

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

YAT&C(T)Dept.,- Employment Incentive Policy inline with the Andhra Pradesh Tourism Policy 2024-29” - Orders-Issued.

YOUTH ADVANCEMENT, TOURISM AND CULTURE(T) DEPARTMENT

G.O.MS.No. 5

Dated: 12-05-2025
Read the following:

1. G.O.Ms.No.17, Youth Advancement, Tourism and Culture (T) Department, Dt:10.12.2024.
2. E-file No.APTDC-13/1/2025-HTL SEC-APTDC (C.No.2728017), Dt:28.02.2025 received form VC&MD, APTDC, Vijayawada on Dt:25.03.2025.

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ORDER:

Andhra Pradesh is known for its rich cultural heritage, historical sites and natural beauty. The state offers a diverse range of tourist attractions, including ancient temples, pristine beaches, lush hill stations and wildlife sanctuaries and holds significant potential to be the leading tourism destination for National and International tourists.

2. In the reference 1st read above, Andhra Pradesh Tourism Policy 2024-29 has been issued with an aim to create a robust ecosystem that fosters private investment growth by streamlining approval processes, offering incentives and implementing investor-friendly policies, specially focussing on developing anchor destinations to serve as key hubs, attracting both Domestic and International tourists.

3. In recognition of the significant role of employment-intensive tourism projects, the Andhra Pradesh Tourism Policy 2024 has proposed to incentivize these tourism projects, fostering sustainable and inclusive growth within the sector. One of these incentive is the Employment Subsidy to support employment-intensive tourism projects, based on the Employment-to-Investment (E/I) ratio (in Crores). Benchmarking has been done in terms of the Employment Subsidy offered by various states, as detailed below:

State	Employment Subsidy
Maharashtra	Nil
Odisha	75% and 100% employers' contribution towards EPF and ESI for male and female employees respectively for 5 years
Rajasthan	50% of employers' contribution towards EPF and ESI for 7 years
Tamil Nadu	Employees contribution to EPF capped at ₹24,000 for 3 years
Uttar Pradesh	100% Employees contribution to EPF exp

(Contd..2)

4. In the reference 2nd read above, the Vice Chairman & Managing Director, Andhra Pradesh Tourism Development Corporation has stated that in line with the Andhra Pradesh Tourism Policy 2024-2029, the Employment Incentive Policy has been formulated to create substantial employment opportunities that contribute to the overall growth of the tourism sector and also to generate 3.0 lakh jobs, which constitutes 15% of the overall State employment target of 20 lakh jobs set by the Government over the next five years (2024-2029). This will be achieved by focusing on key employment-intensive tourism activities. Leveraging the state's inherent strengths, the policy aims to create substantial employment opportunities that contribute to the overall growth of the tourism sector. She has requested the Government for necessary approval of the policy.

5. Government, after careful consideration of the feedback from various stakeholders, benchmarking with the Tourism Policies of the Best States and also incorporating the suggestions of the line departments Viz., Industries & Commerce, Finance, Labour and Law Departments, Government have decided to formulate the "Employment Incentive Policy".

6. Accordingly, Government, hereby issues the "Employment Incentive Policy inline with the Andhra Pradesh Tourism Policy 2024-2029" as follows:-

6.1. Introduction

Tourism plays a pivotal role in the economy of Andhra Pradesh, presenting vast opportunities due to the state's rich cultural heritage, natural beauty, and diverse tourist destinations. To propel the state's economic growth, it is vital to prioritize the promotion of employment-intensive industries within the tourism sector. By fostering tourism projects that generate a substantial volume of employment, Andhra Pradesh can further enhance its tourism appeal while contributing to inclusive economic development, especially in rural and underdeveloped areas.

In recognition of the significant role of employment-intensive tourism projects, the Andhra Pradesh Tourism Policy 2024 has proposed to incentivize these tourism projects, fostering sustainable and inclusive growth within the sector.

6.2. Objectives

The primary objective of this policy is to generate 3.0 lakh jobs, which constitutes 15% of the overall State employment target of 20 lakh jobs over the next five years (2024-2029) as outlined in the Andhra Pradesh Tourism Policy 2024-29. This will be achieved by focusing on key employment-intensive tourism activities, including but not limited to:

- Adventure activities
- Restaurants/floating restaurants
- MICE (Meetings, Incentives, Conferences, and Exhibitions)
- Amusement parks
- Eco-tourism lodges
- Houseboats
- Cultural and heritage activities

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Leveraging the state's inherent strengths, the policy aims to create substantial employment opportunities that contribute to the overall growth of the tourism sector.

6.3. Proposed Employment Incentives

These incentives are designed to support projects that generate significant employment and enhance the state's tourism landscape. Incentives will be based on the employment generated per crore of capital investment, as detailed below:

Employment per one Crore investment ≥ 25	Reimbursement 100% of employers' contribution towards EPF and ESI for 3 years
Employment per one Crore investment ≥ 15 to 24	Reimbursement 75% of employers' contribution towards EPF and ESI for 3 years
Employment per one Crore investment ≥ 10 to 14	Reimbursement 50% of employers' contribution towards EPF and ESI for 3 years

6.4. Eligibility

- (i) The employment incentives will be applicable to tourism projects that commence operations during the Andhra Pradesh Tourism Policy period.
- (ii) The employment incentive applies only to employees officially listed on the company's payroll. This includes both direct employees and contract workers employed by the company.
- (iii) However, the employment incentives under this policy are not applicable to persons with disabilities, in view of the incentives offered by Employees State Insurance Corporation (ESIC).

6.5. Skill Development and Training

In line with the policy's objectives, it will encourage collaborations with the following vocational training institutes, universities, and local skill development centres.

- Indian Institute of Tourism and Travel Management (IITTM), Nellore
- Indian Culinary Institute (ICI), Tirupati
- State Institute of Hotel Management (SHIM), Tirupati
- Food Craft Institute, Vizag
- Adventure Academy, Kadapa

These collaborations will focus on ensuring that the workforce is adequately trained to meet the demands of the tourism industry. By engaging these prestigious institutions, the policy aims to equip the workforce with relevant skills in hospitality, adventure tourism, food services, and more. This initiative will enhance the overall quality and sustainability of the tourism sector in Andhra Pradesh.

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6.6. Monitoring and Reporting

A dedicated digital platform will be established for the monitoring and reporting of employment generation.

7. All the concerned departments of Secretariat/HoDs shall take appropriate action to implement the provisions made in the Employment Incentive Policy inline with the Andhra Pradesh Tourism Policy-2024-2029.

8. This order is issued with the concurrence of Finance Department vide Finance U.O.No.FIN01-FMU0RBAB/16/2025, (C.No.2725630), Dt:24.04.2025.

9. A Copy this Order is available on the internet and can be accessed at www.goir.ap.gov.in.

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

AJAY JAIN

SPECIAL CHIEF SECRETARY TO GOVERNMENT

To

The Vice Chairman & Managing Director, AP Tourism Development Corporation Limited, Vijayawada.

The Chief Executive Officer, Andhra Pradesh Tourism Authority, Vijayawada.

The Chief Executive Officer, AP State Creativity and Culture Commission, Vijayawada.

The Chief Executive Officer, A.P Shilparamam Society, Vijayawada.

The Director of Archaeology & Museums, Vijayawada.

Copy to:

The Secretary to Governor, Raj Bhawan, A.P., Vijayawada

The P.S. to Additional Secretary to Chief Minister.

The P.S. to Chief Secretary to Government.

The OSD to Minister for T,C&C

The Principal Secretary to Government, Finance Department.

The Secretary to Government, Industries & Commerce Department.

The Secretary to Government, Law Department.

The Secretary to Government, Labour Department.

The all Departments of Secretariat.

The Accountant General, A.P., Vijayawada.

The Pay & Accounts Officer, A.P., Mangalgiri.

The Deputy Pay & Accounts Officer, A.P. Secretariat, Velagapudi.

All District Collectors through Andhra Pradesh Tourism Authority, Vijayawada.

All Sections in the Department.

The G.A(Cabinet.I)Dept.(CR.No.145/2025)

Sf/Sc.

// FORWARDED :: BY ORDER//

SECTION OFFICER