Tourism Development in Gilgit Baltistan.

Situation Analysis and Investment Opportunities

By

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## Tourism Development Matrix

<table>
<thead>
<tr>
<th>Resources</th>
<th>By - Products</th>
<th>Allied Industry</th>
</tr>
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<tbody>
<tr>
<td>Natural Resources</td>
<td>Eco-Tourism</td>
<td>Hotel, Resorts and Accommodation</td>
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<tr>
<td>Diverse Culture</td>
<td>Cultural Tourism</td>
<td>Food and Beverages</td>
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<td>and Public’s Attitude</td>
<td>Health and Wellbeing Tourism</td>
<td>Transportation</td>
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<td>Govt. Policies and</td>
<td>Heritage and Historical Tourism</td>
<td>Sports and Mountaineering Goods</td>
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<tr>
<td>Infrastructure</td>
<td>Mountaineering and Trekking</td>
<td>Skill Development</td>
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<td></td>
<td>Hunting, Angling and Birding</td>
<td>Entertainment</td>
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<td></td>
<td>Adventure Sports</td>
<td>Travel Services</td>
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<td></td>
<td>Leisure Tourism</td>
<td>Handicraft and Shopping</td>
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<td></td>
<td>Culinary Routes</td>
<td>Environmental Assessment</td>
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<td></td>
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<td>Sanatoriums and Wellbeing</td>
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</tbody>
</table>
What does the GB Offer? Unique Landscape and Pristine Nature

- Worlds Most Famous Mountain Ranges
- The Himalayas, Karakorum & Hindukush.
- K2 World’s Second Highest Peak.
- Five over 8000 Meters Peaks.
- 101 Peaks over 7000 Meters.
- 5100 Glaciers.
- 2200 Sq. Miles of Snow Covered Area.
- 119 Lakes.
What does the GB Offer? Biodiversity in Wildlife and High Altitude Forests

- 4 National Parks
- 09 Game Reserves
- 3 wildlife sanctuaries
- 230 species of Birds
- 54 Species of mammals
- 20 species of fresh water fish
- 23 species of reptiles
- 6 of amphibians
- 6592 Sq. KM of Forests, which constitutes 9.1% of the total area
What does the GB Offer? Cultural Diversity and a Tradition of Hospitality

- 5 ethnic groups and 5 ethnic languages with 36 dialects.
- 7 Asia Pacific Heritage Conservation, UNESCO and British Airways Award Winning Historical Sites.
- 23 Historical Forts.
- 75 Polo grounds.
- 65 Archeological sites.
- More than 39,000 Rock carvings and inscriptions.
- Year long festivals all around the Gilgit Baltistan.
- Indigenous music.

- A centuries old culture of hospitality and acceptance of visitors.
What does the GB Offer? Strategic Location and Historical Linkages.

- Centuries Old trade and travel route.
- The only part of Pakistan to border and neighbor four countries.
- Presence of International Road Network.
Has the Potential Being Tapped?

Average Tourist Inflow on the Basis of Last 3 Years Data

- **Domestic**: 54040 (86%)
- **Foreigners**: 8504 (14%)

Reasons for Poor Inflow:
- Negative perception of security due to the label of Northern Areas.
- Travel advisories suggesting against travelling on KKH.
- Poor condition of KKH often blocked by land slides.
- Lack of alternate to KKH.
- Unpredictable flight scheduling and the woes of PIA booking.
- Absence of International airports.
- Centralized issuance of permits and conduct of briefing and debriefing in Islamabad.
- Lack of tourist facilities at the tourist attractions.
- Lack of skilled manpower despite a reasonable literacy rate.
- Harassment by porters and local guides.
Has the Potential Being Tapped?

Average of the Last 3 Years Nationalities wise Breakdown of Visitors

- Chinese: 50%
- Japanese: 24%
- British: 14%
- German: 12%

Reasons for Poor Inflow-Contd.

- Lack of authentic tourism related data and base line study by reputed parties.
- Lack of online information.
- Reluctance of major travel insurance companies to insure foreign tourists.
- Difficulty in acquiring Pakistani visa.
- Absence from domestic and international tourism trade fairs.
- Absence of Tourism Policy.
- Mushroom growth of civil structures due to absence of zoning laws.
- Lack of an investment policy.
Current Developments and Future Vision : Scenario 2012

1. Access :

- Widening and Improvement of KKH from Khunjarab till Bisham – first phase to complete in 2011.
- Construction of road from Mansehra till Chilas, avoiding the KKH – To be made operational in 2011.
- Upgradation of both Gilgit and Skardu Airports to Instrumental Navigational Facilities from Visual ones. 60 % and 80 % work already completed.
- Plans to make both airports international with regional flights to Kashgar, Urumqi, Nepal and to Tajikistan, as per the Transition Plan.
- Construction of new roads and bridges within the Gilgit Baltistan.
- Widening of NATCO network to Lahore and Peshawar.
2. Political Reforms and Visitors Safety:
   - The G.B. Empowerment Ordinance 2009 has installed a home grown representative government with most of the subjects to be dealt at the local level.
   - A package of Rs. 15 Billion Development package has been approved for the next 3 years, earmarking major tourism related projects.
   - It is the safest place for tourists in Pakistan.
   - 100% increase in the Police force.
   - As per the 18th Amendment in the Constitution of Pakistan, concurrent list has been abolished thus transferring tourism to local level, which means local processing of permits and briefings.

3. Local Tourism Development Initiatives:
   - Tax Free Zone.
   - Implementation of Rs. 1 Billion Tourism and Culture development package for the next two years.
   - Establishing of Mountaineering Institute in Skardu.
   - Fixing and implementation of porter wages.
   - Development of Tourist Facilitation Centers at both the airports and all other access points.
   - Development of websites and tourism promotion material.
   - Promotion of GB at International and Domestic Travel Trade shows.
Scenario 2012-Contd

4. Local Tourism Development Initiatives:
   - Establishment of Environment Protection Agency (EPA) for cleaning of treks and tourist attractions.
   - Legislation regarding zoning of tourist spots in the process.
   - Base line studies on current tourism situation and future trends are being developed by JICA and the World Bank.
   - MoU being signed with the WWF Pakistan for creation of tourism related GIS data.
   - MoU signed with the Government of Xingiang for promotion of regional tourism – Approx 2.0 Million domestic visitors visit Kashgar each year. They can all be allowed on a border pass.

5. National Tourism Development Initiatives:
   - Draft National Tourism Policy in the process of approval, suggesting incentives for investment in tourism infrastructure.
   - Visa on arrival for 24 tourist friendly nations.
   - Abolition of Police Reporting requirement except for countries on B List.
### Projected Trends – Scenario 2012

<table>
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<th>2010 – Tourist Inflow is 62000 Per Annum</th>
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<tbody>
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<td>No direct international flights.</td>
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<tr>
<td>16 domestic flights/ week from only Islamabad with an average cancellation rate of 30 %.</td>
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<td>Poor and unsafe road links.</td>
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<tr>
<th>2012- Expected Tourist Inflow will be at least 150,000 Per Annum</th>
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<tr>
<td>Atleast 7 international flights/week.</td>
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<tr>
<td>Twice as many flights from Islamabad, Karachi and Lahore with minimal cancellation due to instrument navigation and night landing facility.</td>
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<tr>
<td>Twice the size of NATCO fleet.</td>
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<tr>
<td>Year round high speed ,safe and multiple road links from Islamabad and Kashgar.</td>
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Opportunities for Investment

1. Accommodation and Hotels:
   Current capacity is 2450 rooms of 1-4 star ratings.
   Proposed:
   - Camping Sites.
   - Recreational Vehicle Parks.
   - Theme Resorts.
   - Bed and Breakfast.
   - Hotels, Motels.
   - Winter and Summer Resorts.
   - Community run rooms and houses.

2. Transport:
   Only PIA and NATCO operate for and within GB.
   Proposed:
   - Private Airlines and Helicopter services.
   - Private tour buses.
   - Recreational and camping vehicles.
Opportunities for Investment- Contd.

3. Adventure Sports:
*No major GB run adventure infrastructure.*

**Proposed Businesses in:**
- Rafting.
- Paragliding.
- Skiing.
- Rock Climbing.
- Mountain Biking.
- Trophy Hunting.
- Angling.
- Ballooning.

4. Entertainment – Investment Proposed:
- Theme and Play Parks.
- Cable cars and chair lifts in scenic areas.
- Boats and Steamers.
- Snow Mobile Vehicles.
- Cinemas.
- Indoor and outdoor sports infrastructure.
Opportunities for Investment—Contd.

5. Food and Beverages:
The area is rich in fresh organic food, dairy products and fruits.

Proposed Investment:
- Tourist Café s and Coffee Shops.
- MNC fast food outlets or cabins.
- Indigenous food outlets.
- Dry fruit and Juices industry.
- Fish and Meat processing.

6. Health Care and Eco Tourism.
Immense potential due to clean air and untouched areas.

Proposed Investment:
- Eco tourism.
- Wellbeing and Spa Resorts.
- Sanatoriums.
- Wildlife and Bird watching Tours.
Opportunities for Investment—Contd.:

7. Cultural Tourism:

AKCSP and Serena hotels have already realised the potential and invested heavily in this field.

**Proposed Investment:**

- Development of old Forts and turning into museums or hotels.
- Buying Polo grounds and teams.
- Filming locations.
- Development of cultural troupes.
- Historical Sites Tours.
- Rock Carving Tours.
- Silk Route Tours across Central Asia.

8. Travel Services – Proposed Investment:

- Organise Porter and tour guides.
- Establish international tour companies.
- Provide ticketing and booking services.
- Provide software and hardware for hotel and transportation industries.
9. Skill Development:

- Hospitality management training institutes.
- Foreign languages training schools.
- Airline ticketing and booking training.
- Kitchen and restaurant services training.

10. Sports and Mountaineering Supplies.

11. Tourism Promotion material Supplies.

12. Travel Insurance.

13. Handicrafts development, sale and export.

14. Shopping centers for domestic and foreign tourists.
Enabling Factors for Investment

- Safe.
- Tax Free.
- Government Support in Purchase of Land and Business Development.
- Lending through Micro Credit and Karakorum Cooperative Banks.
- Proximity with China for Import of Tourism Related products.
- Proximity with China and Central Asia for export of Tourism related products.
THANK YOU.

Q & A - COMMENTS