the effectiveness of tourism programs and projects
- Monitor and control the implementation of the policy and the tourism laws

11. Conclusion

Pakistan is blessed with great natural beauty, cultural diversity and rich historical background. It is the need of the day that focus is shifted to this high potential sector and an integrated approach based on international best practices is adopted for using the sector as an engine of economic growth and employment generation.

This document highlights the core issue of poor governance of the tourism sector and other key challenges tourism industry in Pakistan is facing. Unless the core issue of management of the tourism sector is resolved the other issues will not be solved and it will not be possible to achieve sustainability of the sector.

After the passing of 18th amendment in the constitution of Pakistan a huge gap has been created due to lack of proper planning at the time of this hasty decision. To fill this gap a new public /private sector partnership should be established with the creation of a Statutory Body which should have representation of all the provincial tourism departments, AJK Tourism Department, GB Tourism Department, private sector trade bodies/associations and key federal government departments such as Planning Commission, Ministry of Commerce, Ministry of Interior, Civil Aviation, Pakistan Railways and Ministry of Foreign Affairs.

This statutory body should be named the Pakistan Tourist Board (PTB) and it should be structured under a Board of Directors answerable to the Prime Minister. PTB should be responsible for Pakistan's image building as tourist destination through international and domestic marketing and promotion, inter-provincial coordination for proper planning, research and development, implementation of national tourism industry standards, classification and licencing, visa facilitation, coordination with foreign office, ministry of interior, aviation, highways and railways departments and international cooperation.

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Meeting of Pakistan Tourism Forum in progress

List of Members of Pakistan Tourism Forum (PTF)

S. No	Name	Profession	Designation	Organization
1	AFTAB UR REHMAN RANA	Tourism Consultant	President	Sustainable Tourism Foundation Pakistan, Islamabad
2	AHMED SHAFIQ	Educationist	CEO	College of Tourism and Hotel Management , Lahore
3	AKHTAR MAMOONKA	Tour Operator/Writer	CEO	Indus Guides, Lahore
4	ALI AHMED	Tour Operator	CEO	Pearls Tours
5	AMJED AYUB	Tour Operator	CEO/Ex-President	Inner Asia, Islamabad, PATO
6	ASAD RAZA	Educationist	Head of Tourist Dept.	AWKU, Mardan
7	ASAD SHAH	Tour Operator	CEO	Nature Tourism Services, Abt.
8	ASGHAR KHAN	Hotelier	Manager	Hunza Serena Hotel
9	ASHRAF AMAN	Tour Operator	Founder	Adventure Pakistan
10	ASIF KHAN	Educationist	Head of Tourism Dept.	Hazara University, Mansehra
11	ATTIF KHAN	Educationist	Lecturer Tourism	University of Swat
12	AYAZ AHMED SHIRGI	Tour Operator	GM	Mashabrum Expeditions
13	Brig MUHAMMAD AKRAM	Outdoor Education	President	Adventure Foundation Pakistan
14	COL MANZOOR HUSSAIN	Trainer	President	Alpine Club of Pakistan, Islamabad
15	Dr. MOIN UDDIN	Hotel Industry	Director Corp. Strategy	Tourism Promotion Services Ltd.
16	FAKIHA NADEEM	Nature Conservation	Program Officer	WWF Pakistan
17	FARAD MAQPOON	Outfitter/TO	Managing Director	Shikar Safaris Pakistan
18	GHULAM NABI	Resort Management	CEO	Raikot Sarai
19	HABIB ULLAH	F&B Services	CEO	Habibi Restaurants Chain
20	HAMID SUBHANI	Hotelier	Director Opts.	Islamabad Hotel, Islamabad
21	IKRAM BAIG	Tour Operator	MD	Adventure Center
22	IRFANULLAH BAIG	Tour Operator	Sr. Executive Manager	Walji's Tours, Islamabad
23	KARRAR HAIDRI	Tour Operators	Managing Director	Saltoro Summits Treks & Tours
24	KHAWAJA JAHAN ZEB	Tour Operator	Chief Executive	Zeb Travels, Karachi
25	MAQSOOD UL MULK	Tour Operator/Hotelier	Director	HINDUKUSH TRAILS, Chitral
26	MEHMOOD AHMAD MALIK	Tourism Consultant	MD	Across Pakistan Tours, Rawalpindi
27	MOHAMMAD ALAM	Researcher/Edu	Lecturer	Hazara University, Mansehra
28	MUBARAK HUSSAIN	Tour Operates	Director	Karakoram Explorers
29	MUHAMMAD ALI IMAM	Tourism Consultant	Chief Executive	Freelance consultant , Rawalpindi
30	NAIKNAM KARIM	Tour Operator	MD	Adventure Tours Pvt Ltd., Hunza
31	NAJEEB KHAN	Tour Operator	CEO	Himalayan Holidays
32	NAZIR SABIR	Tour Operator	CEO	Nazir Sabir Expeditions
33	RAJA TARIQ MUMTAZ	Hotelier	General Manager	Best Western Hotel, Islamabad
34	SADAF KHALID	Hotelier/TO	Manager	Walnut Heights, Kalam/Umer Trv.
35	SAHAB (Ms.)	Researcher/Edu	Lecturer	AWKU, Mardan
36	SAIFUDDIN	Trav. Media Consultant	Consultant/ Journalist	E-Travelers Club travel update
37	SALMAN JAVED	Travel Agent	Ex- MD PTDC	Khyber International, Karachi
38	SHAHID LATIF PERACHA	Travel Agent	Chief Executive	City Express Travels, Quetta
39	SHAHZADA IRFAN	Travel Media	Travel Writer	Freelance
40	SHUJA FARID	Tour Operator	Chief Executive	CRYSTAL TRAVELS, Lahore
41	SIRAJ ULMULK	Hotelier/Tour operator	Owner/CEO	Hindukush Heights, Chitral
42	TAHIR IMRAN	Consultant/TO	CEO	Panoramic Pakistan
43	TALIB FATAH	Travel Media	Travel Writer	Freelance
44	ZAHOOOR DURRANI	Consultant/TO	CEO	Sahrai Travels, Peshawar



Pakistan Tourism Forum (PTF)

Pakistan Tourism Forum (PTF) acts as a national think tank on tourism in Pakistan and provides advice and expert opinion to policy makers and major stakeholders on the sustainable development of tourism in Pakistan. It also provides a common platform for effective collaboration among the stakeholder and has representation of all the segments of tourism industry such as travel agents, tour operators, hospitality sector, transport sector, academia, civil society organizations and public sector organizations etc. The membership to this form is purely on voluntarily basis and only those professionals from tourism industry are invited to join it that are highly experienced in their area of expertise and are motivated and willing to work for this national cause.



Sustainable Tourism Foundation Pakistan (STFP)

Sustainable Tourism Foundation Pakistan (STFP) is a non-profit and non-political organization established by a group of eminent professionals from the tourism industry as well as environmentalists to promote Sustainable Tourism in Pakistan. STFP is member of Global Sustainable Tourism Council (GSTC) and The International Ecotourism Society. The foundation is working closely with public and private sector stakeholders at national, regional and international level to facilitate and promotion the exchange of knowledge, experiences and ideas on best practices of sustainable tourism.

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