

**CONTRIBUTION OF TOURISM REVENUE IN NATIONAL ECONOMY OF
NEPAL**

A THESIS

**Submitted in Partial fulfillment of the requirement for the degree of
DOCTOR OF PHILOSOPHY IN ECONOMICS**

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December, 2013**

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DECLARATION

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December, 2013

Alak Babu Prasai

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DEDICATION
TO
MY FATHER, MOTHER AND MY FAMILY

ABSTRACT

Tourism is one of the major sectors of Nepalese economy. It also plays a vital role in the process of regional development of economically backward regions of the country. Nepal is rich in its natural beauty, cultural heritages and historical monuments which are great attractions for the visitors from all over the world. This importance has been conceived by all the concerned people and researchers. However, the issue on revenue generation is not focused in the studies. Therefore this study has concentrated on finding challenges and hidden resources for overall income generation.

It is known that tourism is the backbone of the Nepalese economy which assists to increase employment, income generation and improve the balance of payment. If we pay more attention to make proper infrastructure, tourism will enhance scope of various industries like hotels, motels, restaurants, lodges and other types of accommodation, food services, transportation and communication services, entertainment and leisure activities, gift shops and agriculture activities. Many rural people may also be benefited by tourism which provides income and employment opportunities to improve their quality of life.

A board survey and research is needed to find out the potentialities, probabilities and prospects of revenue in tourism. In this regard, it was realized that an empirical study is needed to find out the causes and consequences of the drawbacks of the present condition on foreign exchange earning in tourism so that such findings would provide certain guidelines in the future.

In this regard, the main objective of this study is concerned with the contribution of tourism revenue, review of policy planning and challenges and opportunities in tourism and show the contribution of tourism in Nepalese economy to explore the existing situation of tourism, to analyze the tourism statistics with regard to the revenue collection in order to recommend measures and strategies to develop tourism industry.

Primary as well as secondary data have been used for this study. Both of these data have been analyzed by using statistical tools as the requirements of the objectives that were targeted to find by the questionnaires.

This study reaches the conclusion that, despite the fact that there are adequate potentialities and resources in prospective development of tourism to make it contributory to the economy of the country, benefits that could have been taken by the country, not yet achieved to the desired level due to various constrains. It is found that there are a number of challenges regarding tourism experts, policies and planning, tourism organizations and on tourists themselves. The challenges have caused the revenue from tourism take a downward trend.

The abstract of the thesis of Alak Babu Prasai for the degree of Doctor of Philosophy in Economics was presented in December, 2013, Title; *Contribution of Tourism Revenue in National Economy of Nepal*.

Degree Candidate

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Abstract Approved By

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Date

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LIST OF ACRONYMS

| | |
|-------|--|
| ABTA | Association of British Travel Agents |
| ACA | Annapurna Conversation Area |
| AHON | Association of Helicopter Operators Nepal |
| AIT | Academic International Tourism |
| AOAN | Airlines Operators Association of Nepal |
| ARTS | Annual Reports of Tourism Statistic |
| BARN | Board of Airline Representatives in Nepal |
| BTTM | Bachelor of Travel and Tourism Management |
| CBS | Central Bureau of Statistic |
| CESD | Center on Ecotourism and Sustainable Development |
| DCA | Department of Civil Aviation |
| DI | Department of Immigration |
| DoT | Department of Tourism |
| ERT | Environmentally Responsible Tourism |
| ESA | Everest Submitters Association |
| FNCCI | Federation of Nepalese Chambers of commerce and |
| GDP | Growth Domestic Product |
| HAN | Hotel Association Nepal |
| HMG/N | His Majesty's Government of Nepal |
| HMTTC | Hotel Management and Tourism Training Center |
| ASRDT | Annual Statistical Reports, Development of Tourism |
| HRA | Himalayan Rescue Association |

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|-------|---|
| HRA | Himalayan Rescue Association |
| ICRT | International Centre for Responsible Tourism |
| IETTS | International Conference on Travel and Tourism |
| INGO | International Nog-Government Organization |
| IOECD | International Organisation for Economic Co- operation |
| Km | Kilometer |
| LNP | Langtang National Park |
| MoTCA | Ministry of Tourism and Civil Aviation |
| NARA | Nepal Association of Rafting Agents |
| NATA | Nepal Association of Travel Agents |
| NATO | Nepal Association of Tour Operators |
| NATTA | Nepal Association of Tour and Travel Agents |
| NEAT | Nepal Entrepreneurs Association of Tourism |
| NGO | Non-Government Organization |
| NICA | Nepal Incentive and Convention Association |
| NIDC | Nepal Industrial Development Corporation |
| NMA | Nepal Mountaineering Association |
| NPC | Nepal Paining Commission |
| NRB | Nepal Rasta Bank |
| NRN | Non-Resident Nepalese |
| NTB | Nepal Tourism Board |
| NTS | Nepal Tourism Statistics |
| NTY | Nepal Tourism Year |
| PATA | Pacific Asia Travel Association Nepal Chapter |

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|--------|---|
| REBAN | Restaurant and Bar Association of Nepal |
| SPSS | Statistical Package for the Social Sciences |
| Sq. | Square |
| TAAN | Trekking Agents Association of Nepal |
| TEFG | Total Foreign Earnings from Tourism |
| TIA | Tribhuvan International Airport |
| TIES | The International Ecotourism Society |
| TRPAP | Tourism for Rural Poverty Alleviation Program |
| TS | Tourism Sector |
| TTDB | Thamel Tourism Development Board |
| TU | Tribhuvan University |
| TURGAN | Tourist Guides Association of Nepal |
| UK | United Kingdom |
| UN | United Nations |
| UNCI | United Nations Conference on International |
| UNDP | United Nations Development Program |
| UNESCO | United Nations Educational, Scientific and Cultural |
| UNSC | United Nations Statistical Commission |
| USD | United States Dollar |
| VAT | Value Add Tax |
| VDC | Village Development Committee |
| WB | World Bank |
| WCED | World Commission on Environment and Development |
| WCST | World Conference on Sustainable Tourism |

| | |
|------|-----------------------------------|
| WTO | World Tourism Organization |
| WTOR | World Tourism Organization Report |
| WTTC | World Travel and Tourism Council |
| WWF | World Wildlife Fund |

CHAPTER I

INTRODUCTION

Tourism, as an important source of income for the most of countries in the world, is very attractive tool for the economic development of a nation, specifically for the developing countries (Tooman, 1997). According to Paudyal, 2012, "Tourism is one of the biggest industries in the world that plays a vital role in the process of the economic development of the several countries."

For the most of the countries in the world, Tourism has been an important and only source of income and key to the development. Approximately 700 million tourists were estimated internationally in 1999, resulting more than US \$500 billion tourist receipts worldwide (Edgell, 1999), which generates nearly 250 million jobs worldwide (WTO, 1999). Tourism has been motivated in large part and different places only because of its economic potentiality in destination areas. Literatures done by other scholars previously are more focused on the role of tourism in the development of economy, particularly for developing countries (Erbes, 1973, Alister & Geoffrey, 1982).

In the context of Nepalese economy, tourism has been playing a significant role being an important factor for the development. The study focuses on the effect and contribution of the Tourism Sector (TS) on Nepalese economy and Gross Domestic Product (GDP) of Nepal which has experienced the variation of GDP over the years (2001-2011) ranged between 2.7 percent 1.8 percent (N R B, 2012). The plans and policies of the particular nation also plays very important role for the

development of the tourism sector and the opportunities achieved by tourism sector can also help in the rise of economic growth if handled effectively.

Tourism today is the world's largest industry. According to the World Travel and Tourism Council (WTTC, 2012), tourism directly and indirectly generates and supports 255 million jobs, the growth rate of 9% global GDP or value of over US\$ 6 trillion per year. It generates 328 million jobs or 1 in every 10 jobs on the planet which is equivalent to more than 10 percent of the world's total workforce. It is, therefore, a major force in the economy of the world and an activity of global significance. It plays a vital role in the economic, social and cultural development of most of the nations. Throughout the period of time, tourism continues to be developed as a significant social and economic activity (Smith, 1995, Alwais 1997).

Furthermore, Tourism has become a popular addition to economic development policies in many African, Asian, South and Central American countries, chosen for its ability to bring in needed foreign currency, income and employment.

Out of the total revenue from tourism, more than two-third of the revenue across the country never reaches to the local economy because of high foreign exchange leakage (Mbaiwa, 2003). Therefore, understanding the ways that tourism profits can leak out of an economy, and devising strategies to minimize leakage could make tourism a more effective and efficient tool or means of economic development. However, in the past two decades increased attention to the negative social, cultural and environmental impacts of tourism has demanded the need of more sincerity, expertise and carefulness in the planning and management of tourism development (WTO, Mathieson & Wall 1982, Wahab, (1982, 1996, 1997). As a discussion of responsible tourism growth is still in early stage, and many countries focus in the

planning which helps to develop a sustainable tourism industry, maintains economic benefits and minimize negative impacts of tourism by protecting the human and natural resources it is built upon.

While finding the way out of the negative impacts and challenges associated to tourism, little attention has been paid to retaining the positive contribution it can make to developing countries. Increased attention must be devoted to protect positive economic benefits and minimizing the leakage for developing countries. If the ultimate goal of particular country is sustainable tourism development, it can be attractive economic development tool which can be used in prescribed form by balancing the scales, or maximizing positive impacts and mitigating the negative. Additionally, due to these three pro-tourism arguments, the potential economic benefits of tourism are a major attraction for developing countries (Mill & Morrison, 1999). Firstly, the income elasticity of demand for tourism which means as the household incomes of people in the developed world increase, more disposable income will be directed towards travel. Secondly, the trend in demand for international travel is projected to continue at astonishing rates due to the economic stability and travel preferences of people in the developed regions such as Europe, Asia and North America. And, thirdly, developing countries are in need of foreign exchange earnings to support their economic development initiatives and to satisfy the demands of their own residents.

These pro-tourism in many developing countries are being encouraged to develop tourism with some more traditional industry alternatives such as agriculture and manufacturing. Reliance on the industry can result in numerous problems

although between 50-70 percent of people in developing countries are directly dependent on agriculture World Bank (WB, 1979).

In the context of Nepal, tourism is one of the most important prospects besides hydropower and agriculture. Due to the natural heritages in our country tourism is no doubt a very crucial concern. As the most important economic feature, of the tourism sector, contributes to three high-priority goals of developing countries: the generation of income, employment and foreign exchange earnings. Therefore, tourism can play an important role as a driving force of economic development in Nepal and is highly likely to contribute in poverty alleviation (WTO, 1996).

Statement of the Problem

As mentioned above, Tourism may be one of the major income sources in the Nepalese context that is likely to generate direct/ indirect and induced employments, foreign exchange earnings and changes to our society and culture etc. Tourism supports in the consumption of the local products and utilization of hotels and restaurants. It further supports the demand of local goods and services, which helps to promote supply of local production and encourages the local industries.

In Nepal, government revenue from tourism is created directly through airport arrival/ departure and hotel taxes, licenses and fees levied upon those establishments which are directly involved in the revenue collection from tourism initial services. But about the revenue generation from tourism, the related agencies are still unknown. There is no any latest and accurate statistics about the tourism revenue and employment, which directly affects on national planning and policy of tourism.

Although Nepal has massive tourism potentialities, the factors such as air access, poor infrastructure and lack of appropriate marketing strategy have limited the

growth (Bhatia, 1997). Nepal has been receiving fewer tourists in comparison to other south Asian countries which have nothing of their own and are not too encouraging but are experiencing the maximum growth of tourism. Nepal, on the other hand, has been always experiencing low position among other countries because we are undertaking very limited marketing activities while other countries with more resources are spending huge amount of money on aggressive marketing of their destinations (Pokharel, 1995; Bhatia, 1997).

However, Local product and hotels and restaurants are largely supported by tourism. It further supports the demand of goods and services, which give emphasis to the local industries.

Furthermore, lack of proper strategy for implementation of research based promotional programs and effective publicity in potential segments of the world market; has been averting Nepal from attaining the expected success level (Pradhan, 1978).

Hence, the extensive study is desired in order to identify the problems with regard to tourism in a sustainable manner and explore their potentialities establishing tourism as one of the most promising and prosperous sectors of Nepalese economy.

In present context, the question of how tourism industry can be developing and what types of problems are being faced by tourists have become an important issue to be studied for growth and promotion of the tourism in Nepal. For betterment of the tourism sector and to minimize the problems related to it, the following issues must be raised. The study needs to address on the following points:

- The revenue from tourism sector
- The opportunities and challenges of tourism in Nepal

- The tourism planning and policy in Nepal

Purpose of the Study

The main purpose of the study is to find out the contribution of tourism in the developing countries and to identify the major problems and prospects regarding this sector. Another objective of this study is to investigate contributing factors tourism which plays a vital role in increasing and decreasing the national revenue. Similarly, the study is aimed to examine and find other related causes which influence in income generation factors in the country. In addition to this, the study purposes to give the factual account of the tourism related sectors and industries and measure tourist motivation to identify the types of tourists and then segment them. The study firstly focused to find the level of economy that must be addressed through the utilization of the tourism revenue. Secondly it focused in finding out the ways and procedures available in formality through policy and planning to promote tourism, and foreign exchange earnings. Thus, this study has been centralized for the study on the contribution of foreign exchange to GDP through revenue generation and implementation.

Tourism plays a vital role to develop the national economy. So, its proper development is indispensable. In the context of tourism development, public and private sectors have made various efforts but there has not been any specific study about the problems and prospects of tourism to generate more revenue in this sector. How could tourism be developed and established in Nepal in increasing the revenue? This is one of the most concerned questions in today's situation.

Significance of the Study

Tourism in Nepal is a major foreign exchange earning sector. It plays a significant role in the Nepalese economy. So, the development of Tourism plays a very important role in the economic development of Nepal.

Nepal has become a central attraction and is being developed as a tourist destination due to the natural beauty and the world famous snow peaks like Mt. Everest. In the capital city, Kathmandu, there are various historic and cultural specialties of its own. In fact, Nepal is rich in unique cultural heritages which have been the major attractions in increasing the number of tourists from all over the world.

The Tourism sector is one of the main foundations of national economy of Nepal. There is great prospect of tourism industry to increase national income, earnings of foreign exchange and create opportunities for employment. This study is concerned with examining the scope of tourism in Nepal with reference to growth trend, foreign currency earnings, employment generation and its role in the economic development of Nepal. Since, the scope of this study include the review of main problems aroused in the growth of tourism and tourism policies of Nepal government, from this study various individuals and organizations related to tourism sector directly and indirectly are expected to have benefits. Ultimately whole nation will get benefit from the revenue that it receives through foreign exchanges as revenue.

Research Questions

The research questions of this study are focused on exploring the prospects and identifying the problems in the tourism sector of Nepal. Mainly the following research questions have been addressed in this study:

R. Q. 1 What is the tourism planning and policy in Nepalese context?

R. Q. 2 How does tourism revenue contributes in national economy of Nepal?

R. Q. 3 What are the opportunities and challenges of tourism in Nepal?

Limitation and Delimitation of the Study

This study is concerned with examining the scope of tourism in Nepal with reference to growth trend, foreign currency earnings, employment generation and its role in the economic development of Nepal. The scope of this study includes the review of major problems in the tourism sector and tourism policies in Nepal. This study also seeks to evaluate tourism inflow, purpose of visit and so on. Therefore, the findings of this research could be used to develop and broaden successful tourism policies in Nepal.

Each and every research has their own limitations that determine the purpose of the study, time and cost. There were various limitations of this study which are listed below:

The study has considered on many aspects such as national income, revenue with and without tax, development planning and policies, prospects and problems, there is a time and resource constraint in the study and this study is mainly contingent upon secondary and primary data. This study generally covered all sectors of the tourism industry and its impact on economic development. Apart from these, some other aspects related to the objectives also are taken into consideration in the study which is beyond the objectives indirectly. Since it is very difficult and uneconomic to have a larger sample for PhD scholar, the researcher has used convenient sampling method and taken only sufficient number of respondents.

Organization of the Study

Chapter organization is always a very important part of the study since it is needed to every scholar or researcher. So here, the research has been divided into Seven Chapters. The First Chapter introduces the subject of the study, statement of the problems; define the major problems of the research, purpose or objectives of the study, significance of study and limitations and delimitations of the research. The Second Chapter includes different type of literature reviews related tourism which are recognized in Nepal and outside. The Third Chapter includes the methodology of the research concept, research design, data analysis, presentation and analysis, population sampling tools and technique, procedures of the data collection, data analysis and interpretation, as well as it discusses the results and implication of the study in this research thoroughly. The Fourth Chapter deals with the planning and policies formulated for the tourism development in Nepal as well as other influencing areas of the country. Similarly, The Fifth Chapter organizes and analyzes the contribution of tourism revenue on Nepalese economy. The opportunities and challenges of tourism have been presented in the Sixth Chapter. And, the Final Chapter contains the summary, findings and recommendations of the study which are thoroughly presented.

CHAPTER II

LITERATURE REVIEW

This chapter mainly reviews of literatures on the concept of tourism, its economic contribution and policies in global and national context. Furthermore, this thesis, however, seeks to go beyond descriptions of tourism impacts and recognizes the inevitable continuance and growth of the industry calls for the negative aspects of tourism to be more pro-actively addressed. The research focuses on tourist activities and the way to minimize the negative impact by enhancing the positive impact of the tourists' behavior. In short, it emphasizes on what makes a tourist behave responsibly or not.

For this purpose, the researcher reviewed different journals, articles, books, and other studies in the field of tourism especially in reference to Nepal. The researcher reviewed documents specially focused on the importance of the tourism and reason for it.

Tourism: Defining the Concept

There is no universal definition of tourism; however, it is defined differently by various people and organizations. For the first time, an Australian economist Hermann Van Scheullard defined the tourism in 1910. But unfortunately, the definition could not cover all of its aspects. In 1942, the definition of tourism defined by two Swiss Professors Walter Hunziker and Kurt Krapf was accepted by IASET¹, which was defined as the sum of phenomena and relationship arising from the travel

¹International Association of Scientific Experts in Tourism

and stay of non- resident, in so far as they do not lead to permanent resident and are not connected with any earning activity. IASET (1981) defined the tourism as it may be defined in terms of particular activities selected by choice and undertaken outside the home environment. Tourism may or may not involve overnight stay away from home.

The word “tour” is derived from Latin word “Tornus” that means a tool for describing a circle of turners’ wheel, which is closely related to the tourism (Bhatia, 2002).

Tourism is directly proportional to the entry, stay and movement of tourist in a certain country, city or region (Chattopadhyay, 1995). Bhatia (1994) defines the tourism as a temporary short-term movement of people to different places away from their residence including day visit and excursions.

Furthermore, the study of tourism is the study of people away from their usual habitat, as well as physical, economic and social well-being of people in precise area. It comprises the motivations, experiences, expectation and adjustments in new places (Mathiesen & Wall, 1982).

Similarly, Burket and Medlik, in 1974, (p. 5) defined tourism as “temporary movements to the certain new places, away from their residence in order to observe outer world.”

In 1996 WTO² suggested official and technical definition of tourism to UN, which was defined as an activity of traveling and staying in new places outside of their residence for less than one year with no specific purpose is tourism. According

² World tourism organization

to the Tourism Society of England in 1976; tourism is the short-term movement of people far from their habitation including movements for all purposes.

More broadly, the definition of tourism defined by R. De Meyer got 1st prize by Academic International Tourism (AIT) at Monte Carlo in 1952, that was defined as "A collective term for human movement and its attendant activities caused by the exteriorization and fulfilment of the desire to escape, that is more or less latent in everybody" (Chattopadhyay, 1995, p.7). However, it seems lack of precision which is not very useful for analytical purpose.

The terms tourism and travel are sometimes used interchangeably as well as pejoratively. The term travel is similar to the definition of tourism, the only difference is that the travel denotes a purposeful journey whereas tourism implies journey with general purpose.

United Nations Conference on International (UNCI) Travel and Tourism held in Rome in 1963 where the most and popular definition was discovered³. Again in 1993, the United Nations Statistical Commission (UNSC) adopted the definition of Rome conference of tourism in revised form (WTO) as a follow up to the Ottawa International Conference on Travel and Tourism Statistics (ICTTS), jointly organised by WTO and the Government of Canada in June 1991. The definition focused tourism as a domestic visit as well. Where, a traveller is defined as any person on a trip between two or more countries or two or more localities within his/her country of usual residence (WTO, 1992).

Collier (1989, P.3) identifies some major characteristics of tourism as:

- It is a complex set of interrelationship between people, places and products;

³This definition was recommended by International Union of Official Travel Organisations (IUOTO) in 1908

- Interrelationships build through the transportation to various destinations outside of their residence;
- It is term visit with lots of and fully pleasure our activity which does not include any earning activity;
- Tourism is complex human activities interplayed among visitors and service providers to reach to the destinations.

In the case of Nepal, HMG/ Ministry of Tourism and Civil Aviation (MoTCA) has adopted the definition recommended by the United Nations, Guidelines for Tourism Statistics (New York 1971) which is used in its tourism statistics. In the recommendation the non-general term 'visitor' is divided into two special categories: excursionists and tourists, Development of Tourism (DOT, 1994). From the very beginning, since 1957, Nepal government has tried to build conducive institutional paraphernalia to develop tourism. The Tourism Development Board established under the HMG/Ministry of commerce and Industry in 1957, the institutional development has culminated at the establishment of Nepal Tourism Board in 1998, as a joint partnership between the public and the private sector.

Tourists who temporarily visit in a certain places can be classified in terms of purpose that are; Leisure⁴, Business⁵, Excursionists, owners or passengers of yachts and passengers on a group tour accommodated in a train (WTO, 2005a, 2005b) Recommendations on Tourism Statistics). World Tourism Organisation defined 'tourist' in its precise forms as "Any person who travels to a country far from their usual residence for a period of at least one night less than one year that includes visitor as a short term, pleasure seeking and travelling person."(WTO, 1996, p. 24)

⁴Recreation holiday, health, study, religion and sport.

⁵Family, mission, meeting.

The industry associated to serve such persons are tourist industry. 'Visitors' provide the means of identifying those persons whose activities constitute "tourism". A 'visitor' is defined as "any person travelling to a place away from usual environment for less than twelve months without the purpose of remunerated activities within place visited." (WTO, Framework for the collection and publication of Tourism Statistics, p. 4). In reference to given definition of tourism, it is conceptually as a visitor's activity to take excursions and tours to see the new places within a consecutive year.

Lickorish (1958, p.7) defines tourism as "It embraces all movement of people outside their community for all purposes except migration or regular daily work. The most frequent reason for the movement is holiday, which also includes attendances at conferences and movement on sporadic or infrequent business purposes." As a social perspective Mathiesen and Wall defined tourism as, "the temporary movement of people to destinations outside their normal places of work and residences, the activities undertaken during their stay in these destinations, the activities created to cater to their needs." (Mathiesen & Wall, 1982, p.1).

Similarly UNWTO defined tourism as comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.

According to Cohen (1974) extending from sociological perspective Tourism is "Voluntary, temporary travellers travelling at the expectation of pleasure from the novelty and change experienced on a relatively long and not-recurrent round-trip." Similarly, McIntosh, Goeldner and Brent Ritchie (1995, p.10) defined tourism as "the sum of phenomenon and relationship arising from the interaction of tourists in which

business supplies, host government and host communities try to attract host tourists and other visitors." In tourism, there is interaction among the hosts and tourists.

Tourism generates significant employment opportunities in its array of activities or allied sectors (Mohanty, 1992). In fact, the tourism industry is said to be highly labour intensive and generate three categories of employment i.e tourism-direct, indirect and investment related employment (Chopra, 1991, p.15). Johnson (1994) has highlighted the significance of tourism as, "Tourism is a way to improve the economy, provide employment, promote other industries such as retail sales, increase foreign exchange, generate tax/revenue, decrease reliance on natural resources and polluting industries."

Similarly Kunwar, (1997), tourism can enhance the quality of life in local communities by providing employment, helping to modernise utilities and transportation, raising the education level of local people and broadening their view to perceive the world, reviving interest and pride in a community's arts and cultural heritage. To sum up, tourism is one of the important contributors to social and economic development of any country.

A number of tourists has been increasing every year 25 million in 1950 to 617 million in 1997 and the revenue from tourism sector alone has grown from 2.1 billion US\$ in 1950 to US\$ 448 billion in 1997 (WTO, 1995 & WTO, 1998). It is evident that tourism is a growth oriented industry in the world and it has never looked back since it started in the early fifties (Seth & Bhat, 1994).

A person away from his/her residence for less than a year and spending money in the visited place without earning is a tourist (Ogilvie, 1933). Principally the term Tourist is interpreted as any person travelling for a period of twenty four hours or

more in a specific place away from his/her usual residence (Gupta, 2002). This term includes people traveling for leisure, refreshment and holidays, visiting friends and relatives, business and professional, health treatment, religion/ pilgrimages and other purpose (WTO, 1996).

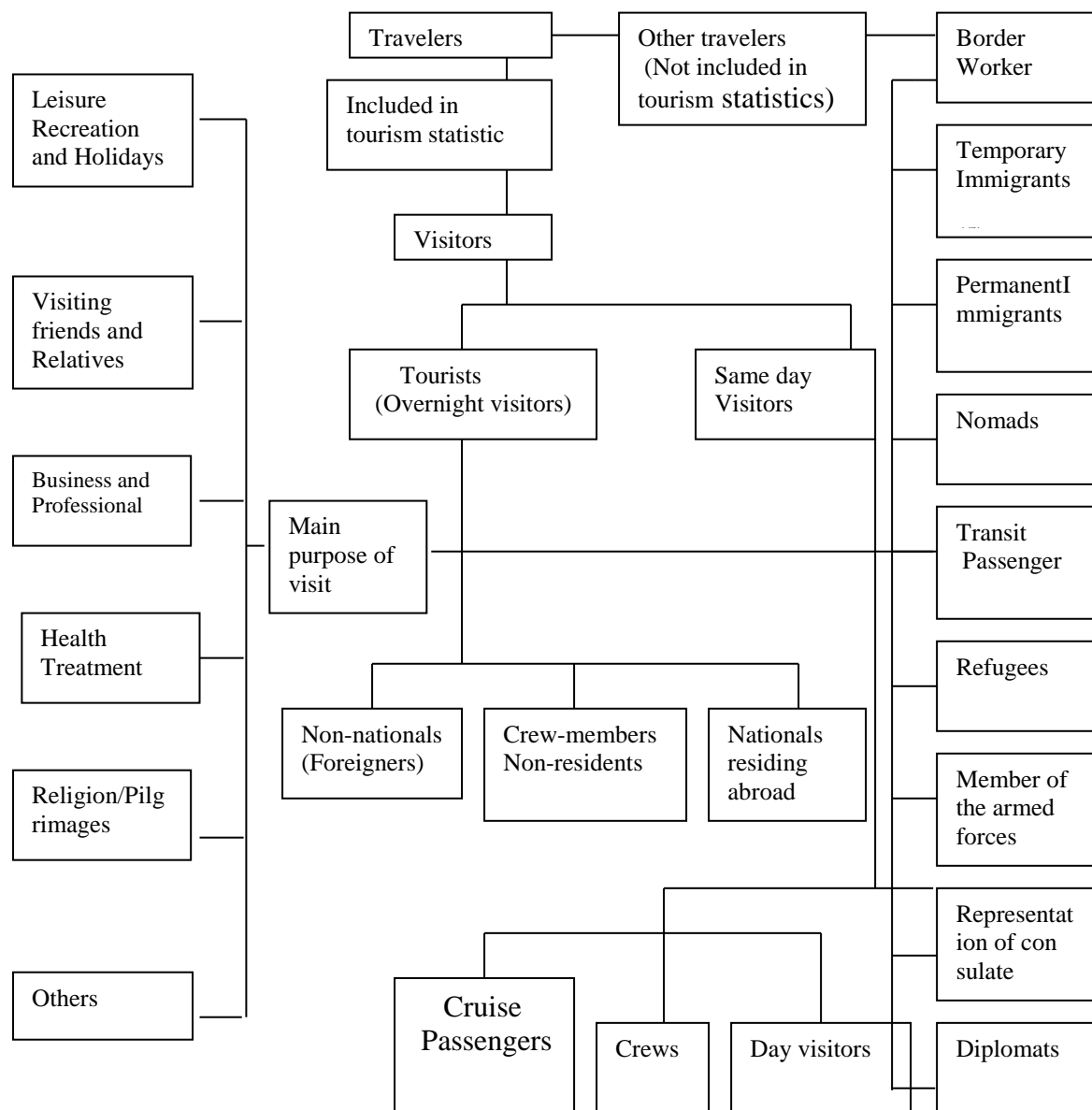
The major characteristics of tourist, on the basis of various definitions by different people are as follows:

- A tourist stays at least 24 hours in six months period during the same year traveling to destination.
- A tourist is a person who stays 'non- resident' status to the visited place.
- Tourists traveling may take place in or out of his/her residence area
- Nationality does not matter for the tourists.
- A tourist's activities are always non-economic
- The tourist stays temporarily

From different perspective, the tourism has been understood as activities performed by travel makers to satisfy or address his/her purposes and needs by engaging in non-economy staying, away from his/her usual residential environment for certain period of time. Therefore, tourist can be classified into three major categories; Visitors, Tourists and Excursionists

There is no hard and fast rule for the classification of tourists. However, in accordance with the nature of traveling purpose and their stay, tourists may be classified in different headings as shown in the following figure.

Figure 2.1: Classification of International Visitors



Source: WTO, Recommendations on Tourism Statistics (adopted from Dhital 2009, p. 45).

Importance of Tourism

1. **Psychological perspective:** Decisions about the destination to be visited are largely determined by the emotional and physical experience of a person. It is the best way to be psychologically refreshed.

2. ***Economical perspective:*** Tourism is one of the profitable businesses where People have many opportunities to make profit by serving the tourist.
3. ***Political perspective:*** From the viewpoint of politics, it is one of the best ways to uplift the international relations.
4. ***Social perspective:*** The increasing number of tourism makes possible for the large group interactions which not only provide the job opportunities but also enhance the cultural heritage.

Tourism is the global industry of travel, hotels, transportation, and all other components, including serving to the tourist.

(<http://www.tradewinginstitute.com/world/more.htm>, 2013).

It is the sum of different phenomena and relationships arising from the interaction of tourists, business suppliers, host governments and host communities in the process serving the tourist (<http://www.tradewinginstitute.com/world/more.htm>, 2013). Therefore, tourism is a composite of activities, services, and industries that provide travel experience, namely transportation, accommodations, eating and drinking establishments, shops, entertainment, activity facilities, and other available hospitality services.

Tourism and Psychological Impact

Initially, an attempt has been made to explain the process of tourism and psychological impact in the process (Anand, 1976, Hall, 1993). Various environmental factors generate a number of conflicting desires. Where all these desires do not materialise into effective demand. Thus, the tourists' demand can be explained through a behavioural decision making model. Some of important elements of decision-making models of a visitor are: flow of stimuli, opinion leaders, selector

system, giving birth to an attitude, transformation process, concerned with conversion of attitude into behaviours and feed back (Anand, 1976).

Neither all travels are tourism, nor are all tourisms travel. For tourism one must be displaced, traveling using different means of transportation⁶.

A travel must belong following character to be tourism:

- Displacement must be outside of one's usual environment,
- The purpose should not be to remunerate,
- Duration must be with or without overnight stay.

Tourism has influenced significantly over a century. In Bernecker's definition⁷ the perception of tourism is too narrow compared to the definition⁸ given by R.de Meyer. The differences of these two definitions are; the distinction between what is voluntary and what is compulsory. By the same logic, a student going abroad to pursue higher study is not a tourist. The same student may turn into a tourist when he spends his holiday by visiting the places of his interest to host country. Even a person attending a summer school away from his usual place of residence would not be a tourist in the narrow sense, since the purpose of his temporary change of residence is not pure recreation. Similarly, a journalist going to cover the Olympic Games should not be termed as a tourist in the narrow sense. Nowadays business officials travelling internationally are also called 'business tourists' in a broad sense. A business executive attending business convention or a scientist attending a seminar may also spend part of his time in sightseeing, visiting night clubs and making local shopping

⁶Travel on foot, pilgrims, hikers...

⁷ "Tourism is the sum of the relation and services connected with a temporary and voluntary change of residence for non-commercial and non-professional reason"

⁸A collective term for human movement and its of the desire to escape, that is more, or less latent in every-body'

trips just like an ordinary tourist with pleasure as his main motivation. Persons with the same motivation may behave quite differently i.e. sales agent will behave differently from a business executive.

The main consideration of tourist should not be the motive for travel but the mode of behavior of the travel. It cannot be denied that often there may be a great deal of correspondence between a motive to travel and a mode of behavior. A person desiring a period of rest from his active life-style is likely to be a resort tourist (Pizam & Sussmann, 1995). On the other hand, a 'wanderer' is a person wanting to escape from the drab monotony of life.

The mode of behavior of a 'pilgrim' tourist will be quite different from other tourists. Similarly, a tourist on a social visit, to meet his relatives or friends and staying with his host family can be singled out as a separate category.

Another feature of tourism that is not adequately brought out in the above definitions is how long should be the duration of stay of a tour. As a usual practice, a stay of at least 24 hours is considered that is necessary to distinguish a tourist from a day-tripper. Statistical purpose, a fortnight minimum is commonly accepted for domestic tourism but stays of only 24 hours are universally recognized in the case of international tourism. The League of Nations defined the term 'foreign tourist' in 1937 as 'any person visiting a country, other than that in which he usually resides for a period of at least 24 hours.' In concise form, we can say that travel is rooted in the ancient past but tourism is a recent phenomenon of modern origin (Tiwari, 1994). In a wider sense, travel connotes "journeys undertaken from one place to another for any purpose including journeys to work and a part of employment, as part of leisure and to take up residence" (Burkart, 1974, p.311). Either single or in combination travel and

tourism generally describes movement of people, economical or industrial sector and a broad system of interacting relationship of people, their needs (Ritchie & Goldner 1984).

There is a growing trend and consensus in recent years towards greater use of the word 'tourism' either alone or in combination with 'travel' to describe the research concerned with 'travel' outside the community of residence. International Organisation for Economic Co- operation and Developmant (IOECD), the world tourism organisation (WTO) used the term 'tourism' not 'travel'. In the 1970s the United States preferred the term 'travel' but there was greater acceptance for the term 'tourism' a decade later.

It is, however, considered by many the area should be described as 'Travel and Tourism' (Tewari, 1994). More precisely, definitions on tourism has been made from different aspects of activities made by the travellers having various purposes in mind.

Thus, we understood tourism from different perspectives i.e. when we think about tourism, we think mainly of people visiting to friends, sightseeing, and relatives, taking a vacation and having a good time. They may spend their leisure time engaging in various sports, sunbathing, talking, and singing, taking rides, touring, reading, or simply enjoying the environment. Furthermore, the definition of tourism is related to the people who are participating in a convention, a business conference, or some other kind of business or professional activities, as well as those who are taking a study tour under an expert guide or doing some kind of scientific research or study. They have their own expectations to their destinations.

Travel and Tourists

In the earliest time, people used to travel on foot to hunt, explore or make pilgrimages and those travel used to make for food, water, safety and acquisition of resources (trade) with the invention of wheel and sail, people got new modes of transportation. People travelling from hiking in a wilderness park to flying in jet planes, travelling by rail or going on a cruise are visitors or tourists. Every technological invention increased individuals' opportunities to travel. Furthermore, development of roads and railway enhanced the tourism (www.tugberkugurlu.com).

"Human travel has begun since nomadic times started in search of food and shelter due to natural compulsions" (Tewari, 1994, p. 1). The main reason of travelling is true consciousness and the anxieties of human nature for new findings. Because of the human habit of travelling, tourist industries are growing surprisingly which was established with the earliest period of human habitation. Travelling in the past was different from the travelling today in a sense of compulsion in the past and the desire in the present (Ranjit, 1976).

Global Tourism Scenario

Tourism has emerged as the largest service industry globally in terms of gross revenue as well as foreign exchange earnings. Current global income from tourism (international and domestic) is nearly US\$13 trillion annually, which is an amount more than the GNP of all countries except the United States. People nowadays perceive tourism as a way of life rather than a luxury item reserved for the affluent and the elite.

Various organizations are actively involved in the research about tourism. According to the World Tourism Organization (WTO), the number of international

travelers has increased to more than 500 million annually, which means that one out of every ten inhabitants of this planet is a tourist. With rapid developments in the field of communication and transportation, the global tourism industry is expected to double in the next decade (Pearce, 1992).

WTO forecasted that there would be 702 million international arrivals in the year 2000, which was assumed to be one billion in 2010 and 1.6 billion by 2020 which is nearly three times the number of international trips made in 1996 that was 592 million. Furthermore, “Tourism 2020 vision” predicts by 2020 one out of every three trips would be long haul journeys to other regions of the world. Long-haul travel is expected to rise from 24 percent of all international tourism in 1995 to 35 percent of all international traffic arrivals by the year 2020. The 21st century will serve a higher percentage of the total population travelling, especially in developing countries. People would be going on holidays more often, sometimes two, three or four times a year. Tourism is considered as an umbrella industry of all other industries with great effect. It serves as an effective medium to transfer the wealth because the income earned in places of “residence” is spent in the place “visited”. 212 million people are currently employed globally through direct and indirect opportunities generated by the tourism that means out of every nine persons, one person earns a living from tourism. Out of every 100 jobs, 13 jobs are created in manufacturing industries, 45 jobs in agriculture and 89 jobs in hotels and restaurants with every million rupees of investment (<http://www.tradewinginstitute.com/world/more.htm>, 2013). Tourism is therefore considered to be an important area for intensive development of a country.

Tourism Development in Asia

In addition to this, the future of tourism is brighter than ever despite the fact of terrorism in global hot spots i.e. recession in Europe, economic upheaval in Japan. The expected growth rate of tourism is 6.1 percent which is 23 percent faster than the world economy. If current growth will not stop, then travel and tourism will create 144 million jobs⁹ worldwide. (<http://www.tradewinginstitute.com/world/more.htm>). According to the President of the world Travel and Tourism Council, Geoffrey Lipman, "there will be a surge of Asian travelers in markets around the world, and Asian countries will be the premium destinations." Here, our major concern is that, why it has received so little attention from domestic policy makers and crafters of international trade agreements despite being a major contributor to the world's economic well-being.

Types of Tourism

There are different types of tourism which are categorized on the basis of their purposes and factors involved in these issues. It is people's motives that lead them to make a journey which plays a vital role in generating the various types of tourism (Negi, 1990, pp.129 -138 & Riley, 1988).

I) On the Basis of Movement Patterns: On the basis of movement patterns tourism is divided into *residential and seasonal*. *The former denotes the tourists, who are motivated to stay in the foreign land having purpose of residence for certain period of time as temporary residents are residential tourism while the later includes the tourists who would like to visit in certain season of the country.*

⁹112 millions in the fast growing Asia pacific region.

(II) On the Basis of Origin and Destination: On this basis, when tourists enter to the country of their destination they are categorized as Incoming tourism. Similarly, Tourists, who leave their visited country after their visit or stay, are known as outgoing tourism. Moreover, Tourists, who travel within domestic periphery of touristic activities, come under the category of internal tourism.

(III) On the Basis of the Seasonal Characters of Tourism: Tourists who travel to the different country or places and more interested to enjoy his/her travel in the winter season is called winter tourism. Similarly in the same way as winter tourism, tourist interested enjoying and viewing the world in summer season is summer tourism.

(IV) On the Basis of the Incentives: People who travel mainly with the purpose to recreate themselves short-while taking break from work and study are recreational tourism. Likewise, people travelling with the purpose of having pleasure in life involving in leisure activities are pleasure tourism or leisure tourism. Similarly, people who travel with the main purpose of visiting foreign countries for expanding business or making contacts are known as business or technical tourist and tourists visiting different destination with tend to participate in international sport /games and tournaments are categorized as sporting tourism.

(V) On the Basis of the Socio-economic Aspects of Demand: Tourists bearing all the expenses during their travel in other countries by themselves are self-financing tourists. On the other hand, travelling due to incapability to earn by working falls under the category of juvenile tourism and tourist involving in social works through the organization and non-governmental organization having purpose of social services are social tourism.

(Vi) On the Basis of Range: Tourists who tend to travel within his/her national geography is called domestic tourists. Likewise, tourists who would like to visit other sites of foreign land travelling across the border of his/her national border are international tourism.

(Vii) On the Basis of Purpose of Visit: Tourists who would like to make holiday being on holiday leave from their work. Likewise, Tourist who travel to expand markets of their business or intend to seek the clients or find any other means to develop their business. Similarly, It includes tourists with other specific purposes for their journey this is further sub-divided into following topics: Study tourism, Religious tourism and Miscellaneous purpose tourism.

(Viii) On the Basis of Sociological Aspects: Travelers visiting to foreign land in large groups in package tours is mass tourism. Similarly, tourists interested to visit those sites which are extremely popular are popular tourism and tourist who would like to learn the language culture and overall life style of the people in the concerned society are social tourism.

Factors Responsible to Motivate Tourist

People travel with various purposes and motives. The motives of various people always differ person to person and influence by their perception, status, social and cultural norms, interest etc. Some people travel to enjoy or for pleasure or refreshment, some travel with the motives to widen their business space, other travel to worship, to study, to enhance the social interaction and relation etc. those people travelling with the motives of pleasure comes under recreational tourist and those tourist travelling with some particular purpose or motives are motivated tourist.

Purpose of Tourists

The purpose of travelling differs individually. The UN Conference on International Travel and Tourism held in Rome in 1963, considered an overall definition of the term 'visitor'. Tourist is a temporary visitor staying at least 24 hours in a country visited and with particular purpose¹⁰. The definition covers following category of travelling:

- a. **Excursionists:** Temporary visitors staying less than 24 hours in the country visited including travelers on cruises are excursionists. Those excursionists travel with purpose of Business, Pilgrimage, religious or social functions, study and health Pleasure (holiday, leisure, sports etc) meetings.
- b. **Pleasure Travel:** The most dynamic component of tourist is the visiting with the purpose of pleasure. People visiting to the certain place, select spot carefully where they could spend the entire holiday or leisure time. While making such a selection the type of facilities available at the tourist spot, holiday homes or cottage cater for such resort tourists. A tourist who chooses resort prefers to spend a peaceful life and a period of rest from work. On the other hand, there are tourists who have a lust of wander. They visit to spots of natural wonders, historical sites and cultural centers as possible seeking as many different cultures, cuisines or ways of life in package in short time. Their holiday pattern may consist of a non-stop journey from one destination to another.

¹⁰ Business, family, mission, meeting, leisure (recreation, holiday, health, study, religion and sport)

The latter type of tourists, make their own pilgrimage to the cultural places. Package tourism, on the other hand, is a new type of development which is a compromise between the user oriented facilities of resort tourism with wanderlust tourism. Because such tours are managed by some tour promoters in order to attract number of tourists at large scale, often arrange food and accommodation facilities to which the tourists are accustomed. However, tourists in a package tour cannot remain individualistic and must conform to the norms as laid down by the tourist company.

Therefore, distinctions can be made among these polar types of pleasure travel which is, by far, the largest and the most dynamic component of tourism. Another common form of distinction that is made is between elite tourism and mass tourism. Elite tourism is likely to be independent minded and somewhat individualistic. He could be an antiquarian, a naturalist, an explorer visiting places not frequent by or not known to many. The mass tourism is a gregarious, with the herd instinct. The primary urge of a gregarious tourist, does not come from a possible interaction between persons. Nature may provide a suitable backdrop, but not more than that. Usually he prefers company and hankers for sports and other entertainment facilities.

General Features of Tourism

The tourism-seasonality of touristic flow is a very common phenomenon. The seasonal climatic variation determines the decision regarding the destination and the timing of tour as a rule is delicately sensitive. For European tourists, the common reason for travelling is to escape the cold season at home. On the other hand, the scorching sun may also be a deterrent factor to the visitors in the tropical countries but every time the choice of destination and the time for travel does not govern by climatic consideration in the case of a pilgrim, so long as the place of destination

remains accessible. Despite rainy season or adverse weather, devout tourists prefer to visit the cave in the festival season. In spite of all this, there could be a peak season for tourism, the season being determined by festival time, the timing of big events (Olympic games, trade fairs, youth festivals), school vacation (particularly for family group tourists). Almost a sort of metamorphosis takes place in the tourist sites as the slack season is over and the peak season approaches.

Tourism and Economy in Global Context

Tourism has flourished worldwide since last two and half decades and outshined traditional industries to become one of the world's largest and fastest growing economic activities (Pao, 2005). It emerged with a general consensus which, not only increases foreign exchanges earnings but also creates employment opportunities (Sheldon & Dwyer, 2010).

Tourism: An Attractive Economic Development Tool

Over the past several decades international tourism has received significant importance globally. The flow of tourism has increased by 6.7 percent in 2010 compared to the previous year that was decline by 4 percent due to the global economic crisis (UNWTO, 2011). Tourism is often cited as the world's biggest industry in which 200 million people are engaged generating 11 percent of global economy (WTTC, 2004).

Tourism is one of the very effective and attractive tools for economic development, specifically for developing countries, that helps countries to move forward making them independent. It is also viewed as an export industry of three Gs "Get them in, Get their money and Get them out" (Tooman, 1997). Due to its huge benefits, tourism has become a popular addition to economic development policies in

many African, Asian, South and Central American countries. However, all the countries not equally reaping full benefits from tourism. According to Pleumarom (1999) more than two-thirds of the revenue from international tourism never reaches the local economy because of high foreign exchange leakage. In order to increase the profit of tourism and make more effective, the linkage must be stopped as soon as possible.

Tourism has been flourishing worldwide due to its potential economic benefits for destination areas (Erbes, 1973) however, in the past two decades increased attention to the negative social, cultural and environmental impacts of tourism, that has out-weight the benefits of tourism (WTO, 1996; Mathieson & Wall, 1982, Wahab, 1997). As discussion of responsible tourism growth is still in its infancy, the dilemma for many countries is devising a way to due to the dilemma about the tourism has discovered a sustainable tourism industry, that deals with maintaining economic benefits and limits associated negative impacts.

Furthermore, countries develop a tourism industry which provides the much needed economic benefits such as foreign exchange, employment and income while protecting the human and natural resources it is built upon? The outcomes of benefits lie in minimizing negative impacts by strategies such as environmental and social impact analysis, community control, and segmenting markets (Harrison & Husbands, 1996, Cater, 1993). It emphasizes in maximizing the positive impact and mitigates the negative impact of tourism. Therefore, sustainability in economy through the effective implementation of tourism possibilities in the developing countries like Nepal and others helps a lot in the development of the countries. The potential economic benefit

of tourism is a major attraction for developing countries due to three pro-tourism arguments (Mill & Morrison, 1999):

- First, the trend in demand for international travel is projected to continue at astonishing rates due to the economic stability and travel preferences of people in the developed regions such as Europe, Asia and North America.
- Second, the income elasticity of demand for tourism means that as the household incomes of people in the developed world increase, more disposable income will be directed towards travel.
- And thirdly, developing countries are in need of foreign exchange earnings to support their economic development initiatives and to satisfy the demands of their own residents.

In order to manufacture something enormous raw material is needed similarly for Tourism, like manufacturing, requires access to land, labor and capital resources as raw material. Yet, tourism, in the way that the product is produced and delivered, may be a more viable alternative for developing countries. Most countries have the basic raw materials required to establish a tourism industry. Whether using its heritage, architecture, landscape, water or people, the mix of natural and cultural resources is what makes a destination unique and marketable to visitors (Edgell, 1999). Demand for tourism is expected to remain strong into the modern era with advancement in technology reducing the time required to travel. But unlike other industries, there is monopoly in tourism in which, sellers have a control on prices (Erbes, 1973).

Tourism also allows countries more leverage in manipulating exchange rates to influence visitor expenditures on site. For example, destination areas can lower

exchange rates to attract a greater number of visitors. More than other industry, tourism is multifaceted and either directly¹¹ or indirectly¹² affects other sectors of the economy. Jafari (1984) suggests that “tourism in developed countries can be regarded as mainly a social activity with economic consequences; in developing countries it is largely an economic activity with social consequences.”

International tourism is usually price-elastic and income elastic in which changes shifts either in significant changes in travel patterns or can result problems for destinations that are fully dependent on visitors (WTO, 1999). Consequence of this situation may affect to the country’s economy that is visited by tourists as their destination to change during this circumstances because there exists viable fluctuation in the prices and services offered to tourists.

Obviously tourism is different from other industries in the sense that it brings a number of other non-monetary benefits and costs¹³ to visited place. Achieving sustainable tourism development requires additional costs for destination areas. Therefore paid cost that can be retained in the local economy will help to balance the impacts resulting from tourism.

Intra-bound tourism is a new academic terminology coined by the Korea Tourism Organization and widely accepted in Korea. Intra-bound tourism differs from ‘domestic tourism’ in the sense that the former is more concerned with making and implementation of national tourism policies considering the tourism ecosystem consisting of inbound, outbound and intra-bound tourism.

¹¹Transportation, accommodations, food and beverage and entertainment sectors

¹²Other businesses that are involved in servicing the directly benefited sectors

¹³Social, environmental and cultural

Earlier, in the beginning of the industrial revolution, travel was primarily related to the trade and the desire for military conquest. It was principally the trades, in the early historical period, that establish national trade routes and communications which later extended through the region and finally to other continents. Thus, it was trade that first motivated travel in the real sense (Tewari,1994). Later, the modern means of transport and communication has uplifted tourism by facilitating and terminology is known as 'tourism' today. National committee on tourism, India defined it as, the new phenomenon of travelling in pursuit of leisure, culture and the quest for knowledge about alien lands connotes the concept of tourism. The growth of tourism is closely related to the ease and speed of travel, economic growth and political development (Mohanty, 1992).

Tourism grew gradually over the years as easier means of travel developed . Today tourism revolution is sweeping the global, a revolution promising much and delivering a great deal. It has come out as the most income generating business of the world, having tremendous potentiality for earning foreign exchange, yielding tax revenue, promoting growth of ancillary industrially backward region through its various linkage effects (singh, 1975). Developments of tourism from earlier time to modern era has reached in an established means of economic growth.

Tourism in Nepal

Nepal is one of the richest countries in terms of water, natural resources, cultural heritage and language. There are many things existing that attract the tourist and entertain them. As it is one of the developing countries, tourism has significant for it. New strategies are practicing from government's side to preserve and sustain the environment and culture of Nepal in order to maximize economic benefits. In

2010 visitors and host communities understand and appreciate the spirit of hospitality and strategy of preserving the culture and environment.

Revenue from tourism today viewed as a major contributor in maintaining the balance of expenditure in developing countries such as Nepal. Tourism revenue in any country primarily depends on its demand in the world tourism market. The demand for Nepalese tourism is governed by hospitality, income, own price, and cross price variables in the long run, and hospitable behaviors and instabilities in the short run (Paudyal, 2012). In case inability of government in maintains the positive and negative effect, country has to pay a lot for it because tourism has also two sides: benefits and negative impact upon visited country.

Role of Tourism in Economy

Tourism plays a vital role in the process of the economic development in a country like Nepal. As there are not so many large industries and people are still depending on traditional farming, tourism can be the biggest gift to the people for their livelihood (Paudyal, 2012).

Dhital (2009) writes tourism helps on solving the adverse balance of payments is a recent one. It provides employment opportunities to the youth; promote the locally produced goods that are helpful to the local economy. Tourism enhances the transportation business, entertainment and accommodation business like; hotel, resorts, bars and restaurant (English, 1986). The improvement in the economy of the people will make an upward shift in the demand curve for goods such as food and clothing, because of the high income elasticity of demand for goods in a poor society such as Nepalese.

In order to achieve high economic growth, the government should pay more attention to the policy regarding to promote the tourism in Nepal (Gautam, 2011).

Tourism has played vital role in the Nepalese economy by virtue of demand for goods and services, transportation and communication, purchase of handicrafts, trekking and mountaineering, rafting, sight-seeing, city tours and involving in varied other activities. Tourism receipts and tourist arrivals both show that tourism has impacted positively in the Nepalese economy. Tourism does really matter for the economic growth of Nepal (Paudyal, 2012).

As with tourism in many other countries there is economic leakage as a result of foreign investment (Collier, 1996) with much foreign investment in existing hotels (Pearce, 2001b).

Social

Tourism is one of the most important factors that brings various people together, increases social interaction, promote cultural exchange and helps to enrich international relationship. But because of overcrowded, lack of privacy, inflation, behaviors of tourist, the negative externalities are increasing with great negative impact of tourism (Hall, Jenkins et al., 1997). People have a compulsion to work in low wages and for long hours (Collier, 1989).

Environment

Tourists can have a direct and often negative impact on the clean, green, pristine environment that they come in search of. A report from the Office of the Parliamentary Commissioner for the Environment (1997) raised concern over pressure on specific attractions such as the Waitomo Caves/Chamero Cave, emphasizing the importance of reducing adverse visitor effects.

Because of the pressure of the tourist there is the loss of quality of some relatively un-spoilt parts of natural environment, loss of amenity values from incremental development, which can also affect communities and lifestyles, especially in places where the proportion of visitors to residents is high.

There is wildlife/habitat disturbance and track erosion due to the tourism. Department of Conservation 1996, Department of Conservation 2003, Douglas 2003, New Zealand Conservation Authority 2003); furthermore tourism's direct effect on degradation of soil, water and natural habitat sound pollution, environment pollution (Collier 1996; Department of Conservation 1996). At present, however, more or less the rates and other mechanisms recover the cost that tourists impose on these infrastructures (Standford, 2010).

Culture

Tourism has various economic, social, cultural and environmental effects on tourism destinations (Vanhove, 2005) and the effects can be both positive and negative. Tourism is the way to introduce the culture of one country to another. At the same time it leads the people to replace the culture with their original (Davina, 2010).

Economic Impact of Tourism Development

The positive economic impacts of tourism are commonly listed as increased foreign exchange earnings, increased income, and increased employment in destination areas (WTO, 1996; Mill & Morrison, 1999; Edgell, 1999; Lundberg et al, 1995). All three forms of economic impact are central to economic development. In the current situation increased attempts need to be made to understand the significance of foreign exchange earnings in developing countries, specifically how much is being generated, retained and used for the economic goals of the region.

Tourism industry nourishes a country's economy, stimulates development process, restores cultural heritage, and helps in maintaining international peace and understanding.

Employment Potential of Tourism Development

The most significant feature of the tourism industry is the capacity to generate large scale of employment opportunities even in backward areas, especially to the women and poor people, including both educated and uneducated. Another important feature of tourism is that it contributes to national integration of the people who live in different regions of the country with diverse cultures and languages (<http://www.tradewinginstitute.com/world/more.htm>).

Tourism generates different types of income and employment that effects on exports of government revenue, such as taxes and expenditure. Furthermore, tourism has been influencing Nepalese economy positively which does really matter for the growth of Nepalese economy (Paudyal, 2012).

Impacts of Tourism in Nepal

Tourism has left both positive and negative changes in Nepal where it is practiced. The change has occurred in nature and environment, as well as in the economic, social and cultural patterns of the inhabitants of mountains. However, the fact is that the positive changes outweigh the negative ones.

Economic Impact

According to Gautam (2005), mainly the economic factor leads the tourism. The tourism is more emphasized in order to develop the economic factor of the country, so lay positive as well as negative effect on the country's economy directly.

In recent years, there has been a growing realization in the potentiality of tourism in many countries. In some countries, tourism is the single largest foreign exchange earning sector at the present consequences. All the developed and developing countries of the world trying to utilize their tourism resources for the economic growth and development. As it is an employment-oriented service industry, it provides more job opportunities than any other industries. The capital that is invested in adventure tourism offers employment to various service sector like hotels, restaurants; boarding houses, recreation centers; porter agencies, travel/trekking agencies; souvenir-shops, transport companies and other utility centers. In addition, it generates the employment in back warded areas, which are isolated and economically undeveloped.

Due to over-dependence on single sector “tourism”, many areas are considered the remaining fragile economics which occurs due to less competitive firms and poor road structure as well as inaccessible suppliers and market (Shrestha, 1998). From a policy perspective, the importance must be given to such areas which have fragile economy and overdependence.

There are mainly three impacts of tourism in the economy that are; direct income, indirect income and induced income effect. Direct income effects comprise wages, salaries and profits of employers. This impact is the effect of tourist spending on incomes and employment at businesses where tourists spend money. Similarly, successive series of local business comes under indirect income impact. The induced impact represents the effect on income and employment of local residents earned as a result of spending by tourists. Because of this, local people's income is continuously

increasing. Also, the government's balance of payment is improving through hard currency earning.

It is creating employment opportunities in different tourism related sectors e.g. accommodation, transportation etc. Likewise, there has been the diversification in economic activities of entire regions. Similarly new infrastructures are discovered and there has been the improvement in the existing infrastructure (Upadhyay, 2003). Because of small and cottage industries such as art, craft, souvenir, handicraft and other local industries are developing. It is improving the living standard of local people. Local people are encouraged to become entrepreneurs by involving into travel and tourism business and by adopting regular habits to works and to achieve the things they want. There has been the mobilization of regional development.

Beside the positive impact, tourism has number of negative effects as well. Because of tourism there has been inflation, in market, import of camping kit, climbing kit, clothing etc are causing leakage on foreign exchange reserve, only low standard jobs like porters, cooks, waiters etc. are available for the local people, Uneven economic growth is taking place in the region like Mt. Everest area. There is negligence in agriculture in some extent due to adventurous motives in tourism and is leading towards more dependency on tourism. As a result the economic distortions are being seen as well in few areas.

Environmental Impact

Nature conservation and promotion comes under the demands of tourism... Without nature there will be no tourism because the relationship between tourism and the environment is complex and multifaceted.

In addition to these bio-physical assets of the natural environment and the cultural heritage of the people are considered to be the major attractions for mountain tourism. The range of recreational activities in tourism, such as mountaineering, trekking, hiking, exploration, sightseeing horse riding, rafting, mountain biking, Para gliding and other adventure activities are closely linked to the environment.

These days, tourism activities mainly take place in mountain areas which have accelerated ecological problems, like garbage trails, deforestation, and effect in flora and fauna. Over crowd, congestion, landslides and climatic change etc. have pervaded the regions. Due to large number of tourist arrival as trekkers and mountaineers, there might be environmental effects of mountain tourism to the inhabitants of mountain regions in Nepal. The following positive and negative effects of tourism are identified in a nut shell.

Tourism is bringing consciousness ecological conditions among local people. Tourism and conservational measure are checking the drainage of ecological wealth. It provides an opportunity to experience and to study one of the most in-hospitable and unique ecological and natural surroundings. Similarly, the local people are adopting conscious concept and awareness on hygiene and sanitation and comprehend the significance of scenic landscape, flora fauna, barren land-mass of green grass, herbal plants, wildlife and other neglected natural resources of Himalayan regions. Common awareness about various levels of pollution (air, water, noise, garbage and trash) is being developed among the local people, different private organizations and the government of Nepal. Creation of environmental oriented infrastructure and wayside facilities on trekking routes is becoming the popular. This awareness helps in maintaining the suitable environmental condition in the nature.

There has been a negative impact of tourism especially in the mountain areas where forests are being destroyed for fuel and energy in the different regions. Likewise, landscape is leading towards the degradation due to misuse and abuse of natural resources by local people, trekkers, mountaineers and grazing animals. There has been a chance of destruction of alpine flora from trampling, haphazard camping and collection- hobby is endangering some rare species. Trekking routes in the mountain are being awkward due to the garbage trails and dirty campsites. There have been the disturbances to wildlife habitat. Water does not remain untouched from tourism activities; the submergence of drains into river is caused by water pollution. Removal of beautiful flowers of particular species by a large number of trekking and mountaineers is reducing the chances of regeneration and long-term survival of that species as a result it is decreasing. In this way, plant life, soil condition, water resources are endangered environmentally and ecologically by the tourism (Journal of tourism research, 2011).

History of Travel and Tourism Business in the World

Tourism is a lucrative fast growing hospitality industry upcoming in the world. "Tourism is a multifaceted human activity with wide ramifications and it permeates. Practically all sectors of national life. It is of considerable economic, social, cultural, educational and political significance of international tourism, however, provides a valuable source of foreign exchange earnings and income for many countries and has a positive effect on balance of payments. In comparison to the world trade in goods, tourism revenue has recorded a much faster rate of growth and forms one of the largest items in the world" (Tiwari, 1994, p.85). Besides, earning foreign *currency* to the country, there occurs spin-off results from tourists activities in other sector of the

economy which creates increased demand for capital and consumer goods resulting in an increase in Gross Domestic Products (Chopra, 1991). "tourism is the biggest industry in the world that has been observed in terms of international payment" (Khadka, 1993, p.85).

Tourism; World's Biggest Industry!

Due to the tourism policies like "See America", "Getting Going Canada," and "See Korea Campaign", tourism has been understood as international recognition in different form. Tourism has no comparison to any one as a contributor to the global economy (Batra, 1995).

Tourism employs 204 million people worldwide or one in every nine workers covering 10.6 percent of the global workforce. Tourism has the highest tax revenues of US\$ 655 billion. It is the world's leading economic contributor, producing an incredible 10.2 percent of the world's gross national product which is the world's largest industry in terms of gross output approaching of US\$ 304 trillion. This sector accounts for 10.9 percent of all consumer spending, 10.7 percent of all capital investment and 6.9 percent of all government spending.

(<http://www.tradewinginstitute.com/world/more.htm>)

In 1822, Robert Smart of Bristol, England, announced himself as the first steamship agent. He began booking passengers on steamers to various Bristol Channel ports and to Dublin.

In 1841, Thomas Cook began running a special excursion train from Leicester to Loughborough in England which was the trip of 12 miles. On the 5th of July 1841, Cook's train carried 570 passengers at a round-trip with a price of 1 shilling per passenger. This is believed to be the first publicly advertised excursion train. Thus,

Thomas (1850) can right fully be recognized as the first rail excursion agent. His pioneering efforts were eventually copied widely in all parts of the world (www.tugberkugurlu.com). But the first specialist in individual inclusive travel¹⁴ was probably Thomas Bennett (1814-1898) who was another Englishman serving as secretary to the British consul-general in Oslo, Norway. In this position, he frequently arranged individual science tours in Norway for visiting British notables. Finally, in 1850, he set up a business as a 'trip organizer' and provided individual tourists with itineraries, carriages, provisions and a travel kit. He routinely made advanced arrangements for horses and hotel rooms for his clients (www.tugberkugurlu.com).

Incensement of Tourism Industry

After World War II, the availability of airplanes was the messenger of the start of charter flights. In the 1970s, the introduction of wide-bodied jets meant journeys to the USA and the Far East of rich people (www.tugberkugurlu.com). In the 1700s, leisure time was available only to the richer people and those people were sometime referred to as the 'Leisure Classes'. In the beginning of 20th Century, bank holidays were introduced and in 1930s, paid holiday time was more widely available. In the second half of the 20th century, paid holidays were expected as a norm and package holidays were within the range of most people.

Travel Businesses; Development

Nowadays travel agencies range from very small to very large business. The smaller businesses are very much like any other small business; few people carry out all the business operations, and jobs include secretarial, travel counseling and managerial activities. In large offices job opportunities are more varied and include

¹⁴(The basic function of travel agencies)

commercial account specialist, domestic and international travel counselors, research directors and marketing managers (Bhatia, 1994 & Lazer, 1978). Of course, the main marketing area of a travel business is the internet in current times. Thus, large firms are having their own IT departments, even a Social Media Departments separately from others to handle all the communication between the company and clients. Tour operators are in need of those kinds of departments separately more than travel agencies. (<http://www.tugberkugurlu.com/archive/tourism-business---chapter.1,-history-of-tourism-and-the-travel-business-in-the-world>)

Tourism; as a Multi-Component Industry

Tourism is a multi-component industry, many parts of which are inextricably linked to other economic sectors such as airlines to transportation; souvenir shops, concession stands and restaurants to retail or service; hotels and other accommodation to commercial development.

“Broadening the Mind”, A survey of the World Travel and Tourism (WTTC, 2012), published in the “Economist” offers following rationale. The size of the travel and tourism business is difficult to comprehend for at least three reasons. First, there is no accepted definition of what constitutes the industry second; tourism is a business, many of whose activities (like tour guides and souvenir sales people) and much of whose income (tips) are well suited to practitioners of the underground economy. Third, international travel is bedeviled by astounding differences in the data of different countries.

The Brussels based World Travel & Tourism Council (WTTC) association with 65 Chief executive officers from all sectors of the industry. Its goal as stated in WTTC reports is “to convince governments of the enormous contribution of travel

and tourism to national and world economic development, to promote expansion of travel and tourism markets in harmony with environment and to eliminate barriers to growth of the industry.” (www.tradewinginstitute.com/world/more.htm)

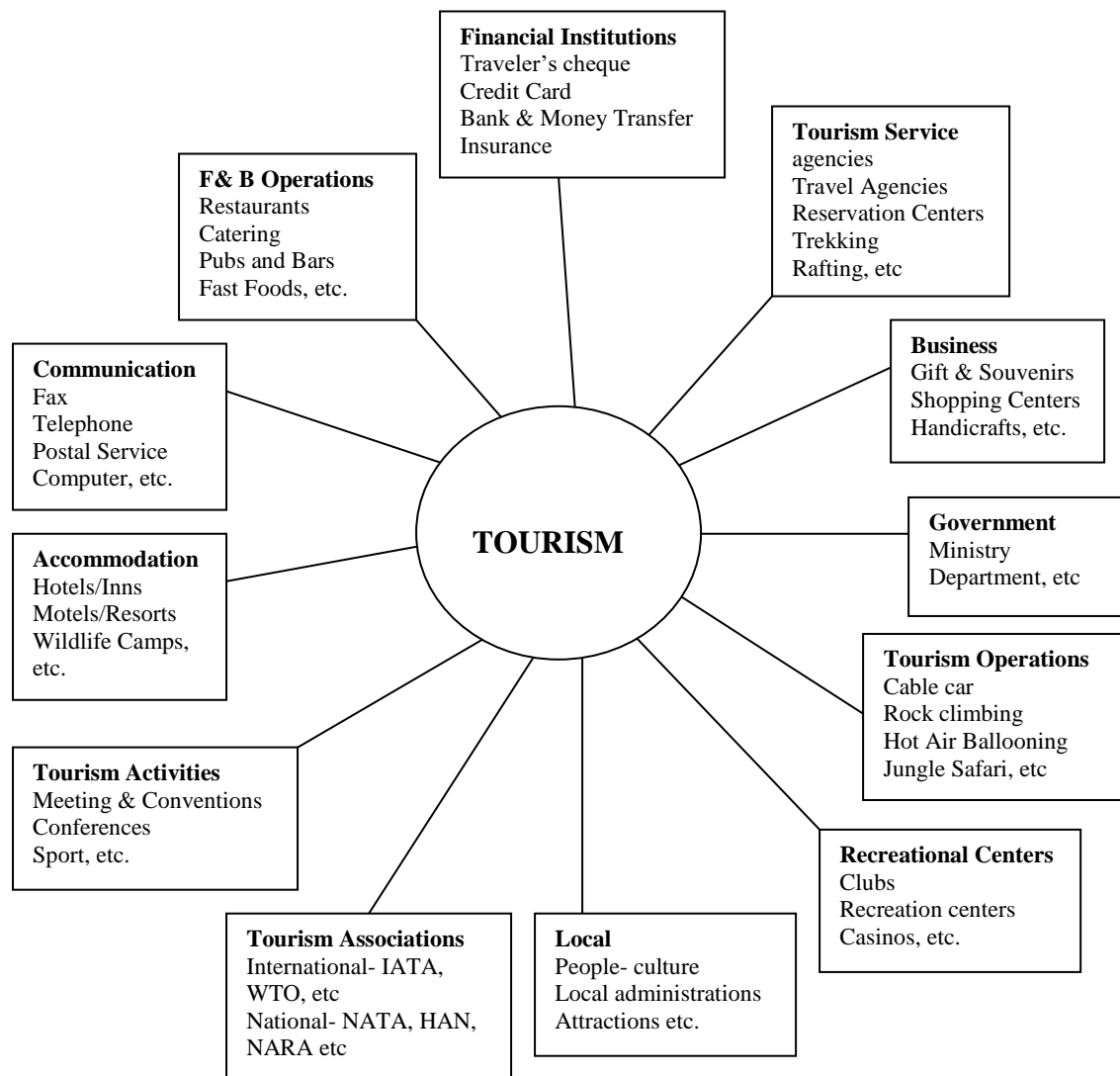
The World Tourism Organization (1996), on the other hand, is an agency of the United Nations Development Program, WTO’s membership comprises 113 of the world’s government and boasts over 170 affiliate members from the travel and tourism industry, whose mission is the promotion and development of travel and tourism as a means of stimulating business and economic development, and forecasting peace and understanding between nations.

(<http://www.tradewinginstitute.com/world/more.htm>)

Major Components of Tourism

Tourism does not exist in isolation. It is known as the compound mixture of different various elements. Tourism is a multifaceted human activity which is the largest and fastest growing smokeless industry throughout the world (Bhatia, 1994). It carries substantial amount of economic, social, cultural, educational and political significance which provides a valuable source of foreign exchange earnings and income for many countries and has a positive effect on balance of payments. The relation and overview of the travel and tourism industry is presented in figure 2.2.

Figure 2.2: Overview of the Travel and Tourism Industry



Source: Grimier, A. (2004). Travel and tourism an introduction. 66.

Leakage of Tourism

Costs of goods and services purchased to satisfy the visitor. Costs of equipment and materials needed for infrastructure. Leakage of tourism mostly occurs due to various factors. Among those, 6 factors are listed below (Mill & Morrison, 1999).

- The costs of goods and services purchased to satisfy the needs of visitors.

- Second form of leakage occurs when destinations must purchase materials and equipment from other countries to supply the needed infrastructure for tourism
- Third form of leakage is due to payments to foreign factors of production. (Pleumarom, 1999).
- A fourth form of leakage is the expenditure for promoting a destination abroad. (Mill & Morrison, 1999).
- Transfer pricing is a fifth form of leakage
- A sixth form of leakage occurs when destination areas exempt foreign owned companies from paying duties or taxes as an incentive to attract investment (Mill & Morrison, 1999).

Responsible Tourism

Defining the responsible tourist by themselves, the concept of tourist seems no differences due to the unawareness of any specific issues at a local level. The response from tourist themselves viewed responsible tourist as a person that spend money in the visited place who is aware about the surrounding, followed by interested, friendly and engaging, open to new experiences, and respectful. (<http://www.tradewinginstitute.com/world/more.htm>)

The term responsible tourism was used 1st time in the early 1990s in Smith's (1990) report about the seminar on "Alternative" Tourism in 1989 by World Tourism Organization in Tamanrasset in Algeria. In the seminar, forty tourism scholars from 13 countries, with an equivalent number of Algerian representatives presented papers with the aim of defining the role and activities of alternative tourism. This alternative tourism was seen as socially responsible and environmentally conscious. Later, the term alternative tourism was best replaced by responsible tourism (Smith, 1990). The

responsible tourism can be defined as “all forms of tourism which respect the hosts natural, built, and cultural environments and the interests of all parties concerned”

(Smith 1990, p. 480). Husbands and Harrison (1996, p. 5) defined the term responsible tourism as:

“It does not refer to a brand or type of tourism. Rather, the term encompasses a framework and a set of practices that chart a sensible course between the fuzziness of ecotourism and the well-known negative externalities associated with conventional mass tourism (Hall, 1995). The basic point of responsible tourism is that tourism itself can be practiced in ways that minimize the benefits and mitigate their obvious disadvantages. According to Pokharel (1995), product development, policy, planning, and marketing can all be instituted in ways to ensure that tourists, host populations and investors reap the long-term benefits of a vibrant and healthy industry”. In his review of this book Dowling (1997) comments that the title ‘Responsible Tourism’ is misleading as the book espouses the principles of ‘Sustainable Tourism.’ This somewhat misses the point of what responsible tourism is; tourism which puts into practice the principles of sustainability (Standford, 2010).

International Centre¹⁵ for Responsible Tourism as published more recent and prescribe definition that is viewed as (ICRT, 2004): Responsible tourism minimizes negative environmental, social and cultural impacts, Generates greater economic benefits for local people and enhances the well-being of host communities, by improving working conditions and access to the industry. It involves local people in decision making process that affects their lives and chances the life. They Make positive contributions to the conservation of natural and cultural heritage and to the

¹⁵ A research centre run from Greenwich University

maintenance of the world's diversity, provides more enjoyable experiences for tourists through more meaningful connections with local people, and a greater understanding of local, cultural and environmental issues, is culturally sensitive and engenders respect between tourists and hosts(Standford, 2011)responsible tourism is defined as. "Projects which make a positive contribution to conservation and the economies of local communities, while minimizing the negative impacts that tourism can have" (Responsible Travel.com, 2004). Therefore, the responsible tourism covers all forms of tourism(alternative and mass) it embraces a quadruple bottom line philosophy to contribute to and enhance local communities, cultures, environments and economies and minimize negative impacts in these areas and it benefits all those involved (Bhatia, 1983).

WTO has defined tourist as "a person's travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business or other purposes." However, it couldn't cover all of its wider aspect. Therefore, it was later defined as; "persons away from their immediate home communities and daily work environments for business, pleasure and personal reasons" (Chadwick, 1994, p.65). Sharpley (1994, p.84), uses the label of responsible tourist, "one who. . .seeks quality rather than value, is more adventurous, more flexible, more sensitive to the environment and searches for greater authenticity than the traditional, mass tourist". Swarbrooke, (1999) suggests not a definition of the responsible tourist, but a description of the responsibilities of the tourist is important.

Sustainable Development

In order to understand why responsible tourism has been posited as an antidote to the negative impacts of tourism, we should look first at the broader debate and

concepts of sustainable development and sustainable tourism development from which responsible tourism has emerged. The first United Nations conference, considered the issues of the impact of humanity on the world. The summit placed the conservation of the environment into the spotlight of public awareness which remained the political agenda throughout the 1970s, gathering momentum during the 1980s. The report defines sustainable development as “development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs” World Commission on Environment and Development (WCED, 1987).

Sustainable Tourism Development

The principles of sustainable tourism developed as a parallel of sustainable development. In 1973 Pacific Asia Travel Association (PATA) organized the conference with the slogan of ‘Tourism Builds a Better Environment’ followed by the World Tourism Organization (WTO), the publication of Manila Declaration on World Tourism in 1980 which adapted the Agenda 21 for the travel and tourism industry (World Tourism Organization, 1999). In 1995 the World Conference on Sustainable Tourism held in Lanzarote that, produced the principles for sustainable tourism (WCST, 1995) and similarly in 1999, the United Nations Commission together with the national government, private sector and stakeholders, work towards the formulation and adoption of a global code of ethics for tourism as recommended in the Manila Declaration. In October, 1999, ten point Global Code of Ethics for Tourism was approved universally by the WTO General Assembly meeting held in Santiago (WTO 2005b, Stanford, 2010).

The theory of sustainable tourism development has also been studied and developed in the academic literature (Smith & Eadington 1992, France 1997, Hall & Lew 1998; Middleton & Hawkins 1998; Swarbrooke 1999). In its simplest definition, sustainable tourism adheres closely to the wording of the Brundtland Report from which it has evolved - tourism which “meets the needs of present tourists and host regions while protecting and enhancing opportunity for the future” (World Tourism Organization, 2005). However, the simplicity of this definition may be both its strength and its weakness. It is easy to understand yet to some extent it is open to interpretation. There is debate about the nature of sustainable development.

McKercher (1993) cautions that without consensus and consolidation of terms both industry and conservation movements can use the definition to “legitimize and justify their existing activities and policies although, in many instances, they are mutually exclusive thus exacerbating rather than resolving development/conservation conflicts” (Mc Kercher, 1993, p.131).

Farrell (1999), Garrod and Fyall (1998) have urged that the problems of uncontrolled tourism development are such that action cannot be delayed until a universal definition of sustainability has been agreed and that the theoretical study of sustainable tourism has matured sufficiently to move beyond intellectual argument. Godfrey (1998) circumvents the debate, by suggesting that sustainable tourism is “not an end in itself, nor a unique or isolated procedure, but rather an interdependent function of a wider and permanent socio-economic development process”. To draw on an analogy of travel, sustainable tourism development is a journey rather than a destination, and even though it is not yet known exactly what the destination will be like, that is not sufficient reason to delay the journey to get there. It is the journey

itself which is very important. And, responsible tourism is part of that journey (Standford, 2010).

Impact of Tourists' Behavior

“All economic activities involve the use natural and human resources, many of which cannot be renewed, recycled or replaced” (Eber 1992, p. 5) With the development and growth of the industry comes a range of diverse and far-reaching impacts, and all of these tourists will, to some extent, have an effect on the place that they visit. For example, a tourist couple in Goa strolls through the local town hand-in-hand, dressed ready for the beach in sarongs and swimsuits. Their behavior is culturally inappropriate and erodes the goodwill of the local community - the welcome to subsequent tourists becomes increasingly cooler and antagonistic. A group of tourists plays a round of golf in Turkey, and returns to their hotel for a luxurious shower. Both golf course and hotel have intensive water use in area where water is in short supply. Tourists to the *Himalaya regions* create a *hundreds of* cubic meters of rubbish during the high season. Some tourists will carry their rubbish with them until they are able to recycle it, while others do not give their impact a passing thought.

These anecdotes help to illustrate the negative impacts of tourism (and tourists) which are well documented in the literature¹⁶. The actions related to recycling of rubbish, water conservation, crime awareness and crime prevention, spending additional money on activities and attractions, and experiencing local culture are studied to understand why a tourist would or would not demonstrate these

¹⁶ Young 1973, Turner and Ash 1975, de Kadt 1979, Mathieson and Wall 1982, Krippendorf 1984, Pearce 1992, Sharpley 1994, Burton 1995, France 1997, Theobald 1998

responsible actions and the importance of education and information in influencing appropriate behavior (Standford, 2010).

Swarbrooke and Horner (1999) reported some anecdotal instances of ‘green’ tourist behavior such as tourists not buying souvenirs made from animal parts, not attending bullfights and not being photographed with monkeys and bears which are kept in captivity. There are also some instances of what they term ‘dark green tourists’ who take holidays that actively support and participate in environmental projects. However, they continue that few tourists appear to choose an airline based on environmental practice, boycott hotels which do not recycle, or campaign against the building of new theme parks and accommodation units that destroy wildlife habitats.

All the visited tourists are not irresponsible but many of them are irresponsible and careless (Stanford 2000, Tearfund 2000, Goodwin and Francis 2003, Chafe 2004. A call to responsible global tourism held in 2001 (Tearfund, 2001) and it was found that 52% of tourist would be more likely to book a holiday with a company that had a written code of conduct to guarantee good working conditions, protect the environment and support local charities and that of 65% would like information from travel agents and tour operators on how to support the local economy, preserve the environment and behave responsibly when they go on holiday.

The Association of British Travel Agents (ABTA) has found from a MORI poll in 2000 that 53 percent people were ready to pay more money for their package holiday only if workers in the destination could be guaranteed good wages and working conditions and 45% were ready to pay more to assist in preserving the local environment (Goodwin & Francis 2003). And, these good intentions are seen in a

recent study of Consumer Demand and Operator Support for Socially and Environmentally Responsible Tourism (ERT) undertaken by the Center on Ecotourism and Sustainable Development (CESD) and The International Ecotourism Society (TIES) (Chafe 2004). The report details, that "a majority of tourists, who think that it is important that tourism does not damage the environment and who to protect the environment, learn more about social, cultural and environmental issues at the time of travelling." However, all the researches do not reflect the realities as many of those tourist are unable to keep their words. There is a huge gap between what people say they ought to do or what they think they ought to do and what they actually do (Carrigan & Attalla 2001, Mihalic 2001, Sharpley 2001, Doane 2005.. Cleverdon and Kalisch (2000, 173) rightly observe that further research into these good intentions is required:

Further research into attitudes and behavior patterns of tourism consumers in relation to ethical issues needs to identify whether good intentions and ethical awareness would be translated into actual purchasing decisions. What is needed now is research that demonstrates why such good intentions are put into practice and in what circumstances (Stanford, 2010, Shaw & Williams, 1998)

Basic Responsibilities of Tourists

According to Stanford the preliminary responsibilities of tourists are:

- Obeying local laws and regulations,
- Not taking part in activities where the laws are not enforced by the local authorities,
- Not deliberately offending local religious beliefs or cultural norms,
- Not deliberately harming the local physical environment, and

- Minimizing the use of scarce local resources.

Similarly, extra responsibilities of tourists in relation to sustainable tourism are:

- Not to visit destinations which have a poor record on human rights,
- To find out about the destination before the holiday and try to learn a few words of the local language, at least, to try to meet local people, learn about their life styles and establish friendships,
- To protect the natural wildlife by not buying souvenirs made from living creatures,
- To boycott local business which pay poor wages to their staff,
- To behave sensibly, so as not to spread infections such as HIV and hepatitis B,
- To contribute as much as possible to the local economy.

The above responsibilities of the responsible tourist clarify the definition of the responsible tourist more broadly. that the responsible tourist is one who enhances and protects the social and physical environments that they visit while minimizing the negative impacts on these environments, and who makes a positive economic contribution (Prosser, 1992).

Most of the studies have mainly concentrated on some particular problems on other areas of tourism. Some of them are policy related issues, mountain tourism and on its environmental & cultural impact of tourism, consequences of tourism on women along with employment. Some others have focused their study on performance and efficiency of hotel investment in generating foreign exchange, changing patterns of tourist's consumption; exports and national revenue, tourism marketing , on the problems and prospects of tourism in Nepal.

However, the review of earlier reports and studies carried by various scholars and institutions on different aspects of tourism has revealed that a comprehensive and in-depth analysis on the contribution of tourism revenue on the issue of national economy has not been covered. So, such study is essential for the broad understanding of the importance of tourism in revenue generation.

CHAPTER III

RESEARCH METHODOLOGY

This chapter consists of the philosophy of research, research design with the nature and sources of data collected, and describe the use of specific methods for the analysis along with its validity and reliability. In addition to this, it contains ethical consideration.

Research is a systematic, controlled, empirical and critical investigation of hypothetical propositions about the presumed relations among natural phenomena (Kerlinger, 1986). Likewise, research is a procedure which attempts to find the answer to a question or the resolution of a problem systematically, and with the support of demonstrable facts (Leedy, 1989). Gautam (2007) has defined research as a systematic and objective analysis and recording of observations that leads to the development of a theory. Actually Research is an organized, systematic, data-based, critical, scientific enquiry or investigation into a specific problem, undertaken with the objective of finding answers of solutions to it (Sekaran, 2000).

As research methodology is a scientific and systematic way to solve research problems, a researcher has to design his methodology and this methodology may vary based on the nature of problems and researcher (Veal, 1997). Thus, the scope of research methodology is wider than research methods in the sense that research methodology deals with the research methods and takes logics into consideration behind the methods especially while researcher purpose is to make a survey about the

tourists' interest and hence explore the motivation towards visiting different areas of Nepal.

Research Philosophy

Philosophy is very important for the new researchers. Its value may change time to time in the philosophical worldview. Research Methodology refers to the philosophical framework, viewing of being human, truth value, epistemological perspective and assumptions that are associated with a specific research method (Best & Kahn, 2007; Dooley, 2007; Johnson & Onwuegbuzie, 2004; cited by Dangal, 2010). So, here researcher has chosen the positivist approach since this type of research, in general, is related to a single reality.

According to Johnson (1997), positivism philosophy is based upon the highly structured methodology to enable generalization, quantify observations and evaluate the result with the help of statistical methods. And, I have followed the same philosophy as mentioned above. Along with this, positivism philosophy is found to be commonly used in natural science for its characteristics of being critical and its objective base method. It is an approach that includes the various philosophy of natural science such as philosophy of unchanging, universal law and the view of everything that occurs in the nature.

Furthermore, the researcher has followed the quantitative approach as it is categorized into descriptive research, co-relational research, causal-comparative research and experimental research, collected numerical data in order to explain predict and or control phenomena of interest and statistical data analysis is mainly focused.

Data Collection Journey

The data collection is the most important and enjoyable journey for the researcher since Data is a main part of the thesis. The researcher usually feels that the data collection process is very easy task. But, when the researcher went to field he had a first- hand experience about it. The researcher faced challenges while collecting samples many times. Despite of such challenges, he used different types of data collection methods. They supported me during the data collection. On the other hand, researcher took 75 data for pilot test which was very supportive for collecting final data of the thesis. Similarly, the effective questionnaire was distributed to 250 tourists, 75 tourism organization and 65 to tourism experts. This work was really challenging for me because the work was expensive, but very important to meet the deadline, needed the researcher's quality in checking attitudes and behavior of the respondents.

During the data collection the researcher had moments of happiness and sadness. The researcher visited some genuine experts, organization representatives and tourists of different nationalities. It was pleasure that the researcher met the majority of tourism experts of different organizations having great deal of work experiences and ideas in tourism.

The consistent discussion with supervisors encouraged me to shape the research in right appearance. In addition, they also inquired about the progress of my study and further suggested to collect information from related persons. The researcher did not hesitate to ask those even very basic questions as researcher liked data collection and even about field visiting. As per their suggestions, the researcher selected research participants based on various criterions. Hence, the researcher

started generating themes and interview guidelines which he later submitted. The researcher did re-writing thrice after each correction and finally got approved.

The researcher presented his thesis proposal in September 2011 and appeared in qualifying exam after one year in September, 2012. After the result of qualifying test, the researcher was permitted to go to field for data collection. A full time was given in different educational sources: different libraries, book shops, National Planning commission, Nepal Tourism Board and so on for the study. Likewise, the researcher was in touch with supervisors frequently. The researcher divided respondents in three parts according to research questions and made a survey method and used data collection.

The researcher started data collection from February 1st, 2013 which continued till 15th April, 2013. The researcher formally conducted questionnaire with tourists, tourism organizations and tourism experts, research participants out of them three were foreigners. And, informally, the researcher visited more than three dozen people. At the time of data collection, he contacted one dozen and more national and international tourism related experts through email. Most of them welcomed me and responded quickly. And, they accepted my request and sat for interview. Few research participants however postponed the agreed interview dates delaying data collection.

The researcher collected primary data with the help of my research assistants. He appointed her for data processing during data collection time. The researcher collected information by questionnaire, interview, formal and informal conversations. Some information was collected through emails and phones too. While collecting information, using his computer/laptop, diary, field notes and pen-drive as well. He

transcribed all the documented information and put it into one individual folder into file in my laptop. The researcher also created pass word for safety and security.

Finally, after data collection from different sectors the researcher realized to have gained knowledge and new ideas which was very supportive for my study. Ultimately, the feeling arised on me that the researcher was learning in great deal.

Research Design

Analytical research design is followed in order to attain the expected outcome of the study. Information is collected through different sources and is analyzed with appropriate statistical method.

Quantitative Method

Researchers who use logical positivism or quantitative research, employ experimental methods and quantitative measures to test hypothetical generalizations (Hoepfl, 1997), and also emphasize the measurement and analysis of causal relationships between different variables (Denzin & Lincoln, 1998).

In quantitative methods of research, the output/results are illustrated by using Charts and graphs where, commentators narrate the result by using the comparative and statistical words such as 'variables', 'populations' and 'result' as part of their daily vocabulary. Research, then as it comes to be known publicly is a synonym for quantitative research which allows the researcher to familiarize him/her self with the problem or concept to be studied, and perhaps generate hypotheses to be tested. In this paradigm, the emphasis is given to the facts and reason of various behavior (Bogdan & Biklen), the information is described in the form of numbers which can be easily quantified and summarized and the mathematical process is used as the norm of

analyzing the numeric data that makes easy to illustrate the final result in statistical terminologies (Charles, 1995).

In general, quantitative research supported by the positivist or scientific paradigm, leads us to regard the world as made up of observable, measurable facts (Glesne & Peshkin, 1992; pp. 6-7) through their assumption that "social facts have an objective reality". Stevens (1946), defines measurement as the assignment of numerals to objects or events according to rules. From these definitions, one may perceive measurement as necessarily objective, quantitative and statistically relevant. Measurement is simply about the numbers, and objective data.

A quantitative researcher attempts to fragment and delimit phenomena into measurable or common categories that can be applied to all of the subjects in a wider and similar situation (Winter, 2000). During the research, researcher included the use of standardized measures as a methods so that the various perspectives and experiences of people can be fit into a limited number of predetermined response categories to which number are assigned" (Patton, 2001; p. 14). Therefore, a quantitative researcher needs to construct an instrument in standardized manner focusing for the devising a test (Algina, 1986) or the validity of an instrument. So, the significance of this test can be valuable to ensure reliability or repeatability of the result.

Hence, I have followed the quantitative method which is a formal, objective, systematic in the process for obtaining quantifiable information about the world. For the same, results have been presented in numerical form, and analyzed through the use of statistics as mentioned above; I have decided to use quantitative method as the data are quantitatively collected with the purpose to analyze in the quantitative form.

Population and Sample

Here are two types of data; one primary survey data and secondary data and both are equally needed for research analysis (Christopher & Cowton, 1998). A primary data sample size are also divided into 3 groups; tourists, tourism organizations and tourist experts. Out of the total number of 390, the sample size of tourists alone was 250; similarly, organizations were 75 and the sample size of tourism experts were 65. The data used in this study included various sample groups in a wide range. Semi-structured questionnaires were used as the effective data collection method that measure tourist's activities, expenditure, problem and suggestion etc. The questionnaires were specifically developed and then administered to international tourists visiting Nepal. To accomplish the data collection process successfully, the data were collected in various ways.

Firstly, 250 questionnaires were delivered to hotels, travel agency, restaurant, resort and also other tourism junction. For collecting data, the questionnaires were given to tourists during the time they stay in a hotel or waiting for their food and drinks in the restaurants so that they could offer time to read and give answers to the questions carefully. And the researcher used to collect the completed questionnaire every Friday. Similarly, some other tourist areas of Kathmandu were also visited frequently to gather the data from tourism related organizations and experts in tourism field.

The questionnaires were completed anonymously so that the respondents would not feel uncomfortable filling in their view and all details including their personal information questionnaires for tourists, tourist experts and tourism organizations were handed out on 15th January, 2013 and collected back in an

acceptable quality within about 90 days, which accounted 100% of total given questionnaires;

The analysis was based on the following number of respondents Table 3.1.

Table 3.1: The response rates

| Questionnaires delivered to | Respondents | Response rate % |
|-----------------------------|-------------|-----------------|
| Tourists | 250 | 100 |
| Experts | 65 | 100 |
| Tourist organizations | 75 | 100 |

Nature and Sources of Data

In the study, the primary as well as secondary data were taken. The data and information were collected from the primary and secondary sources, which are described below along the procedures of data collection.

Primary Data

Primary data of information were collected by the researcher directly through various methods such as surveys, interviews, focus groups discussion or observation. Focusing to the specific needs, primary research provides the accurate and up-to-date data to the researcher.

The primary data have been collected by interviewing three categories of respondents. The first category of respondents was the tourists who came from different countries. Second were tourist experts and third were the tourist organizations.

Survey Method

The survey is a non-experimental, descriptive research method that can be useful to collect data about the phenomena which cannot be directly observed.

Surveys are used extensively in library and information sources to assess attitudes and

characteristics of a wide range of subjects, from the quality of user-system interfaces to library user reading habits. Basha & Harter (1980) state that "a population is any set of persons or objects that possesses at least one common characteristic." Since populations can be quite large, researchers directly question only to a specific sample (i.e. a small proportion) of the population.

In comparison to other methods (direct observation, experimentation) survey yield a broader range of information. Surveys are effective to produce information on socio-economic characteristics, attitudes, opinions, motives and to gather information for planning product features, advertising media, sales promotion, channels of distribution and other marketing variables. In survey, the questionnaire usually faster and cheaper in comparison to the observation, are simple to administer and the data is reliable and the variability of results is reduced. Last but not the least, it is relatively simple to analyze, quote and inter-relate the data obtained.

Convenient Sampling

A convenience sample is a study of subjects taken from a group that is conveniently accessible to a researcher and require little effort and time. However, there is not an accurate representation of the population Use of a convenience sample is quite popular and prevalent which can be validate under certain conditions. I thought that sampling is one of the good ways to collect the required samples for the dissertation so convenient sampling procedure was applied (Wise GEEK Clear and Answer for Common Question USA, 2013).

Advantages of Convenient Sampling. Convenience sampling is very easy to carry out with few rules governing how the sample should be collected. The relative cost and time required to carry out a convenience sample are small in comparison to probability sampling techniques. This enables to achieve the sample size, relatively fast and inexpensive way.

The convenience sample may help in gathering useful data and information where using probability sampling techniques would not be possible as it requires more formal access to lists of populations. Irrespective of the disadvantages (limitations) of convenience sampling, discussed above, without the use of this sampling technique, one may not have been able to have an access to necessary data.

(<http://dissertation.laerd.com/convenience-sampling.php>)

Tools and Techniques

The following tools and techniques were used for the data collection.

Questionnaire

Standard questionnaires were prepared in order to collect the required information from the sampled area and people. The questionnaire followed all the norms required in the data collection processes which are mentioned below;

- Practical based,
- Wide range of coverage and efficient
- was carried out by expertise with the quality of validity and reliability
- The results of the questionnaires were quantified by a researcher and through the use of software package

- Was analyzed more 'scientifically' and objectively Quantified data had been used to compare and contrast with other research and to measure change

Therefore, the researcher believed that desired result could be achieved only by using this tool so questionnaire tool was mainly used during the data collection (Popper, 1959; Ackroyd & Hughes, 1981).

Interview

Interviews with the key informants in the study area were used to collect the important information required. In the study, the key informants were tourism experts, tourism agencies, tourist guides, planners and policy makers etc. In this process telephone interview and face to face interview in certain places were done as it was required to get more details of the study.

Telephone Interview

Telephone interview is a well-established and popular technique for primary data collection as it is one of the cheapest and convenient methods of research. Questions were asked very carefully and the answers were easily given by the respondent over the telephone and those answers of the questions were noted down well and accurately.

Face to face interview

It is a common method of primary survey. Following this, the researcher talked to respondents face to face and interview took place in the real life situation such as at home, hotel, working places or any spot. The interviewer and interviewee felt more comfortable and convenient in this type of interview.

Secondary Data

Secondary data were collected from various governmental and non – governmental organizations which were authentic and accurately presented in statistical form by the previous researchers. Furthermore, the data was collected from very reliable sources of national and international publication and other sources.

(http://www.ehow.com/facts_6806780_define-primary-secondary-data.html#ixzz2f7sIK2bR)

The secondary data was considered very useful by the researcher for the finding expected outcomes in the study. Therefore, various secondary data was gathered for the research which were very important for the study.

Advantages of Secondary Data

The main advantage of using secondary data sources is that they already exist; therefore, the more data can be achieved in short period of time.

The researcher found this method more economic and time saving as well as efforts saving. It helped to make primary data collection more specific to compare and contrast with the secondary data. The researcher was able to find out the major information to fill the gaps and deficiencies in the data collection. Additionally, it helped in better understanding of the problem. Besides, it provided a basis for comparison of the data collected by the researcher (Cowton, 1998).

Sources of Data Collection

Some important governmental and non-governmental sources for secondary data are mentioned below; Annual reports of tourism statistics (ARTS)

- Annual Statistical Reports, Development of Tourism (ASRDT)

- Department of immigration (DI)
- Various literatures and articles on tourism
- Economic survey, HMG, Ministry of home
- Himalayan trust
- HMG ministry of local development
- HMG, department of National parks and wildlife conservation
- International centre for mountain development
- Internets were surfed; various types of books on tourism will be studied.
- IUCN Nepal
- Nepal mountaineering association
- Nepal Tourism Board (NTB)
- Official Documents
- Population Census, 2011, (National Report) Central Bureau Statistics
- Previous Dissertations and Research.
- Published/Unpublished different articles and literature on tourism.
- Quarterly Economic Bulletin, Nepal Rastra Bank
- Quarterly Economic Bulletin, Nepal Rastra Bank. (NRB)
- Research Studies
- Statistical year book of Nepal, Central Bureau of Statistics
- The Year Book of Tourism Statistics 2005/06, WTO
- Tourism Market East Asia and the Pacific 2005/06 WTO
- Tourism Market Trends South Asia, 2005/06, WTO

- Trekking Agents Association of Nepal
- United Nations Development Program (UNDP) quality tourism project
- Various issued Reports from World Tourism Organization (WTO)
- Various issues of Economic Survey, Ministry of Finance.
- Various issues of Statistical Year Book of Nepal, CBS.
- Various plans, National Planning Commission
- Various Plans, Nepal Planning Commission (NPC)
- Various reports of Governments and Non- governmental Organizations
- Various Seminar Reports, Research Studies and official Records about tourism.
- Various tourism journals
- Various Tourism Journals of NTB
- World Tourism Organization report (WTOR)
- World Wildlife Fund (WWF) Nepal Program
- Year book tourism statistics and tourism market trends South Asia, World Tourism Organization.

Primary Data Analysis

Data analysis is a process of finding output or results from the questions asked. Different required methods according to the nature of questions were used for the analysis. Beside the Secondary Data, the Primary Data was also essential to be collected in order to find out the answers to the question accurately and effectively.

Data Analysis and Screening Procedure

For the Primary data procedure, researcher used different Statistical package for the Social Science (SPSS) new version 21.0 which has been in use from the very beginning for the statistical data analysis. Coding for variables in quantitative research is very critical for better interpretation of results. Age, total experiences, total duration were all coded and were included/entered in to the computer through SPSS. Similarly, the questions and responses were coded and entered in the computer using Microsoft Excel software as well as SPSS programs. Certain statistical methods were applied to analyze data to get reliable results. The procedures used for the analysis of the research questions are described below.

The analysis of this question was done in two parts. First was on the basis of secondary data and the second was on the basis of primary data collected. Identifying factors through secondary data was the beginning of the research study. In order to validate the results and assess them in light of primary data, the second part was carried out. For the secondary data analysis, scoring model was used for ranking the risks. The risks identified by various research were coded depending on the number of times that risk has appeared in various studies and the rank that has been assigned by the respective researcher.

Table 3.2: Data collection map

| Research Question | Study Area | Target Population |
|---|--|--------------------------------------|
| What is the contribution of tourism revenue in national economy of Nepal? | Nepal Tourism Board, CBS, NRB, Nepal Governmental and Non-Governmental Tourism institution | |
| What are the opportunities and challenges of tourism in Nepal? | NTB Nepal majesty Tourist spot | Tourist experts organizations |
| What are the Tourism planning and policy in Nepal? | Key person Policy maker Tourist agency | Tourists experts organizations |

Presentation and Analysis of Data

Data presentation and analysis is the main part of the research study. It is a continuous process of reviewing the information as it is collected, classified, verified information and draw out the conclusions. It is the analytical process of the collected information for the research purpose. Since the study was more statistical based on both, various quantitative and qualitative data were generated through various tools and techniques and analyzed by different data analyzing patterns which is very helpful to explain the existing patterns/trend. In doing so, the qualitative data was analyzed by first perusing all the original texts of the field notes, then identifying and listing all conceptual categories/patterns in data. Then, secondly, data was prepared in an analogous pattern by verifying the context of original descriptions and Collating or separating them as appropriate as possible. Finally, developing generalizations in third categories, A few quantitative data were to be generated from the fieldwork that was summarized by using the means of statistical tools, regression, groups, etc. Finally, an interpretation of the findings was made looking at the relationship between different variables with certain consideration.

Discussions of Results and Implications of the study were made on the basis of conclusions that were achieved after the analysis and interpretation of the data. Findings/results from the research was drawn out and discussed about the validity before they were recommended for the implications.

Time Series Analysis

A time series analysis is analysis of collected and well-defined data points that have been measured at regular intervals of time .It is usually useful to examine and to analyze the trend, calendar related effects, and the residual effects. However, the researcher focuses on the study of the trend of tourism revenue (Bell, 1993)). Moreover, the researcher has also used the Cubic Model, Secular Trend, Cyclical Variation and Random or Irregular Variation as the components of the time series analysis to analyze the trend in this study. The Time Series Analysis Method is the most useful means to measure different types of trend over a long period of time.

Reliability and Validity

Reliability and Validity are the most important part of any research. A reliable data may not be always valid as validity is more important and must maintain reliability. Furthermore, the researcher used statistical analysis method and SPSS analysis in order to analyze the data with the characteristics of validity and reliability which can provide more refined data.

Reliability

Reliability is directly related to the validity of the measure. There are several important principles to measure the occurrence and authenticity of the data or the research paper and reliability is one of among them (Watling, Winter et. All. 2000).

Reliability can be understood as consistency.

The extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. Kirk and Miller (1986) identified three types of reliability referred in quantitative research, which relates to: a) the degree to which a measurement, given repeatedly, remains the same b) the stability of measurement over time; and c) the similarity of measurements within a given time period.

Charles (1995), focused for the test retest at two different times to determine individual's scores remain relatively the same or not. Thus attribute of the instrument is actually referred to as stability. A High degree of stability indicates a high degree of reliability, which means the results are repeatable. Crocker and Algina (1986) note that when a respondent answer a set of test items, the score obtained represents only a limited sample of behavior. As a result, the scores may change due to some characteristic of the respondent, which may lead to some errors of measurement. These kinds of errors will reduce the accuracy and consistency of the instrument and the test scores. Hence, it is the researchers' responsibility to assure high consistency and accuracy of the tests and scores.

Validity

A positivist tradition is a traditional root of the validity, and to an extent, positivism has been defined by a systematic theory of validity. Within the positivist terminology, validity resided amongst, and was the result and culmination of other empirical conceptions: universal laws, evidence, objectivity, truth, actuality, deduction, reason, fact and mathematical data to name just a few (Winter, 2000).

In quantitative research, according to Joppe (2000), validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are in other words. Researchers generally determine validity by asking a series of questions, and often look for the answer to the researched questions.

Wainer and Braun (1998) describe the validity in quantitative research as "construct validity". The construct is the initial concept, notion, question or hypothesis that determines which data is to be gathered and how it is to be gathered. They also assert that quantitative researchers actively cause or affect the interplay between construct and data in order to validate their investigation, usually by the application of a test or other process. In this sense, the involvement of the researchers in the research process would greatly reduce the validity of a test.

This analytical method is extremely valuable for establishing the validity of the study so researcher has taken this method for analyzing the data.

The Ethical Considerations

The subjects should not be harmed in any way (physically or mentally) in the name of science is known as ethical consideration. If an experiment involves any risk to subjects, they should be completely informed concerning the nature of the risk and the permission for participation in the experiment should be acquired in writing from the subjects themselves, or from persons legally responsible for the subjects if they are not of age. If school children are involved, it is a good idea to inform parents before the study is conducted if possible. There are ethical issues in qualitative research these ethics concern to ethics as a subject, its limitations and are related to its

Ethical Principles such respect for persons, honesty should be maintained with benevolence without doing any harm with performed justice. Ethical consideration believes the principle that Subject's privacy should be strictly followed and Individual scores should never be reported, or made public.

It focuses for the respect and concern for the dignity and welfare of the people who participate and with cognizance of federal and state regulations and professional standards governing the conduct of research with human participants (Gay, 1996, Bogdan et. all, 1998).

Conclusion

In the conducted Research, the study has been used Methodology following various research Philosophies. The researcher has used Quantitative Method in the Journey of Data Collection with appropriate Data Collection Procedures such as Primary Data; Survey Method using convenient sampling Questionnaire, Interview, Telephone Interview and Face to Face Interview were used as a main tools and techniques for the data collection.

Similarly Secondary Data were collected from various agencies and sources understanding its advantages and Disadvantages for the research. The software Method of Data Processing and Analysis was used for Primary Data Analysis. For this, Statistical Tools was applied using SPSS Statistical Software (v21.0) and the interpretation of secondary data were made descriptively. Similarly an appropriate measure of Reliability and Validity was done with serious Ethical Consideration and finally conclusions have been made for the implication of the research in the future for different purposes.

CHAPTER IV

ISSUES OF NEPALESE TOURISM IN PLANNING AND POLICY

Background

This chapter analyzes the steps undertaken efforts needed to accelerate the development and growth of tourism sector with proclamation on policies and planning understanding the fact that the tourism's role is vital in generating the revenue in wide range of opportunities in economy and employment. The development of the tourism depends on the sound and systematic tourism planning and policy. “The major objectives of tourism planning should be to maximize the overall economic, social and cultural advantages. In the current global context, international understanding is also desired through planned tourism development. The need of planned development of tourism for a developed and as well as for the developing country is of great importance. In this chapter, the Plans, Master Plans and Policies formulated by the government in different periods have been described. Similarly, Five Tourism Acts, strategies and rules developed in different periods have also been analyzed and also the descriptions are made on the establishment of organizations in various times.

Considering possibilities of exploration of the unique geographical and natural features of the country, the government has put in the attempts to develop tourism sector through the policy, planning and strategies. In order to enhance the economic benefits to host countries, tourism in the developing world differs in the role that government and the private sector play in establishing policy and encouraging development. National policies on tourism in developing countries are usually the

domain of the state, while in more developed countries, private entrepreneurs often dominate policy formation and enactment (TRPAP, 2007),). Governments in the developing world generally have the responsibility of formulating and enforcing tourism policy, and for many, sustainable tourism goals are central to their tourism plan strategies to maximize the economic benefits from tourism in developing countries' economic impact of tourism in environmental and social impacts they cause. In all the given plans, objectives and targets, the emphasis has been made to increase number of tourist's by developing various aspects.

Tourism in Planned Document

The First Plan (1956-61)

Due to the Rana regime, Nepal couldn't pay enough attention to the tourism sector in the past. After Rana regime, during the first plan, the importance of tourism sector was given serious consideration and suitable administrative mechanism was developed for the first time

During the first plan many organizations were established to facilitate the tourism. Adequate emphasis was given to build requisite infrastructure for tourism development. For this purpose National Planning Council (1956) and Nepal industrial Development Corporation (NIDC) were established in 1956 and in 1959 respectively. In the same period of time, Nepal received membership in different International Tourist Organizations. Similarly Nepal Rastra Bank (NRB) established in 1956 to assist technically and financially

The government of Nepal established Tourism Development Board in 1957 under the department of industry realizing the importance of tourism for the country. With the help of two experts; a Swiss and French citizen the government put an

attempt to open tourist information centers, categorized the various standard of hotels to establish the travel agencies, and developed Tribhuvan International Airport. In addition to this, tourist guide training organizations and hotel survey institutions were opened in the country. Although, various major works were done during the first plan, no satisfactory results were obtained especially in the tourism sector.

The Second Plan (1962-65)

During this plan period, the more Emphasis was given to improve Tribhuvan International Airport, other airports and to set up more hotels of international standard, especially encouraging private sector agencies

Similarly the importance was given to develop tourist interested destinations like Kathmandu, Pokhara and Lumbini and focused to sightseeing services, guide training and publicity of Nepal to extend international market.

Tourist arrival data was begun to keep in record systematically since 1962 in the country. From the second plan the government started to allocate the minimal part of the total budget to the tourism sector. In fiscal year 1964/65 the total earning from the tourism sector alone was 214000 which exceeded the budget allocated for the tourism sector from the government's' side that was only 0.33% or 2 million.

The Third Plan (1965-70)

The more emphasis in this plan was given to conserve and maintain the historical places and manage the systematic display of artistic objects. And as a result Mahendra Museum and National Archives were established (Shrestha, 1999). During the Third Plan period, “A highly ambitious objective was incorporated which was formulated under the framework of a fifteen year perspective approach. It was only in the third plan period that was aimed to increase the number of tourists and foreign

exchange earning was stated” (Baskota & Sharma, 1995, P. 88)”. To meet these objectives, various programs were launched, such as completion of the Katmandu Airport runway; opening hotels outside Katmandu, short films production, repair, maintenance and reconstruction of temples in Katmandu valley, facilitate efficiency in administrative procedures and coordination among governmental and non-governmental organizations, formulation of Master Plan for conserving Lumbini and a systematic display of Nepalese culture (Satyal 1988).

This plan aimed to increase 20,000 tourists inflow per annum (National Planning Commission 1965). The share of tourism sector increased 2 million to 5 million and the earning reached to \$1,309,000 till 1970. This plan focused to implement a program for the conservation of historical places, particularly, the Lumbini-Kapilvastu area. Therefore, it can be analyzed that the third plan brought forward movement in tourism development.

The Fourth Plan (1970-75)

During the Fourth Plan period, the foreign experts were invited to prepare the Master plan for tourism development and Nepal Tourism Master Plan 1972 was drafted (NPC 1971, pp. 73-78). This plan dealt with several aspects of tourism development; assuring improvement in sites with tourist attraction, managing hotel and transportation facilities in such sites, and providing necessary publicity to attract tourists to Nepal. It was considered to be a turning point in the history of tourism development in Nepal by formulation of Tourism Master Plan in perspective approach which was formulated with the joint co-operation of the Government of Federal Republic of Germany. Approximately, five million rupees or 0.19 percent budget was allocated for the development of tourism in this Plan. The Nepal tourism master plan

formulated in 1972 designed for implementation in two phases: phase I (1972 –1975) and phase II (1975 – 80).

Tourism Ministry was established in 1977 as the Master Plan recommended the establishment of the Ministry of Tourism and Culture as an authoritative body to look after the overall needs of tourism.

The Fourth Plan emphasized the development of tourism in a planned way. Sites of tourist' attractions were constructed and developed, and facilities for tourists in different parts of the country were created. The private sectors were encouraged to develop attractive places such as parks, lakes, hunting sites, and playground, and to make accommodation and travel facilities available to tourists. As the development of tourism is depended upon the programs of other departments, attention was given to their complete coordination.

The Fifth Plan (1975-80)

The fifth plan had followed the plans and programs as suggested by the Master Plan (1972) and focused to complete the second phase (1976-80) of the Master Plan. Approximately, 20 million or 0.32 percent of total outlay of the plan was allocated for the development of tourism. With the establishment of the Ministry of Tourism in 1977, the major objectives of the Fifth Five Year Plan incorporated, were to increase the foreign exchange earnings in order to improve balance of payment; increasing employment opportunities by developing local skills and technology; balanced zonal and regional development by establishing tourist centers; increase the period of stay of tourists diverting them outside Katmandu; develop tourism facilities in Pokhara, Chitwan, Lumbini and Khumbu area; develop of potential remote areas for trekking and mountains flight; form the tourism committee to co-ordinate with other

related sectors such as transportation, agriculture, industry and; develop publicity of Nepal in the major countries having the possibilities of tourism generation.

The Sixth Plan (1980-85)

The sixth plan was also an extension of the Fifth Plan which followed the recommendation of the Master Plan (1972). And it was also included in the preparation of a “Tourism Master Plan”. The main policies adopted in this plan were extension of tourism centers in different parts of the country, preserving and protecting the natural, cultural and historical amenities of the country.

In this, plans were formulated to discourage foreign products and encouraging domestic products in the tourist industry developing local professional skills and making necessary publicity and promotional measures (NPC, 1980), Strengthening Hotel Management and Tourism Training Centers.

The government had allocated, approximately, Rs 60 million or 0.28 percent of the total budget in tourism sector and the earnings reached to Rs 518.7 million in 1979/80. For the development of Khumbu tourism area, and formulation and implementation of other district level projects US \$12 million was provisioned. The Sixth Plan objectives of tourism were to increase foreign exchange earnings, finding out ways and means of attracting tourists in off seasons, and conserving the natural, cultural, and artistic beauties of Nepal.

The Seventh Plan (1985-90)

The main objectives of the seventh plan of Nepal was to improve balance of payment situation by enhancing tourist related business to the fullest capacity and replace foreign goods with local goods enhancing local people’s skill.

In this period, the formulation of master plan and implementation of tourism projects was considered to be the outstanding achievement in the field of planning.

During this period of time policies had also been undertaken to attract and encourage the investment of both the public and private sector by extending tourist spots, major highways. Similarly, expansion of touristic areas good for trekking areas, Himalayan expeditions and remote pilgrimage centers were also other programs of the plan for the Himalayan expedition, issuing license to tourism related industries, and to conserve the tourist centers including the conservation of religious, cultural, and historical places. It comprised of promoting mountain tourism, undertaking more tourism survey and research, development of resort areas, strengthening of tourist services, development of Pokhara tourism, production and distribution of publicity materials,

For the development of tourism, the government had allocated Rs. 74.4 million or 0.26 percent of total annual budget of the plan in order to establish new tourist center, providing more tourism training through Hotel Management and Tourism Training Center (HMTTC), to create employment opportunities in this sector. As a result of this, Gross foreign exchange earnings increased from \$ 1.3 million in 1970 to \$ 57.6 million in 1990.

The Eighth Plan (1992-97)

This plan was started after a gap of two years. Realizing the growing importance of tourism, the plan gave more emphasis to promote tourism with regard to overall development of the economy focusing to poverty alleviation, employment generation, industrial expansion and regional equality.

Similarly, to develop necessary infrastructure for well-facilitated air services and close link between tourism and other sectors of the economy encouraging the use of local materials and services in tourism were also the notable objectives of the plan. To attain the given objectives following activities/policies were suggested;

- Tourism promotion and publicity to increase tourist
- Adventure tourism development
- Private sector encouragement in domestic air services
- Timely mobilization of air services during natural calamity and emergency
- Development of additional tourism activities

Under the joint collaboration of the government and the private sector, publication of materials for tourism promotion had been conducted.

The plan emphasized to improve existing infrastructure, development of appropriate mountains and trekking tourism. Out of the total outlay, the government had allocated Rs 1088 million (0.96 percent) for tourism promotion projects.

The Ninth Plan (1998-2002)

With the main objectives to establish Nepal as premium destination in the world tourism market through effective publicity and promotion, to establish the linkages of the tourism sector with the national economy in order to develop overall economic development and to enhance employment opportunities, income generation and foreign currency earnings from the tourism sector and extend these benefits to the rural areas, various policies were introduced. Significant construction works and reconstruction of Mayadevi temple begun in Lumbini area and it had also been enlisted in the new World Heritage list. Likewise, the improvement of the physical infrastructures and renovation works, Swoyambhu and Changuanarayan were enlisted

in the World heritage list. The maintenance works of Gorkha Palace and three other historical palaces of the Valley had completed as its main target.

The Tenth Plan (2002-07)

The Tenth Plan set up objectives to promote tourism sector effectively achieving sustainable development by enhancing public participation to contribute in poverty alleviation, to increase people's participation in conserving historical, cultural, religious and archaeological heritage and enhance their practical utilization, and to standardize airport and aviation service with adequate infrastructure development for domestic and international flight. The major comprised strategies to achieve given objectives were of establishing regional tourist hub center, enhancing internal tourism strengthening economy; generating more employment opportunities especially to the rural women and deprived communities through small cottage and handicrafts industries development, and implementing Destination Nepal Campaign 2002/2003.

The Tenth Plan, among others, targeted at increasing tourist arrivals to 516000 and earning of foreign Currency to 205 million United States Dollars (USD), contribution GDP of 3 percent.

The Tenth Plan came up with various strategies to promote tourism in Nepal such as integrating eco-tourism concept in implementing programs re-establishing Nepal as a beautiful and peaceful destination through clean environment, pollution control, hospitality, security and safety guarantees, preserving cultural richness and religious tradition, encouraging involvement of non-governmental sectors in management, preservation and utilization of cultural, religious, archaeological and natural heritage in accordance to decentralization policy, making air travel easily accessible, safe, standard and reliable.

Eleventh or Three Year Interim Plan (2007/08 – 2009/10)

Eleventh Plan emphasized on economy, culture, tourism and civil Aviation as mass stream as a short term goals. The major objectives of Three-Year Interim Plan were to preserve, conserve and promote intellectual, cultural and archeological heritages to develop the tourism sector as a major segment of the national economy by developing Nepal as a major tourist destination of the world through development of tourism related infrastructures and improving in the living standard of the people. To develop healthy and competitive air service through the expansion of the domestic and international air service by involving the private sector in construction, development, expansion and operation of infrastructures related to the air transport sector, with a view to contribute to tourism and economic development; and to make regulation of civil aviation effective for safe, organized, reliable and quality air service. In order to achieve the above-mentioned objectives, the following strategies were adopted:

- Local bodies were expected to be involved in the preservation, conservation and promotion of tangible and intangible cultural heritages.
- Diversification and expansion of the tourism sector will be carried out by considering regional balance
- Sectors would be made effective for institutional improvement of the culture, tourism and civil aviation sectors, services provided through policy.

Twelfth Three Year Plan (2010/11 - 2012/13)

This Twelfth three plan aims to establish Nepal as a major tourist destination. It expects to earn more foreign currency and generate greater employment opportunities from tourism development by introducing Nepal as a “naturally beautiful country” in the world.

The objectives of this plan is to generate greater employment opportunities, reduce poverty, and maintain regional balance and economic growth through developing and expanding tourism industry up to local levels along with increasing economic activities by implementing intensive and coordinated development programs; and to develop Nepal as a major tourist destination in the world. Also, the plan aims to develop tourism industry as well as national economy by extending international air services along with enhancing greater accessibility by strengthening existing air transport services of the country.

This plan emphasizes to utilize Non-resident Nepali (NRN) people and their organizations for promotion and publicity of tourism by launching programs to diversify, expand, develop and promote tourist products exploring and adopting new, feasible and implementing programs to promote domestic tourism through the identification of new tourist destinations and gradual adoption of new approaches. Also, this plan focuses in the tourism infrastructure development and community awareness programs and expansion of rural tourism and home-stay. Private sector will be promoted and encouraged with special privileges and facilities in development and extension of infrastructure along with management and operation of airport and tourism development services.

This plan also shows an interest to operate the services of Tribhuvan International Airport (TIA) for 24 hours a day by developing and expanding existing infrastructure with high priority to meet growing demand of domestic as well as international traffic services in TIA.

According to this plan, arrival of foreign tourists in Nepal would have been reached 1.2 million by FY 2012/13 and the average stay of foreign tourists in Nepal would have been reached 12 days. Likewise, foreign exchange earnings from tourism would have been reached 400 million US dollars and direct employment from tourism sector would have been reached 150 thousands.

Rules and Regulations Regarding Tourism

In real sense, without supportive and legal environment no industry can furnish in a sustainable way. Tourism as being a multi-disciplinary sector, various types of legal provisions is needed to regulate tourism in proper way. To promote tourism, various legal arrangements as like different Acts, Laws, Regulations and Directives have been made, reviewed and modified in time series to make sustainable tourism development in Nepal.

Upadhyay has identified and categorized the legislation into 3 groups as given;

- a. Legislation relating to entry and exit of tourists.
- b. Legislation relating to movements and activities where tourists are involved.
- c. Legislation relating to promotion and regulation of tourism industry.

First group of legislations are more based on the international relation of the country, while second category may be concerned with environment and economic distribution and third category is related to development of business transaction contributing economic growth of the country (Upadhyay, 2003).

In the first step, Industrial policy of 1958 which was formulated to regulate industrial sector was revised in 1961 to provide more facilities to private sector. During the first five year plan, the industrial policy of 1958 had governed the tourism industry especially, hotel sector. There was no any specific regulation and policy regarding the promotion of tourism before 1964. So, Tourist Industry Act 1964 was formulated during the second Three Year Plan focusing especially, tourism sector. As far as mountaineering sector is concerned, Tourism Act 1978 came into existence to regulate properly under which, a specified royalty is to be paid by the mountaineers and expedition teams to Department of Tourism after approval for mountaineering. In this context, the major regulations related to tourism activities are as follows;

- a. Travel and Trekking Agents Regulation, 1980
- b. Regulation concerns to hotels, lodges, restaurants, bars, and tourist guides, 1981
- c. Regulation pertaining to Mountaineering Expedition with certain amendments, 1979
- d. Trekking and River Rafting Regulation, 1984 were also formulated to support Tourism Act of 1978.

Since tourism is widely accepted as a means for economic and social changes, some sorts of facilities are to be provided to the tourism enterprises.

Tourism Master Plan 1972

“Its emphasis was on developing qualitative tourism and projecting Nepal as a destination on its own merits called for a sustained and concerted effort of the Government and the private sectors.” (Baskota & Sharma, 1995, P. 21). The Master Plan 1972 categorized tourism into five components such as

- (a) Sightseeing tourism

- (b) Recreational tourism
- (c) Trekking tourism
- (d) International pilgrimage and
- (e) Nepal brand of tourism.

Master Plan (1972) can be considered as the first policy guidelines for tourism. The perspective plan is found to have adopted the concept of decentralization of tourism development which address to the local community perspectives. (Shrestha, 1998, Gautam, 2007).

The master plan 1972 could not be very effective and efficiency as mentioned in the plan. Viewing this, the 1984 review recommended two other institutions to address the highest policy-level need for coordination as well as for autonomy and flexibility at the implementation level. Whereas such institutions were set up only in 1992 in the form of tourism council and a Tourism Development Board and they are yet to function effectively.

Nepal Tourism Plan Review, 1984

The assessment of Nepal Tourism Master Plan, 1972 was carried out in 1984, and the report entitled 'Nepal Tourism Master Plan Review, 1984' was published. The report essentially presented a general glimpse of the past performance and pleaded for its further validity. It had suggested action plans for implementation of the plan and for the promotion of tourism in Nepal. The report further suggested to design various destinations oriented marketing programs to improve the capability of Ministry of Tourism in assuming responsibilities institutionally, administratively and technically.

Tourism Act

As an improved structure of the Tourist Industry Act of 1964, the new Tourism Act, 1978 announced to regulate tourism industry in proper way. This Act has clearly explained various rules and regulations to register the travel and trekking agencies, hotels, lodges, restaurants and bars, and conduction their business in convertible foreign currency through Nepal Rastra Bank. Rules and regulations about mountaineering were also explained in detail. The Department of Tourism was given more power to inspect, direct and maintains the prescribed standard for the tourists and to suspend or punish agencies failing to abide by the provision of the Act and those who fail to follow the rules and regulations are subject to warning, suspension of registration, fine and closure (Dhital, 2009).

Tourism Policy, 1995

The main objectives of Tourism Policy 1995 were to develop tourism as a major sector of the national economy develop tourism to rural areas in order to provide employment opportunities, foreign exchange earnings, national income growth and remove regional inequalities and Upgrade natural, cultural and human environments of the country attract tourists worldwide by developing and promoting tourist destinations in Nepal (Shrestha, 1999).

Being a multi-disciplinary area it is concerned with the whole national economy Tourism industry is not self independent but inter-related with other various industries. Therefore, it was tried to integrate tourism with other sectors of the economy in Tourism Policy, 1995.

National Civil Aviation Policy 1993

During the period of Eighth Five year plan, the National Civil Aviation Policy, 1993 was announced for the first time. This Civil Aviation Policy had been prepared after the review of domestic and international service in privilege and considering privatizing policy persuaded by His Majesty of Government HMG/N as well as resource constraints of the government” (Directory of Tourism, 1996). The main objectives of Civil Aviation were to;

- (a) Increase international air transport services,
- (b) Encourage private sector participation in aviation services
- (c) Expand and develop air transport and airports in the remote areas in the country
- (d) Make air transport dependable and safe through installation of modern equipments at airports and airline mechanism.
- (e) Encourage recreational, adventurous and research oriented air facilities.

It formulates some rules, regulations and policies to regulate air transport and civil aviation activities. As a long term plan and policies following action were suggested; the development and expansion of essential infrastructure at international and domestic airports, construction of hangers, installation of necessary technical equipment, development of capable technical manpower for flight safety, make air service regular and reliable through development and standardization of airports in distant areas, developing infrastructure and put in place all necessary facilities and services for operating flights to neighboring countries from the domestic airports as may be relevant, encouragement for international charter or schedule flights, make optimum utilization of air routes in the Nepali sky, commence construction of a full-fledged international airport in the Terai Region (CAAN, 2005).

Visit Nepal Year 1998

It was planned as a year-long event that was officially declared on April 1996 by HMG/N. First time in the history of its kind was taken up as national campaign. The central theme of the campaign had been "A sustainable Habitat through Sustainable tourism", likewise, its marketing slogan was "A World of its own" which revealed that there is a 'world' in Nepal that needs to be discovered in its natural sources, living cultural heritage and friendly and hospitable hosts. This event targeted to gather at least 5 hundred thousand tourists in the year 1998. The main objectives of these programs were to;

- Raise the image of Nepal throughout the world,
- To protect and conserve the natural cultural centers in integrated form,
- To develop Nepal as one of the important tourist destination by raising the public awareness about tourism in a grass root level
- To improve in the quality tourism.

Visit Nepal Year 1998 helped Nepal to rebuild its image internationally, and also contributed to introduce professionalism in tourism in general and helped to raise awareness among the Nepalese people about the importance to tourism in particular. Similarly more than 49 different National seminar or conference and 29 international conference or seminar held within VNY 1998. International Tourism Fair and exhibitions were held in more than 24 countries. As a national campaign, "Visit Nepal Year 1998" was launched for the first time for the development of the tourism sector. It played a vital role in generating awareness in tourism, drawing attention for local investment on tourism related areas, bringing new tourism destinations to the

forefront, promoting tourism contacts worldwide and re-establishing Nepal's tourism image in the world.

During this plan period, various infrastructures were added in the hilly and the busiest local airports with the help of international donor agencies. Similarly, improvement in runways, addition of equipments, improvement of the standard of Tribhuvan International Airport, expansion of parking area and terminal building, strengthening of the fire extinguishing services among others was achieved during this plan period. These improvement initiatives were significant in achieving the tourism goals.

Nepal Tourism Year, 2011

Government of Nepal decided to launch a national tourism campaign "Nepal Tourism Year 2011" on October 25, 2008 in consultation with Nepalese travel trade sector and concerned organizations/experts. This declaration shows the government's anticipation to bring into Nepal at least one million international visitors by the year 2011 and tourism industry's existence to organize a tourism promotion campaign for wide spread impact.

The unparalleled cultural, geographical, ethnic and bio diversities of the country allure visitors to Nepal time and again which truly substantiates the spirit of Nepal tourism brand 'Naturally Nepal, once is not enough!'

The idea of Nepal Tourism Year 2011 envisions harnessing these opportunities and strengths and bringing together the commitment of the government, expertise and experiences of the organizations like Nepal Tourism Board, aptitude and dynamism of the private sector and communities for further tourism development in the country. Representation and active participation from the major political parties, members of

the Constitution Assembly and Right groups is always taken into prominence in order to make the campaign inclusive and participatory in modus operandi and effective in result. The campaign focused on mobilizing the networks of the Non-Resident Nepalese (NRN) communities, Nepalese diplomatic missions abroad, INGOs and NGOs, airlines and national and international media.

Opportunities and Challenges of Nepal Tourism Year, 2011

Nepal tourism year 2011 was recently launched with the motive to bring about 1 Million Tourists to Nepal in the year 2011. It was a three year program launched with the purpose to promote the tourism sector of Nepal internationally highlighting the Nepalese art, culture, bio-diversity and stakeholder business through E-marketing globally are other vital objectives of this project. Its viability lies within the marketing options and efforts that are available where the Nepal Tourism Board (NTB), the Ministry of Tourism and Civil Aviation (MOTCA, 2010) and the private sectors need to coordinate in an effectively and efficiently.

The following listed opportunities were expected from the Tourism Year 2011;

1. Development of economic status of people
2. Development of infrastructure (Proper roads, electricity, water supply, hospitals, communication etc) and development of rural areas
3. Increases in the chance of better investment options and opportunities
4. Increase employment opportunities
5. Opportunity of Proper research and development of tourism product

The given challenges of Nepal Tourism Year 2011 were assumed;

1. Lack of sufficient International Airport and other infrastructure and resources

2. Growing cut throat competition in tourism market and expensive destination getting due to service charge and VAT
3. Lack of qualitative human resource and proper training centers
4. Lack of proper monitoring mechanism for tourism field and tourists
5. Increasing cases of online fraud cases and risk of increasing sex tourism and prostitution
6. Political instability and chaos making the tourist destination unpopular

Visit Lumbini Year, 2012

Nepal Tourism Year 2011 brought 735,965 visitors to the country. The aim of Visit Lumbini Year 2012 was to attract 1 million visitors. Ministry of Tourism and Civil Aviation (MoTCA, 2010) reported that in 2003, the average spending per person per day was \$79.10 (highest in ten years), \$43.20 (2010) and \$39.90 (2011). This means we have to understand why each visit would entice them to come back, etc. Some of these questions could have been answered if proper data collection and analytics were used for Nepal Tourism Year 2011. The tourism organizing committee can use those insights to facilitate better visitor experience. These sorts of analysis would improve further to make events like 'Lumbini Visit' meaningful.

Apart from this, holding a tourism year consecutively presents various challenges, first concern is that Nepal could have used the feedback from visitors and businesses from previous year's tourism campaign and improved upon them before declaring another tourism year. Secondly, we have announced a tourism year but can we assure the safety of the visitors in the country. We had 168 bandhs (closings) in 2011 with 38 bandhs in May alone. If we cannot provide security to visitors let alone citizens and curb these bandhs, it would ruin the experience of travelers and the long-

term impact will hamper the tourism efforts in the future. So, the government and citizens alike should weigh the costs of bandhs and damage caused to the international reputation of Nepal. This could be a very good effort to avoid distractions in tourism performances.

Making this year's tourism efforts a success takes cooperation from tourism officials, businesses, the government and citizens. If visitors have a great experience during their time in Nepal, it would surely put the country in a positive limelight around the world (NTB/MoTCA, 2013).

The Major Goals of Visit Lumbini 2012

1. To increase annual international arrivals to Nepal to 2 million by 2020
2. To expand economic opportunities and increase employment in tourism sector to 1 million by 2020.

Objectives

- To improve livelihoods of the people across the country develop tourism as a broad-based sector by bringing tourism into the mainstream of Nepal's socio-economic development
- To expand and extend tourism products and services in new and potential areas of Nepal.
- To publicize, promote and enhance the image of Nepal in international tourism source markets
- To enhance the flight safety and aviation security, extend air connectivity, and improve capacity and facilities of national and international airports and
- To attract new investment in creating new tourism facilities, products and services.

Tourism Vision 2020

Tourism is valued as the major contributor to a sustainable economy of Nepal having developed as an attractive, safe, exciting and unique destination through conservation and promotion, leading to equitable distribution of tourism benefits and greater harmony in society.

Tourism Vision 2020-Strategies

- Improve livelihoods and spread benefits at the grass-root level
- Economic mainstreaming
- Expand product offering
- Marketing for Destination
- Aviation
- Attract new investment

Despite several plans and policies for the development of tourism sector in Nepal, no remarkable positive signs can have been seen so that there would be a significant achievement through this sector. In researcher's opinion, the political instability has played a vital role in the barring of the plans and policies become successful. Moreover, the plans and policies rather appear to be more ambitious.

Challenges of the Plans and Policies

In addition to the review of the plans and policies of Nepalese tourism, a survey was made to study its challenges, attempting to address the present situation of planning and policy in tourism sector in Nepal. The analysis of the surveyed data has been given below:

Table 4.1 shows that there is independence between academic and organization experts in their responses as the chi-square value is 0.443 with one

degree of freedom and p-value of 0.504 more than 10 percent level of significance. It is, therefore, concluded that two experts are not favor in two different responses "Yes" or "No". Moreover, they have the similar perspective on the matter of the visit Nepal 2011 Year campaign. The binomial test for two experts is performed by considering the response "Yes" and "No". The results are:

Table 4.1: Academic and organization experts

| Chi-Square Tests | | | |
|---|-------------------|----|-----------------------|
| | Value | df | Asymp. Sig. (2-sided) |
| Pearson Chi-Square | .443 ^a | 1 | .506 |
| N of Valid Cases | 50 | | |
| a. 2 cells (50.0%) have expected count less than 5. The minimum expected count is 2.80. | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.2: Successful the campaign "The Visit Nepal 2011 Year" (Academic expert)

| Binomial Test^a | | | | | | |
|--|---------|----------|----|----------------|------------|-----------------------|
| | | Category | N | Observed Prop. | Test Prop. | Exact Sig. (2-tailed) |
| Was successful the campaign "The Visit Nepal 2011 Year"? | Group 1 | Yes | 2 | .10 | .50 | .000 |
| | Group 2 | No | 18 | .90 | | |
| | Total | | 20 | 1.00 | | |
| a. Expert = Academic expert | | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.3: Successful the campaign "The Visit Nepal 2011 Year" (Organization expert)

| Binomial Test^a | | | | | | |
|--|---------|----------|----|----------------|------------|------------------------|
| | | Category | N | Observed Prop. | Test Prop. | Asymp. Sig. (2-tailed) |
| Was successful the campaign "The Visit Nepal 2011 Year"? | Group 1 | Yes | 5 | .17 | .50 | .000 ^a |
| | Group 2 | No | 25 | .83 | | |
| | Total | | 30 | 1.00 | | |
| a. Based on Z Approximation. | | | | | | |
| b. Expert = Organizational expert | | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.2 and 4.3 have p-values of the binomial tests respectively of 0.000 for academic expert and 0.000 for organizational expert of the question-

Was successful the campaign "The Visit Nepal 2011 Year"? Since both p-values are less than 1 percent of level of significance, two responses are significantly different in proportions for both experts. Moreover, the proportion of "Yes" is more than the proportion of "No" for both expert. It means that the campaign "The Visit Nepal 2011 Year" was not successful in Nepal. Therefore, it is concluded that this campaign is not an effective policy in promoting tourism sector in Nepal.

Table 4.4: Chi-square test

| Chi-Square Tests | | | |
|---|-------------------|----|-----------------------|
| | Value | df | Asymp. Sig. (2-sided) |
| Pearson Chi-Square | .053 ^a | 1 | .817 |
| N of Valid Cases ^b | 50 | | |
| a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 9.60. | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.4 shows that there is independence between academic and organization experts in their responses as the chi-square value is .053 with one degree of freedom and p-value of 0.817 more than 10 percent level of significance. It is, therefore, concluded that two experts are not favor in two different responses "Yes" or "No". Moreover, they have the similar perspective on the matter whether the tourists were satisfied from the government tourism policy of Nepal. The binomial test for two experts is performed by considering the response "Yes" and "No". The results are:

Table 4.5: Tourists satisfied from the government tourism policy (Binomial test^b)

| Binomial Test^b | | | | | | |
|--|---------|----------|----|----------------|------------|------------------------|
| | | Category | N | Observed Prop. | Test Prop. | Asymp. Sig. (2-tailed) |
| Were the tourists satisfied from the government tourism policy of Nepal? | Group 1 | Yes | 14 | .47 | .50 | .856 ^a |
| | Group 2 | No | 16 | .53 | | |
| | Total | | 30 | 1.00 | | |
| a. Based on Z Approximation. | | | | | | |
| b. Expert = Organizational expert | | | | | | |

Calculation by researcher based on the Field Survey, 2013.

To answer this question, it is hypothesized that three experts as defined above are independent on their own responses, and they are not significantly different in proportions of answering "Yes" or "No".

First results belong to chi-square test for independence in their responses. Second results belong to binomial test for testing difference in proportions of "Yes" and "No" for all three experts.

Table 4.6: Tourists satisfied from the government tourism policy (Binomial test^a)

| | | Category | N | Observed Prop. | Test Prop. | Exact Sig. (2-tailed) |
|--|---------|----------|----|----------------|------------|-----------------------|
| Were the tourists satisfied from the government tourism policy of Nepal? | Group 1 | Yes | 10 | .50 | .50 | 1.000 |
| | Group 2 | No | 10 | .50 | | |
| | Total | | 20 | 1.00 | | |
| a. Expert = Academic expert | | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.5 and 4.6 have p-values of the binomial tests respectively of .856 for organizational expert and 1.00 for academic expert of the question- Was successful the campaign "The Visit Nepal 2011 Year"? Since both p-values are more than 10 percent of level of significance, two responses are not significantly different in proportions for both experts. Moreover, the proportion of "Yes" may not be more (or less) than the proportion of "No" for both experts. Therefore, it is concluded that experts are not sure whether the tourists were satisfied from the governmental tourism policy of Nepal.

To answer this question, it is hypothesized that two experts as defined above are independent on their own responses, and they are not significant different in proportions of answering "Yes" and "No".

First results belong to chi-square test for independence in their responses. Second results belong to binomial test for testing difference in proportions of "Yes" and "No" for both experts.

Table 4.7: Chi-square tests

| | Value | df | Asymp. Sig. (2-sided) |
|--|--------------------|----|-----------------------|
| Pearson Chi-Square | 4.414 ^a | 2 | .110 |
| N of Valid Cases | 63 | | |
| a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 5.24. | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.7 shows that there is independence across academic, organization and other experts in their responses as the chi-square value is 4.414 with two degree of freedom and p-value of .110 more than 10 percent level of significance. It is, therefore, concluded that three experts are not favor in two different responses "Yes" or "No". Moreover, they have the similar perspective on the matter whether the tourists were satisfied from conduct tourism organization in Nepal or not.

Table 4.8: The tourists satisfied from the conduct of tourism organizations (Descriptive Statistics^a)

| | N | Mean | Std. Deviation | Minimum | Maximum |
|--|----|------|----------------|---------|---------|
| Were the tourists satisfied from the conduct of tourism organizations? | 20 | 1.50 | .513 | 1 | 2 |
| a. Expert = Academic expert | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.9: Tourists satisfied from the conduct of tourism organizations (Binomial Test^{a)})

| | | Category | N | Observed Prop. | Test Prop. | Exact Sig. (2-tailed) |
|--|---------|----------|----|----------------|------------|-----------------------|
| Were the tourists satisfied from the conduct of tourism organizations? | Group 1 | Yes | 10 | .50 | .50 | 1.000 |
| | Group 2 | No | 10 | .50 | | |
| | Total | | 20 | 1.00 | | |
| a. Expert = Academic expert | | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.10: Tourists satisfied from the conduct of tourism organizations (Descriptive Statistics^{a)})

| | N | Mean | Std. Deviation | Minimum | Maximum |
|--|----|------|----------------|---------|---------|
| Were the tourists satisfied from the conduct of tourism organizations? | 28 | 1.79 | .418 | 1 | 2 |
| a. Expert = Organizational expert | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.11: Tourists satisfied from the conduct of tourism organizations (Binomial Test^{b)})

| | | Category | N | Observed Prop. | Test Prop. | Asymp. Sig. (2-tailed) |
|--|---------|----------|----|----------------|------------|------------------------|
| Were the tourists satisfied from the conduct of tourism organizations? | Group 1 | Yes | 6 | .21 | .50 | .004 ^a |
| | Group 2 | No | 22 | .79 | | |
| | Total | | 28 | 1.00 | | |
| a. Based on Z Approximation. | | | | | | |
| b. Expert = Organizational expert | | | | | | |

Calculation by researcher based on the Field Survey, 2013.

The binomial test for three experts is performed by considering the response "Yes" and "No". The results are:

Table 4.9, 4.11 and 15 have p-values of the binomial tests respectively of 1.00, 0.004 and .607 for organizational expert, academic expert and others respectively about the question- Were the tourists satisfied from conduct tourism organization in Nepal? Since p-values are more than 10 percent of level of significance for two expert-academic and others, two responses are not significantly different in proportions for them. Moreover, the proportion of "Yes" may not be more (or less) than the proportion of "No" for both experts. However, the p-value is less than 1 percent for the organizational expert. It means that the organizational expert has experienced that the tourists have not satisfied from the conduct of tourism organization. Therefore, it is concluded that experts have different perspective about the satisfaction of the tourists from the tourism organizations in Nepal.

Table 4.12: Tourists satisfied from the conduct of tourism organizations (Descriptive Statistics^a)

| | N | Mean | Std. Deviation | Minimum | Maximum |
|--|----|------|----------------|---------|---------|
| Were the tourists satisfied from the conduct of tourism organizations? | 15 | 1.60 | .507 | 1 | 2 |
| a. Expert = Others | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.13: Tourists satisfied from the conduct of tourism organizations (Binomial Test^a)

| | | Category | N | Observed Prop. | Test Prop. | Exact Sig. (2-tailed) |
|--|---------|----------|----|----------------|------------|-----------------------|
| Were the tourists satisfied from the conduct of tourism organizations? | Group 1 | Yes | 6 | .40 | .50 | .607 |
| | Group 2 | No | 9 | .60 | | |
| | Total | | 15 | 1.00 | | |
| a. Expert = Others | | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.14: Chi-square test

| | Value | df | Asymp. Sig. (2-sided) |
|---|-------------------|----|-----------------------|
| Pearson Chi-Square | .217 ^a | 2 | .897 |
| N of Valid Cases | 65 | | |
| a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 6.92. | | | |

Calculation by researcher based on the Field Survey, 2013.

To answer this question, it is hypothesized that three experts as defined above are independent on their own responses, and they are not significant different in proportions of answering "Yes" or "No".

First results belong to chi-square test for independence in their responses. Second results belong to binomial test for testing difference in proportions of "Yes" and "No" for all three experts.

Table 4.14 shows that there is independence between academic, organization and other experts in their responses as the chi-square value are .217 with two degree of freedom and p-value of .897 more than 10 percent level of significance. It is, therefore, concluded that three experts are not favor in two different responses "Yes" or "No". Moreover, they have the similar perspective on the matter whether the experts were involved to make tourism policy or not.

The binomial test for three experts is performed by considering the response "Yes" and "No". The results are:

Table 4.15: The experts involved to make tourism policy (Descriptive Statistics^a)

| | N | Mean | Std. Deviation | Minimum | Maximum |
|---|----|------|----------------|---------|---------|
| Were the experts involved to make tourism policy? | 20 | 1.50 | .513 | 1 | 2 |
| a. Expert = Academic expert | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.16: The experts involved to make tourism policy (Descriptive Statistics^a)

| | N | Mean | Std. Deviation | Minimum | Maximum |
|---|----|------|----------------|---------|---------|
| Were the experts involved to make tourism policy? | 30 | 1.43 | .504 | 1 | 2 |
| a. Expert = Organizational expert | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.17: The experts involved to make tourism policy (Binomial Test^a)

| | | Category | N | Observed Prop. | Test Prop. | Exact Sig. (2-tailed) |
|---|---------|----------|----|----------------|------------|-----------------------|
| Were the experts involved to make tourism policy? | Group 1 | Yes | 10 | .50 | .50 | 1.000 |
| | Group 2 | No | 10 | .50 | | |
| | Total | | 20 | 1.00 | | |
| a. Expert = Academic expert | | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.18: The experts involved to make tourism policy (Binomial test^b)

| | | Category | N | Observed Prop. | Test Prop. | Asymp. Sig. (2-tailed) |
|---|---------|----------|----|----------------|------------|------------------------|
| Were the experts involved to make tourism policy? | Group 1 | Yes | 17 | .57 | .50 | .585 ^a |
| | Group 2 | No | 13 | .43 | | |
| | Total | | 30 | 1.00 | | |
| a. Based on Z Approximation. | | | | | | |
| b. Expert = Organizational expert | | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.16, 4.18 and 22 have p-values of the binomial tests respectively of 1.00, .585 and 1.00 for organizational expert, academic expert and others respectively about the question- Were the experts involved to make tourism policy? Since all the p-values are more than 10 percent of level of significance for three experts, two responses are not significantly different in proportions for them. Moreover, the proportion of "Yes" may not be more (or less) than the proportion of "No" for all experts. Therefore, it means that the all experts have similar perspective whether the experts were involved to make the tourism policy or not.

Table 4.19: The experts involved to make tourism policy (Binomial test^a)

| | | Category | N | Observed Prop. | Test Prop. | Exact Sig. (2-tailed) |
|---|---------|----------|----|----------------|------------|-----------------------|
| Were the experts involved to make tourism policy? | Group 1 | Yes | 8 | .53 | .50 | 1.000 |
| | Group 2 | No | 7 | .47 | | |
| | Total | | 15 | 1.00 | | |
| a. Expert = Others | | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.20: The experts involved to make tourism policy (Descriptive statistics^a)

| | N | Mean | Std. Deviation | Minimum | Maximum |
|---|----|------|----------------|---------|---------|
| Were the experts involved to make tourism policy? | 15 | 1.47 | .516 | 1 | 2 |
| a. Expert = Others | | | | | |

Calculation by researcher based on the Field Survey, 2013.

Table 4.21: The security part needed for tourism promotion (Cross-tabulation)

| Expert * Is the security part needed for tourism promotion? Cross-tabulation | | | | |
|--|-----------------------|--|----|-------|
| Count | Expert | | | |
| | | Is the security part needed for tourism promotion? | | |
| | | Yes | No | Total |
| Expert | Academic expert | 18 | 2 | 20 |
| | Organizational expert | 27 | 3 | 30 |
| | Others | 4 | 9 | 13 |
| Total | | 49 | 14 | 63 |

Calculation by researcher based on the Field Survey, 2013.

Table 4.21 shows that two experts- academic and organization are in favor of necessity of security part for tourism promotion whereas the expert other is more favor in not necessity of security for the same. Therefore, it is concluded that the security part is needed for tourism promotion.

Table 4.22: Chi-square tests

| | Value | df | Asymp. Sig. (2-sided) |
|---|---------------------|----|-----------------------|
| Pearson Chi-Square | 20.942 ^a | 2 | .000 |
| N of Valid Cases | 63 | | |
| a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 2.89. | | | |

Calculation by researcher based on the Field Survey, 2013.

To answer this question, it is hypothesized that three experts as defined above are independent on their own responses, and they are not significant different in proportions of answering "Yes" or "No".

First results belong to chi-square test for independence in their responses. Second results belong to binomial test for testing difference in proportions of "Yes" and "No" for all three experts.

Table 4.22 shows that there is not independence between academic, organization and other experts in their responses as the chi-square value is 20.942 with two degree of freedom and p-value of .000 less than 1 percent level of significance. It is, therefore, concluded that three experts are associated with their responses "Yes" or "No". Moreover, they have the different perspective on the matter whether the security part is needed for tourism promotion or not.

Table 4.23: Better manage tourism security in Nepal (Cross-tabulation)

| Expert * Better manage tourist security in Nepal Cross-tabulation | | | | | |
|--|-----------------------|---|----------|-----------|-------|
| Count | | | | | |
| | | Better manage tourist security in Nepal | | | |
| | | Using skill | Training | Rewarding | Total |
| Expert | Academic expert | 4 | 5 | 11 | 20 |
| | Organizational expert | 5 | 7 | 18 | 30 |
| | Others | 3 | 7 | 5 | 15 |
| Total | | 12 | 19 | 34 | 65 |

Calculation by researcher based on the Field Survey, 2013.

However, Table 4.23 shows that all the experts are more favor in for factor rewarding. Therefore, it is concluded that the tourists' security can be better managed by any of factors-using skill, training or rewarding.

To answer this question, it is hypothesized that two experts as defined above are independent on their own responses, and they are not significant different in proportions of answering "Yes" and "No".

First results belong to chi-square test for independence in their responses. Second results belong to binomial test for testing difference in proportions of "Yes" and "No" for both experts.

Table 4.24: Chi-square tests

| | Value | Df | Asymp. Sig. (2-sided) |
|---|--------------------|----|-----------------------|
| Pearson Chi-Square | 3.536 ^a | 4 | .472 |
| N of Valid Cases | 65 | | |
| a. 3 cells (33.3%) have expected count less than 5. The minimum expected count is 2.77. | | | |

Calculation by researcher based on the Field Survey, 2013.

To answer this question, it is hypothesized that three experts as defined above are independent on their own responses, and they are not significant different in proportions of answering "Using skill" or "Training" or "Rewarding" or "Others". Moreover, the three experts are sure about better management of tourism security if the security system is skillful, or have training, or are rewarded, or have other things. First results belong to chi-square test for independence in their responses.

Table 4.24 shows that there is independence between academic, organization and other experts in their responses as the chi-square value is 3.536 with four degrees of freedom and p-value of .472 more than 10 percent level of significance. It is, therefore, concluded that three experts are associated with their three responses mentioned above. One response-others is omitted because of zero frequencies in all the cells of the cross-tabulation. Moreover, they have the similar perspective on the matter whether the better management of tourist security needs factors using skill, training or rewarding.

Conclusion

In this chapter, three Policies and twelve periodic Plans, three Master Plans, eight Acts; four Activities and seven organizational establishments on tourism have been described.

This chapter presented and analyzed the steps undertaken in order to accelerate the development and growth of tourism sector with proclamation on policies and planning understanding the fact that the role of tourism is vital in generating the sources of revenue for the creation of opportunities in economy and employment. It is understood that the development of the Tourism sector highly depends on the sound and systematic tourism planning and policy.

Considering high possibilities of exploration of the unique geographical and natural features of the country, the government has attempts to develop tourism sector through the policy, planning and strategies. In order to enhance the economic benefits to host countries, Governments in the developing world generally have the responsibility of formulating and enforcing tourism policy, and for many, sustainable tourism goals are central to their tourism plan, strategies to maximize the economic benefits . This has been expected to grow employment opportunity by developing overall economy through tourism sector.

Legal formalities are crucial for systematic development of every sector which brings all the related aspects into a right track. All policies and plans made found contributed one way or other in the growth and development of tourism that is figured out in clearly. As overall economy is the backbone of national progress, tourism initiation through concept formulation takes its significant proportion of share to contribute in economic development of Nepal.

Formulation of different plans, policies and Acts supported with various visions, strategies, activities and events have opened the doors for the opportunities to open tourism related business companies and their umbrella organizations nationally and internationally making Nepalese type of tourism in the world. As a result of this,

it is found that large number of tourists poured to Nepal having different purposes and took number of services from aviation to accommodation. Thus, it can be concluded that tourism is inevitable source of revenue in national economy of Nepal. Nepal earned highest amount of foreign exchange in the fiscal year 2011/12 and the largest percentage in GDP is found in the economic year 2003/4. This shows that the plans and policies of different periods are significant in the growth of number of tourists and in the foreign currency earning.

CHAPTER V

CONTRIBUTION OF TOURISM REVENUE

Tourism is the largest industry, and huge source of foreign exchange earnings for Nepal. It has a great role in the developing country. In the context of Nepal, it is the best way to promote and spread its magnificent cultural uniqueness, natural sceneries, and climate is a very basic tool to grow the economy (Gautam, 2011 & Paudyal, 2012). As tourism in Nepal is already known for its natural resources and its beauty, therefore, it is not so hard to develop this sector. After the development of this sector, our resources will be known throughout the world and probably will be given great value, which is the subject of glory for all Nepalese. For the development of tourism sector government must focus for the peace in stable way and make sure about the security status from the grass root level. Similarly, the focus must be given for the natural conservation programs with its great value. Beside these, other facilities like transportation, communication should be developed without harming nature and regulation of passport and visa granting system must be flexible so that anyone who wishes to visit this country can have an experience of this beautiful country. Consequently, private sectors can also be benefited from this sector by providing various services to them. Additionally, cottage industry can be flourished and as a result the unemployment rate can be decreased...and this will add a block in the development sector of this underdeveloped nation.

Besides, government can collect the revenue by imposing the tax upon the tourists as the tour tax.

In Nepal, despite the belated start of formal tourism, after the restoration of democracy in 1952, it gained remarkable importance and developed over the years. In Nepal, 6,179 tourists travelled in 1962(MOTCA, 2010) and reached 8,03,092 in 2012 (NTS, 2013). Nowadays, Nepal caters more than half million tourists and earns foreign currency equivalent of about NRs. 30,500,020, million (NRB 2013). The sector contributes about 2.0 percent on gross domestic product (GDP).

In accordance to (UN ESCAP, 2001), the people who are directly or indirectly involved in tourism sector can generate the foreign exchange by providing the services to the tourists. In addition to this, tourism as an economic activity which has various direct, indirect and induced impacts in the whole economy. The development of tourism sector can ultimately increase the foreign exchange earnings, generate employment opportunity and increase income. Tourism has economic, social, cultural and environmental effects on tourism destinations (Vanhove, 2005) and the effect can be both positive and negative. Several studies tried to measure economic impact of tourism and concluded about its significance in the economy. The primary purpose of this thesis is to examine the relationship between tourism and economic growth in Nepal. It attempts to determine the relationship between earnings from tourism and GDP for the period between 1974/75 to 2011/12. With the use of time series analysis technique, it tries to assess whether long-run relationship exists between tourism receipt and economic growth or not. Furthermore, it also inquires about the causal relationship between them and direction of causality as well as it tries to measure GDP growth rate of Nepalese economy.

In addition to this, tourism has spread globally in the last two and half decades and outshined traditional industries becoming world's largest and fastest growing

economic activities (Pao, 2005, Chauhan, 2004). Despite of increasing importance of tourism, it has attracted relatively more attention in the literature in general and economic impact analysis in specific way.

The model used by Burger (1978), Khadka (1993), Alister, (1982), Green, (1979), in the study can be applied in several other policy-oriented projects, such as agriculture, transportation and taxation policy and all kinds of regional analysis and Pradhananga (1993) assessed the economic impacts of tourism in Nepal using Input-Output Model whereas Shrestha (1998), Sharma (1995, 2001), Upadhyay (2004,1997), and Gautam (2011) analyzed economic impact of tourism using simple regression models in their research. Balaguer and Cantavella-Jorda (2002) examined the role of tourism in Spanish long-run economic development and tested tourism-led growth hypothesis in their study.

Similarly, Kariel (1989) examined the role of tourism in economic growth of Pakistan. Using annual data for the period from 1960 to 2005, they identified empirically whether there is a unidirectional or bidirectional causal relation between tourism and economic growth. Using the concepts and methods of the co-integration and Granger Causality Test, their study explored the short-term dynamic relations as well as long-run equilibrium conditions that concluded about the existence of co-integration between tourism and economic growth in Pakistan.

Tourism has been one of the major sources of government revenue in Nepal. The government collects various types of taxes from tourism in different forms such as airport tax, visa fee, customs, excise duty, trekking fee, mountaineering fee, national park entry fee, hotel tax, entertainment tax and so on (Dhital, 2009). Therefore, tourism is not only a source of foreign exchange earnings but also a major

source of government revenue in Nepal. Every tourist used to pay various types of taxes on goods and services while they consume visiting the country (Upadhyay 2003). So, all of them are the paying guests who support to increase foreign exchange earnings and government revenue and help to minimize poverty, generating employment opportunities in the context of Nepal.

The Trend of Tourism Revenue

The present study is now focused on time-series analysis of the variable, Total Foreign Earnings from Tourism as percent of GDP (TEFG). This data consist of only annual data for 22 years. In this study, there are not any other factors influencing the study variable except time (e.g., year). So, the time-series analysis is very appropriate for studying the nature of total foreign earnings from tourism as percent of GDP. Generally, there are four components of the time-series data namely, secular trend, seasonal variation, cyclical variation and irregular or random variation. However, the data are available in year and there is no seasonal effect on the studied variable. So, here we can examine the effect of secular trend, cyclical variation and random variation. In order to determine effect of secular trend, the more popular and effective method called trend method or regression method is used. The study variable may be function of time (e.g., year) which is linear or non-linear in nature. Moreover, the study variable may be related with year linearly or non-linearly. Now, simple regression analysis is performed to establish a relation between TEFG and Year with the use of software- IBM SPSS Statistics v21.0 and the results are illustrated as follows:

Table 5.1: Model summary and parameter estimates

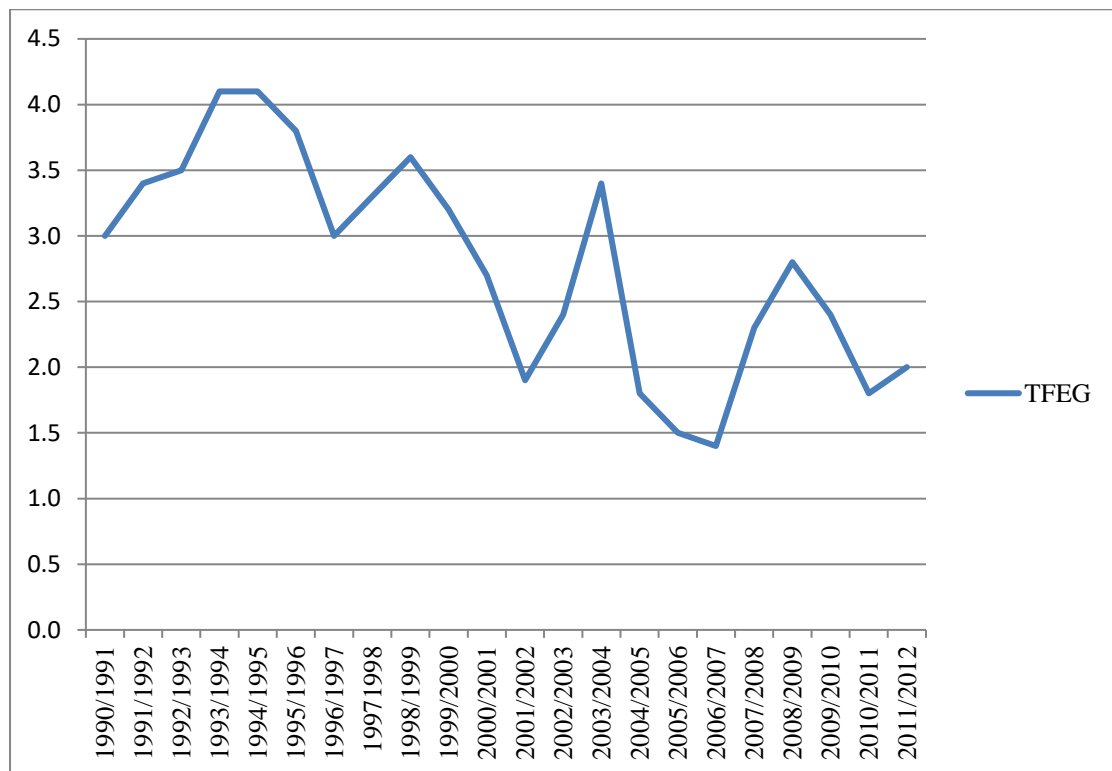
Dependent Variable: Total foreign earnings from tourism as % of GDP

| Equation | Model Summary | | | | | Parameter Estimates | | | |
|-------------|---------------|--------|-----|-----|------|---------------------|-------|------------|------|
| | R Square | F | df1 | df2 | Sig. | Constant | b1 | b2 | b3 |
| Linear | .551 | 24.523 | 1 | 20 | .000 | 3.879 | -.095 | | |
| Logarithmic | .391 | 12.839 | 1 | 20 | .002 | 4.178 | -.630 | | |
| Inverse | .120 | 2.739 | 1 | 20 | .114 | 2.568 | 1.329 | | |
| Quadratic | .551 | 11.649 | 2 | 19 | .000 | 3.887 | -.097 | 8.470E-005 | |
| Cubic | .667 | 11.992 | 3 | 18 | .000 | 2.930 | .354 | -.048 | .001 |
| Growth | .517 | 21.382 | 1 | 20 | .000 | 1.390 | -.036 | | |
| Exponential | .517 | 21.382 | 1 | 20 | .000 | 4.015 | -.036 | | |

The independent variable is Year.

According to table 5.1, Logarithmic, Inverse, Quadratic, Cubic, Growth and Exponential are all non-linear models. There are altogether seven linear and non-linear models. When F-statistics along with their p-values are examined, all the models have significant in over-all and fit for the time-series data except for model-Inverse since their p-values are less than 1 percent level of significance. It means that all the models are good fit to TEFG. However, when R-Squares are examined, it is seen that Cubic model has the highest magnitude of 66.7 percent. Thus, the Cubic model is chosen for a trend analysis.

Figure 5.1: Total foreign earnings from tourism as percent of GDP (Fiscal year: 1990/91-2011/12)



Secular Trend

This figure shows a downward pattern for TEFG with respect to 22 years. So, a multiplicative model is considered for the time-series analysis of TEFG. The model is thus,

$Y = T \times S \times C \times R$, or

$Y = TEFG$, where

T stands for secular trend component,

S for seasonal variation,

C for cyclical variation and

R for random or irregular variation

Now, the secular trend analysis is thus obtained by the cubic model, which is:

$$\text{TEFG} = 2.930 + 0.354 \text{ Year} - 0.048 \text{ Year}^2 + 0.001 \text{ Year}^3$$

From this model, the trend is such that initially, TEFG increases by 0.354 per year on the average. It seems stable for the fiscal year 1994/95. Then, it starts declining by 0.048 per year on the average. Then after, again, there is a little bit increment of TEFG. It is given by 0.001 per annum on the average. Moreover, is concluded that the overall trend is decreasing in nature for the long-term. By using this model, it can be predicted that TEFG for given years are as follows:

Table 5.2: Predicted values for TEFG by using cubic model

| Fiscal Year | TEFG | Year | Predicted $\text{TEFG} = 2.930 + 0.354 \text{ Year} - 0.048 \text{ Year}^2 + 0.001 \text{ Year}^3$ |
|-------------|------|------|--|
| 1990/1991 | 3.0 | 1 | 3.237 |
| 1991/1992 | 3.4 | 2 | 3.454 |
| 1992/1993 | 3.5 | 3 | 3.587 |
| 1993/1994 | 4.1 | 4 | 3.642 |
| 1994/1995 | 4.1 | 5 | 3.625 |
| 1995/1996 | 3.8 | 6 | 3.542 |
| 1996/1997 | 3.0 | 7 | 3.399 |
| 1997/1998 | 3.3 | 8 | 3.202 |
| 1998/1999 | 3.6 | 9 | 2.957 |
| 1999/2000 | 3.2 | 10 | 2.67 |
| 2000/2001 | 2.7 | 11 | 2.347 |
| 2001/2002 | 1.9 | 12 | 1.994 |
| 2002/2003 | 2.4 | 13 | 1.617 |
| 2003/2004 | 3.4 | 14 | 1.222 |
| 2004/2005 | 1.8 | 15 | 0.815 |
| 2005/2006 | 1.5 | 16 | 0.402 |
| 2006/2007 | 1.4 | 17 | -0.011 |
| 2007/2008 | 2.3 | 18 | -0.418 |
| 2008/2009 | 2.8 | 19 | -0.813 |
| 2009/2010 | 2.4 | 20 | -1.19 |
| 2010/2011 | 1.8 | 21 | -1.543 |
| 2011/2012 | 2.0 | 22 | -1.866 |

Note: TEFG = Total Foreign Earnings from Tourism as % of GDP.

In table 5.2, the negative predicted TEFG values are meaningless. They are only used for prediction purpose for trend analysis. It means that the downward trend is more severe in nature for the future.

These predicted TEFG can be used for other components cyclical variation and Random or Irregular variation. However, seasonal variation is omitted from the computation due to unavailability of the monthly or quarterly data.

Cyclical Variation

Generally cyclical variations are assumed to occur for 2 or more years. It is commonly described by well-known economic or business cycle. So, it is assumed that TEFG may be affected by this event as the date is for more than two years.

Cyclical variation is mainly computed by two methods namely, [a] Percent of Trend and [b] Relative Cyclical Residual.

[a] Percent of Trend

It is computed as $\text{Percent of Trend} = \{\text{TEFG} / \text{predicted TEFG}\} \times 100$

[b] Relative Cyclical Residual

$\text{Relative Cyclical Residual} = \{(\text{TEFG} - \text{predicted TEFG}) / \text{predicted TEFG}\} \times 100$

The results are as follows:

Table 5.3: Fiscal year, TEFG and percent of trend 1991-2012

| Fiscal Year | TEFG | Year | Predicted $TEFG = 2.930 + 0.354 \text{ Year} - 0.048 \text{ Year}^2 + 0.001 \text{ Year}^3$ | Percent of Trend | Relative Cyclical Residual |
|-------------|------|------|---|------------------|----------------------------|
| 1990/1991 | 3.0 | 1 | 3.237 | 92.68 | -7.32 |
| 1991/1992 | 3.4 | 2 | 3.454 | 98.44 | -1.56 |
| 1992/1993 | 3.5 | 3 | 3.587 | 97.57 | -2.43 |
| 1993/1994 | 4.1 | 4 | 3.642 | 112.58 | 12.58 |
| 1994/1995 | 4.1 | 5 | 3.625 | 113.10 | 13.10 |
| 1995/1996 | 3.8 | 6 | 3.542 | 107.28 | 7.28 |
| 1996/1997 | 3.0 | 7 | 3.399 | 88.26 | -11.74 |
| 1997/1998 | 3.3 | 8 | 3.202 | 103.06 | 3.06 |
| 1998/1999 | 3.6 | 9 | 2.957 | 121.75 | 21.75 |
| 1999/2000 | 3.2 | 10 | 2.67 | 119.85 | 19.85 |
| 2000/2001 | 2.7 | 11 | 2.347 | 115.04 | 15.04 |
| 2001/2002 | 1.9 | 12 | 1.994 | 95.29 | -4.71 |
| 2002/2003 | 2.4 | 13 | 1.617 | 148.42 | 48.42 |
| 2003/2004 | 3.4 | 14 | 1.222 | 278.23 | 178.23 |
| 2004/2005 | 1.8 | 15 | 0.815 | 220.86 | 120.86 |
| 2005/2006 | 1.5 | 16 | 0.402 | 373.13 | 273.13 |
| 2006/2007 | 1.4 | 17 | -0.011 | -12727.27 | -12827.27 |
| 2007/2008 | 2.3 | 18 | -0.418 | -550.24 | -650.24 |
| 2008/2009 | 2.8 | 19 | -0.813 | -344.40 | -444.40 |
| 2009/2010 | 2.4 | 20 | -1.19 | -201.68 | -301.68 |
| 2010/2011 | 1.8 | 21 | -1.543 | -116.66 | -216.66 |
| 2011/2012 | 2.0 | 22 | -1.866 | -107.18 | -207.18 |

Note: TEFG =Total foreign earnings from tourism as % of GDP

According to cyclical variation's computational results, the maximum fluctuation of TEFG is -12727.27 for Percent of trend method and -12827.27 for Relative Cyclical Residual Method. The results of the both methods occurred on the same fiscal year 2006/2007. This event indicates recession of TEFG during the 22 years.

Random or Irregular Variation

It occurs due to irregular or unpredictable changes at any time. Main causes for this even may be flood, landslide, war, and strike or earth quake. This component

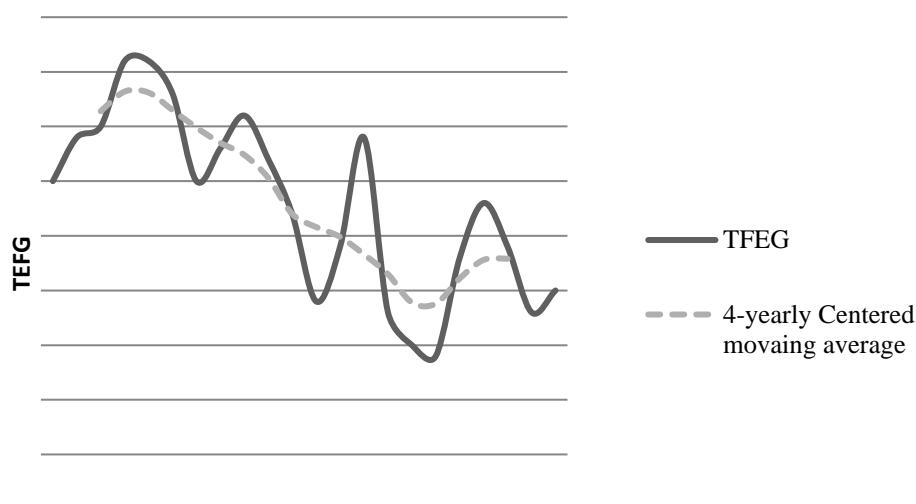
can be computed by eliminating trend, seasonal effect and cyclical effect from the given time-series data. To see the clear picture of trend of TEFG, it must be removed from the time-series data. By smoothing method, i.e., a Moving average method, the trend of TEFG can be visualized without effect of irregular component as follows:

Table 5.4: Fiscal year, TEFG and central moving average

| Fiscal Year | TEFG | 4-yearly Centered moving average |
|--------------------|-------------|---|
| 1990/1991 | 3.0 | |
| 1991/1992 | 3.4 | |
| 1992/1993 | 3.5 | 3.64 |
| 1993/1994 | 4.1 | 3.82 |
| 1994/1995 | 4.1 | 3.81 |
| 1995/1996 | 3.8 | 3.65 |
| 1996/1997 | 3.0 | 3.49 |
| 1997/1998 | 3.3 | 3.35 |
| 1998/1999 | 3.6 | 3.24 |
| 1999/2000 | 3.2 | 3.03 |
| 2000/2001 | 2.7 | 2.7 |
| 2001/2002 | 1.9 | 2.58 |
| 2002/2003 | 2.4 | 2.49 |
| 2003/2004 | 3.4 | 2.33 |
| 2004/2005 | 1.8 | 2.15 |
| 2005/2006 | 1.5 | 1.89 |
| 2006/2007 | 1.4 | 1.88 |
| 2007/2008 | 2.3 | 2.11 |
| 2008/2009 | 2.8 | 2.28 |
| 2009/2010 | 2.4 | 2.29 |
| 2010/2011 | 1.8 | |
| 2011/2012 | 2.0 | |

Source: Nepal Tourism Board, 2013.

Figure 5.2: Smoothing trend of TFEG



The gray-dotted line showing the smoothed trend of TEFG it clearly shows that there is severe downward trend of TEFG.

Table 5.5: shows monthly time-series data from 2010 to 2012. They have nine components of tourism business sector such as; Tourists arrivals, Hotels booked, Travel agencies, Trekking & rafting, Educational tour, Business tour, Medical treatment, sight-seeing and other travels. The outcomes are measured in foreign exchange receipt from these components by month. These components belong to either national or international or both tourists visiting Nepal with various purposes during three years. The study of individual component helps in identifying its seasonal variation within year. Consequently, its contribution in national economy of Nepal can be studied separately that guides us to know about the way of variation within year and degree of contribution to the national economy in relation to each

other. So, seasonal variation is computed by seasonal index of each month for eight components. Thus, the method adopted here is simple average method as the data consist of only three years and the results are shown as follows:

Table 5.5: Seasonal index of foreign exchange receipt from tourist arrivals

| Seasonal Index of Foreign exchange Receipt from Tourist Sector: Tourist Arrivals | | | | | | | | | |
|--|----------|----------|---------|--------|---------|-------|---------|-------------------------|-------------------|
| Year | 2010 | 2011 | 2012 | | | | | | |
| Sectors | Tourists | Tourists | Tourist | Sum | Average | SI | Adj. SI | Average of all averages | Adjustment Factor |
| Jan. | 1572.4 | 2198.0 | 2079.7 | 5850.1 | 1950.0 | 107.6 | 107.6 | 1813.0 | 1.0 |
| Feb. | 1615.2 | 1066.1 | 1134.2 | 3815.5 | 1271.8 | 70.2 | 70.2 | | |
| Mar. | 1414.6 | 1304.0 | 1657.5 | 4376.1 | 1458.7 | 80.5 | 80.5 | | |
| Apr. | 1538.3 | 1711.5 | 2015.0 | 5264.8 | 1754.9 | 96.8 | 96.8 | | |
| May | 1486.1 | 2040.5 | 2111.3 | 5637.9 | 1879.3 | 103.7 | 103.7 | | |
| June | 1333.0 | 1451.0 | 1583.3 | 4367.3 | 1455.8 | 80.3 | 80.3 | | |
| July | 1207.3 | 1187.0 | 1465.1 | 3859.4 | 1286.5 | 71.0 | 71.0 | | |
| Aug. | 1260.3 | 1220.8 | 2623.1 | 5104.2 | 1701.4 | 93.8 | 93.8 | | |
| Sept. | 1305.6 | 1530.5 | 1305.7 | 4141.8 | 1380.6 | 76.2 | 76.2 | | |
| Oct. | 1956.8 | 2700.6 | 2222.7 | 6880.1 | 2293.4 | 126.5 | 126.5 | | |
| Nov. | 2286.5 | 3833.7 | 3219.9 | 9340.1 | 3113.4 | 171.7 | 171.7 | | |
| Dec. | 1550.0 | 2796.2 | 2284.0 | 6630.2 | 2210.1 | 121.9 | 121.9 | | |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

On the basis of seasonal index of 100 to the base year 2010, foreign exchange receipt from tourist sector, tourist arrivals have increased for five months January, May, October, November and December, and their index is the highest of value 171.7 on month of November followed by October, December, January and May. Similarly, tourist arrival has decreased for other seven months February, Mar, April, June, July, August and September and their index is the lowest of value 70.2 on month February followed by July, September, June, May, April and August. Usually, August,

September, October and November and December are peaked tourist season in Nepal, whereas, other months are less likely to be favorable tourist season.

Table 5.6: Seasonal index of foreign exchange receipt from hotels

| Seasonal Index of Foreign exchange Receipt from Tourist Sector: Hotels | | | | | | | | | |
|--|--------|--------|--------|--------|---------|--------|---------|-------------------------|-------------------|
| Year | 2010 | 2011 | 2012 | | | | | | |
| Sectors | Hotels | Hotels | Hotels | Sum | Average | SI | Adj. SI | Average of all averages | Adjustment Factor |
| Jan. | 77.10 | 55.00 | 69.20 | 201.30 | 67.10 | 75.28 | 75.28 | 89.13 | 1.00 |
| Feb. | 80.50 | 66.80 | 109.80 | 257.10 | 85.70 | 96.15 | 96.15 | | |
| Mar. | 65.10 | 54.70 | 138.00 | 257.80 | 85.93 | 96.41 | 96.41 | | |
| Apr. | 60.20 | 61.20 | 61.80 | 183.20 | 61.07 | 68.51 | 68.51 | | |
| May | 64.70 | 61.60 | 87.60 | 213.90 | 71.30 | 79.99 | 79.99 | | |
| June | 61.00 | 73.00 | 78.60 | 212.60 | 70.87 | 79.51 | 79.51 | | |
| July | 52.40 | 63.20 | 67.80 | 183.40 | 61.13 | 68.59 | 68.59 | | |
| Aug. | 52.00 | 340.40 | 96.60 | 489.00 | 163.00 | 182.87 | 182.87 | | |
| Sept. | 69.10 | 78.50 | 94.10 | 241.70 | 80.57 | 90.39 | 90.39 | | |
| Oct. | 88.50 | 177.20 | 112.70 | 378.40 | 126.13 | 141.51 | 141.51 | | |
| Nov. | 83.10 | 118.50 | 115.30 | 316.90 | 105.63 | 118.51 | 118.51 | | |
| Dec. | 64.00 | 107.40 | 102.10 | 273.50 | 91.17 | 102.28 | 102.28 | | |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

In Table 5.6, Foreign exchange Receipt from Tourist Sector: Hotels have been increased for four months August, October, November and December, where as they have been decreased for eight months January, February, March, April, May, June, July and September. Their index is the highest of value 182.87 on month August followed by October, November and December. Similarly, their index is the lowest of value 68.51 on month Apr followed by July, January, June, May, September, February and March. Usually, August, September, October and November and December are peaked tourist season in Nepal. So, the hotels are usually already booked.

Table 5.7: Seasonal index of foreign exchange receipt from travel agencies

| Seasonal Index of Foreign exchange Receipt from Tourist Sector: Travel agencies | | | | | | | | | |
|---|-----------------|-----------------|---------------|--------|---------|--------|---------|-------------------------|-------------------|
| Year | 2010 | 2011 | 2012 | | | | | | |
| Sectors | Travel agencies | Travel agencies | Travel agency | Sum | Average | SI | Adj. SI | Average of all averages | Adjustment Factor |
| Jan. | 18.00 | 18.80 | 26.80 | 63.60 | 21.20 | 91.54 | 91.54 | 23.16 | 1.00 |
| Feb. | 18.50 | 15.50 | 68.90 | 102.90 | 34.30 | 148.11 | 148.11 | | |
| Mar. | 15.50 | 18.10 | 68.90 | 102.50 | 34.17 | 147.54 | 147.54 | | |
| Apr. | 13.50 | 28.50 | 20.20 | 62.20 | 20.73 | 89.53 | 89.53 | | |
| May | 11.40 | 26.50 | 28.70 | 66.60 | 22.20 | 95.86 | 95.86 | | |
| June | 19.30 | 38.10 | 26.10 | 83.50 | 27.83 | 120.19 | 120.19 | | |
| July | 19.70 | 26.30 | 28.70 | 74.70 | 24.90 | 107.52 | 107.52 | | |
| Aug. | 12.80 | 25.50 | 29.50 | 67.80 | 22.60 | 97.59 | 97.59 | | |
| Sept. | 14.10 | 21.80 | 21.70 | 57.60 | 19.20 | 82.91 | 82.91 | | |
| Oct. | 16.10 | 17.80 | 14.40 | 48.30 | 16.10 | 69.52 | 69.52 | | |
| Nov. | 19.00 | 26.00 | 7.30 | 52.30 | 17.43 | 75.28 | 75.28 | | |
| Dec. | 19.10 | 21.70 | 10.90 | 51.70 | 17.23 | 74.42 | 74.42 | | |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

In Table 5.7, Foreign exchange Receipt from Tourist Sector: Travel agency have been increased for four months Feb, March, June and July, where as they have been decreased for eight months January, April, May, August, September, October, November and December. Their index is the highest of value 148.11 on month February followed by March, June and July. Similarly, their index is the lowest of value 69.52 on month October followed by December, November, September, July, January, June, May, September, April, January, May and August. Usually, August, September, October and November and December are peaked tourist season in Nepal. So, the hotels are and other tour arrangements are already booked through travel agency on non-seasonal months.

Table 5.8: Seasonalindex of foreign exchange receipt from trekking & rafting

| Seasonal Index of Foreign exchange Receipt from Tourist Sector: Trekking & rafting | | | | | | | | | |
|--|--------------------|--------------------|--------------------|--------|---------|--------|---------|-------------------------|-------------------|
| Year | 2010 | 2011 | 2012 | | | | | | |
| Sectors | Trekking & rafting | Trekking & rafting | Trekking & rafting | Sum | Average | SI | Adj. SI | Average of all averages | Adjustment Factor |
| Jan. | 74.90 | 99.80 | 156.20 | 330.90 | 110.30 | 67.71 | 67.71 | 162.89 | 1.00 |
| Feb. | 116.20 | 94.00 | 84.00 | 294.20 | 98.07 | 60.20 | 60.20 | | |
| Mar. | 171.20 | 134.50 | 177.40 | 483.10 | 161.03 | 98.86 | 98.86 | | |
| Apr. | 200.70 | 235.00 | 307.70 | 743.40 | 247.80 | 152.13 | 152.13 | | |
| May | 148.20 | 154.70 | 216.70 | 519.60 | 173.20 | 106.33 | 106.33 | | |
| June | 101.50 | 116.20 | 153.00 | 370.70 | 123.57 | 75.86 | 75.86 | | |
| July | 105.50 | 131.50 | 139.80 | 376.80 | 125.60 | 77.11 | 77.11 | | |
| Aug. | 118.80 | 150.80 | 202.60 | 472.20 | 157.40 | 96.63 | 96.63 | | |
| Sept. | 160.80 | 173.10 | 258.90 | 592.80 | 197.60 | 121.31 | 121.31 | | |
| Oct. | 147.90 | 257.60 | 285.50 | 691.00 | 230.33 | 141.40 | 141.40 | | |
| Nov. | 100.40 | 172.10 | 255.20 | 527.70 | 175.90 | 107.99 | 107.99 | | |
| Dec. | 94.10 | 136.10 | 231.50 | 461.70 | 153.90 | 94.48 | 94.48 | | |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

In Table 5.8, Foreign exchange Receipt from Tourist Sector: Trekking & rafting have been increased for five months April, May, September, October and November where as they have been decreased for seven months January, February, March, June, July, August and December. Their index is the highest of value 152.13 on month April followed by October, September, November and May. Similarly, their index is the lowest of value 60.20 on month February followed by January, June, July, December, August and March. Usually, August, September, October and November and December are peaked tourist season in Nepal. So, the hotels are and other tour arrangements are already booked through travel agency on non-seasonal months.

Other months are less likely to be favorable tourist season for booking. However, Trekking & rafting seem to be more favorable on April, May, September, October and Nov which are non-monsoon season.

Table 5.9: Seasonal index of foreign exchange receipt from education tour

| Seasonal Index of Foreign exchange Receipt from Tourist Sector: Education tour | | | | | | | | | |
|--|----------------|----------------|----------------|--------|---------|--------|---------|-------------------------|-------------------|
| Year | 2010 | 2011 | 2012 | | | | | | |
| Sectors | Education tour | Education tour | Education tour | Sum | Average | SI | Adj. SI | Average of all averages | Adjustment Factor |
| Jan. | 164.90 | 39.40 | 26.60 | 230.90 | 76.97 | 144.20 | 144.20 | 53.38 | 1.00 |
| Feb. | 144.50 | 28.40 | 54.60 | 227.50 | 75.83 | 142.08 | 142.08 | | |
| Mar. | 85.80 | 10.80 | 28.00 | 124.60 | 41.53 | 77.81 | 77.81 | | |
| Apr. | 65.60 | 14.30 | 20.50 | 100.40 | 33.47 | 62.70 | 62.70 | | |
| May | 59.10 | 34.10 | 21.90 | 115.10 | 38.37 | 71.88 | 71.88 | | |
| June | 71.20 | 69.30 | 8.40 | 148.90 | 49.63 | 92.99 | 92.99 | | |
| July | 85.20 | 64.00 | 27.40 | 176.60 | 58.87 | 110.29 | 110.29 | | |
| Aug. | 75.60 | 79.50 | 66.00 | 221.10 | 73.70 | 138.08 | 138.08 | | |
| Sept. | 60.20 | 38.00 | 48.50 | 146.70 | 48.90 | 91.62 | 91.62 | | |
| Oct. | 51.70 | 34.10 | 95.80 | 181.60 | 60.53 | 113.41 | 113.41 | | |
| Nov. | 40.70 | 55.30 | 40.90 | 136.90 | 45.63 | 85.50 | 85.50 | | |
| Dec. | 37.00 | 13.90 | 60.30 | 111.20 | 37.07 | 69.45 | 69.45 | | |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

In Table 5.9, to talk about the foreign exchange Receipt from Tourist Sector; Education tour have been increased for five months January, February, July, August, and October where as they have been decreased for seven months March, April, May, June, September, November and December. Their index is the highest of value 144.20 on month January followed by February, August, October and July. Similarly, their index is the lowest of value 62.70 on month Apr followed by December, May, March, Nov, September and June. Usually, education tour mainly belongs to internal tourism

(Nepal) and some belong to Indian tourists. In Nepal, most of the students get long vacation on winter, summer and national festivals like Dashain, Tihar and Chhath. So, months belonging to these events have relatively more tourists from education sector.

Table 5.10: Seasonal index of foreign exchange receipt from business tour

| Seasonal Index of Foreign exchange Receipt from Tourist Sector: Business tour | | | | | | | | | |
|---|---------------|---------------|---------------|-------|---------|--------|---------|-------------------------|-------------------|
| Year | 2010 | 2011 | 2012 | | | | | | |
| Sectors | Business tour | Business tour | Business tour | Sum | Average | SI | Adj. SI | Average of all averages | Adjustment Factor |
| Jan. | 5.00 | 3.20 | 1.60 | 9.80 | 3.27 | 49.85 | 49.85 | 6.55 | 1.00 |
| Feb. | 4.80 | 2.30 | 2.30 | 9.40 | 3.13 | 47.82 | 47.82 | | |
| Mar. | 3.20 | 2.20 | 3.70 | 9.10 | 3.03 | 46.29 | 46.29 | | |
| Apr. | 8.70 | 1.50 | 2.60 | 12.80 | 4.27 | 65.11 | 65.11 | | |
| May | 12.40 | 0.70 | 75.40 | 88.50 | 29.50 | 450.19 | 450.19 | | |
| June | 7.30 | 1.40 | 5.10 | 13.80 | 4.60 | 70.20 | 70.20 | | |
| July | 5.00 | 1.60 | 3.10 | 9.70 | 3.23 | 49.34 | 49.34 | | |
| Aug. | 10.40 | 2.20 | 3.20 | 15.80 | 5.27 | 80.37 | 80.37 | | |
| Sept. | 10.80 | 2.50 | 4.00 | 17.30 | 5.77 | 88.00 | 88.00 | | |
| Oct. | 7.60 | 8.10 | 4.20 | 19.90 | 6.63 | 101.23 | 101.23 | | |
| Nov. | 11.10 | 2.20 | 5.50 | 18.80 | 6.27 | 95.63 | 95.63 | | |
| Dec. | 8.20 | 1.70 | 1.10 | 11.00 | 3.67 | 55.96 | 55.96 | | |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

In Table 5.10, in regard to the foreign exchange receipt from tourist sector, business tour have been increased more for two months May and October and their index is the highest of value 450.19 on month May followed by October. Whereas business tour have been decreased for ten months January, February, March, April, June, July, August, September, November and December whose, index is the lowest of value 46.29 on month March followed by February, July, January, December,

April, June, August, September and November. Usually, international tourists as businessman are relatively smaller in size compared to other country. However, the recent data (for year 2012) shows substantially more increase in business tour. That is why; there is a bigger figure of seasonal index. Except month of October, all others have relatively decreased indices in Nepal. Thus, business tour has less likely to be favorable in Nepal. In other words, Nepal may be not better destination for international business as it is less developed;

Table 5.11: Seasonal index of foreign exchange receipt from medical treatment

| Seasonal Index of Foreign exchange Receipt from Tourist Sector: Medical treatment | | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------|---------|--------|---------|-------------------------|-------------------|
| Year | 2010 | 2011 | 2012 | | | | | | |
| Sectors | Medical treatment | Medical treatment | Medical treatment | Sum | Average | SI | Adj. SI | Average of all averages | Adjustment Factor |
| Jan. | 3.00 | 7.40 | 4.90 | 15.30 | 5.10 | 54.82 | 54.82 | 9.30 | 1.00 |
| Feb. | 6.80 | 26.20 | 1.20 | 34.20 | 11.40 | 122.54 | 122.54 | | |
| Mar. | 6.70 | 10.70 | 41.10 | 58.50 | 19.50 | 209.61 | 209.61 | | |
| Apr. | 3.20 | 4.10 | 12.90 | 20.20 | 6.73 | 72.38 | 72.38 | | |
| May | 8.40 | 9.50 | 7.20 | 25.10 | 8.37 | 89.94 | 89.94 | | |
| June | 8.40 | 9.40 | 23.00 | 40.80 | 13.60 | 146.19 | 146.19 | | |
| July | 3.40 | 4.80 | 8.30 | 16.50 | 5.50 | 59.12 | 59.12 | | |
| Aug. | 4.70 | 8.50 | 11.70 | 24.90 | 8.30 | 89.22 | 89.22 | | |
| Sept. | 5.50 | 7.50 | 1.20 | 14.20 | 4.73 | 50.88 | 50.88 | | |
| Oct. | 8.40 | 14.00 | 28.50 | 50.90 | 16.97 | 182.38 | 182.38 | | |
| Nov. | 9.90 | 5.10 | 1.00 | 16.00 | 5.33 | 57.33 | 57.33 | | |
| Dec. | 7.90 | 6.20 | 4.20 | 18.30 | 6.10 | 65.57 | 65.57 | | |

Source: Calculation by researcher based on the 2010/2011/2012, official figure of TB.

In Table 5.11, similarly, in foreign exchange receipt from tourist sector, medical treatment have been increased for four months February, March, June and

June where as they have been decreased for eight months January, March, April, May, July, August, September, November and December. Their index is the highest of value 209.61 on month March followed by October, June and February. Similarly, their index is the lowest of value 50.88 in the month of September followed by January, Nov, July, December, April, August, and May. Usually, medical treatment belongs to Nepalese tourists and Indian tourists relatively in small figure.

Major disease, injuries from various unpleasant events needs follow-up treatments that require extensive medical treatment. So, unhealthy people travel to major cities where more sophisticated medical treatments are available like in Kathmandu, Chitwan, Patan, Pokara, Bhaktapur, Biratnagar, Bhairhawa, Palpa, Nepalgunj etc. Indian tourists mostly visit to those districts which are at boarder of India. Month of March seems more favorable for medical treatment.

Table 5.12: Seasonal index of foreign exchange receipt from sight-seeing

| Seasonal Index of Foreign exchange Receipt from Tourist Sector: Sight-seeing | | | | | | | | | |
|--|--------------|--------------|--------------|--------|---------|--------|---------|-------------------------|-------------------|
| Year | 2010 | 2011 | 2012 | | | | | | |
| Sectors | Sight-seeing | Sight-seeing | Sight-seeing | Sum | Average | SI | Adj. SI | Average of all averages | Adjustment Factor |
| Jan. | 91.00 | 103.40 | 240.60 | 435.00 | 145.00 | 160.39 | 160.39 | 90.41 | 1.00 |
| Feb. | 120.90 | 27.40 | 113.10 | 261.40 | 87.13 | 96.38 | 96.38 | | |
| Mar. | 141.50 | 42.30 | 113.10 | 296.90 | 98.97 | 109.47 | 109.47 | | |
| Apr. | 130.40 | 46.00 | 147.00 | 323.40 | 107.80 | 119.24 | 119.24 | | |
| May | 104.50 | 53.00 | 139.00 | 296.50 | 98.83 | 109.32 | 109.32 | | |
| June | 96.30 | 12.00 | 118.10 | 226.40 | 75.47 | 83.48 | 83.48 | | |
| July | 54.90 | 84.10 | 199.60 | 338.60 | 112.87 | 124.84 | 124.84 | | |
| Aug. | 12.50 | 3.60 | 74.10 | 90.20 | 30.07 | 33.26 | 33.26 | | |
| Sept. | 19.90 | 71.90 | 71.40 | 163.20 | 54.40 | 60.17 | 60.17 | | |
| Oct. | 26.90 | 89.40 | 74.20 | 190.50 | 63.50 | 70.24 | 70.24 | | |
| Nov. | 64.00 | 121.90 | 86.30 | 272.20 | 90.73 | 100.36 | 100.36 | | |
| Dec. | 52.00 | 147.90 | 160.40 | 360.30 | 120.10 | 132.85 | 132.85 | | |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

In Table 5.12, foreign exchange receipt from tourist sector, sight-seeing have increased for seven months January, March, April, May, July, November and December where as they have decreased for five months Feb, June, August, September, and October. And their index is the highest of value 160.39 in the month of January followed by December, July, April, March, May and November. Similarly, their index is the lowest of value 33.26 on month August followed by September, October, June and February. Usually January, December, March, April and May months are more pleasant season for sight-seeing. So, naturally, tourists are relatively more attractive on those months for sight-seeing in different parts of Nepal. July is monsoon season. It is at the third position with increased index for sight-seeing. Although this month belongs to the rainy season, tourists are showing more interest

for sight-seeing. Therefore, it is a great interest for tourist business organizations why international tourists are ready for sight-seeing and are dramatically increasing on that month.

Table 5.13: Seasonalindex of foreign exchange receipt from other travels

| Seasonal Index of Foreign exchange Receipt from Tourist Sector: Other travels | | | | | | | | | |
|---|---------------|---------------|--------------|--------|---------|--------|---------|-------------------------|-------------------|
| Year | 2010 | 2011 | 2012 | | | | | | |
| Sectors | Other travels | Other travels | Other travel | Sum | Average | SI | Adj. SI | Average of all averages | Adjustment Factor |
| Jan. | 12.20 | 131.00 | 5.80 | 149.00 | 49.67 | 100.79 | 100.79 | 49.28 | 1.00 |
| Feb. | 7.90 | 24.80 | 20.10 | 52.80 | 17.60 | 35.72 | 35.72 | | |
| Mar. | 4.30 | 21.90 | 73.40 | 99.60 | 33.20 | 67.38 | 67.38 | | |
| Apr. | 6.70 | 93.10 | 70.90 | 170.70 | 56.90 | 115.47 | 115.47 | | |
| May | 6.90 | 84.30 | 46.00 | 137.20 | 45.73 | 92.81 | 92.81 | | |
| June | 5.30 | 76.20 | 52.12 | 133.62 | 44.54 | 90.39 | 90.39 | | |
| July | 4.10 | 134.80 | 25.70 | 164.60 | 54.87 | 111.35 | 111.35 | | |
| Aug. | 38.90 | 82.80 | 24.00 | 145.70 | 48.57 | 98.56 | 98.56 | | |
| Sept. | 75.20 | 135.80 | 134.20 | 345.20 | 115.07 | 233.52 | 233.52 | | |
| Oct. | 57.00 | 55.10 | 37.70 | 149.80 | 49.93 | 101.33 | 101.33 | | |
| Nov. | 28.40 | 42.10 | 34.20 | 104.70 | 34.90 | 70.83 | 70.83 | | |
| Dec. | 75.60 | 18.00 | 27.40 | 121.00 | 40.33 | 81.85 | 81.85 | | |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

In Table 5.13, foreign exchange receipt from tourist sector, other travels have increased for five months January, April, May, July, September and October where as they have decreased for seven months February, March, May, June, August, November and December. Their index is the highest of value 233.52 on month September followed by April, July and January. Similarly, their index is the lowest of value 35.72 in February month followed by March, November, December, June, May and August. Here, the tourists with all other travel purposes may come to visit Nepal in any month. However, usually January, April, May, July, September and October months are more attractive for them for other travel purposes. Among them,

September is the most favorable for them to meet their purpose. Usually, this month also includes the purpose mentioned above in seven tables.

Table 5.14: Seasonal index of foreign exchange receipt from all components

| Seasonal Index of Foreign exchange Receipt from Tourist Sector: Total of all 9 Components | | | | | | | | | |
|---|---------------------------|---------------------------|---------------------------|----------|---------|--------|---------|-------------------------|-------------------|
| Year | 2010 | 2011 | 2012 | | | | | | |
| Sectors | Total of all 9 components | Total of all 9 components | Total of all 9 components | Sum | Average | SI | Adj. SI | Average of all averages | Adjustment Factor |
| Jan. | 2018.55 | 2656.00 | 2611.40 | 7285.95 | 2428.65 | 106.66 | 106.66 | 2277.03 | 1.00 |
| Feb. | 2115.10 | 1351.50 | 1588.20 | 5054.80 | 1684.93 | 74.00 | 74.00 | | |
| Mar. | 1907.80 | 1599.20 | 2301.10 | 5808.10 | 1936.03 | 85.02 | 85.02 | | |
| Apr. | 2027.45 | 2195.20 | 2658.60 | 6881.25 | 2293.75 | 100.73 | 100.73 | | |
| May | 1901.55 | 2464.90 | 2733.80 | 7100.25 | 2366.75 | 103.94 | 103.94 | | |
| June | 1703.10 | 1846.60 | 2047.70 | 5597.40 | 1865.80 | 81.94 | 81.94 | | |
| July | 1537.35 | 1697.30 | 1965.50 | 5200.15 | 1733.38 | 76.12 | 76.12 | | |
| Aug. | 1585.65 | 1194.10 | 3130.80 | 5910.55 | 1970.18 | 86.52 | 86.52 | | |
| Sept. | 1721.00 | 2059.60 | 1939.70 | 5720.30 | 1906.77 | 83.74 | 83.74 | | |
| Oct. | 2360.70 | 3353.90 | 2875.70 | 8590.30 | 2863.43 | 125.75 | 125.75 | | |
| Nov. | 2642.80 | 4376.90 | 3765.60 | 10785.30 | 3595.10 | 157.89 | 157.89 | | |
| Dec. | 1907.60 | 3249.10 | 2881.90 | 8038.60 | 2679.53 | 117.68 | 117.68 | | |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

In Table 5.14, foreign exchange receipt from tourist sector, in aggregates of all above 9 components have increased for six months January, April, May, July, September and October where as they have decreased for six months February, March, June, July, August and September. Their index is the highest of value 157.89 in month of November followed by October, December, January, May and April. Similarly, their index is the lowest of value 74 in the month of February followed by July, June, September, March, and August. Here, the tourists with all other travel purposes may come to visit Nepal in any month. Months of October, November, December and January are suitable for any tourism activities. As April

and May are non-rainy season, these months are suitable for travelling in Hilly and Mountain regions. However, February and March are of winter season. These months are not suitable for travelling in Nepal. During three years, the tourists might experience some hurdle in visiting Nepal.

Now, the following analysis has done in order to compare average influence of seasonal indices for 12 months across nine components. However, it is hypothesized that the average seasonal indices are all equal across them. One-way ANOVA is performed to infer the above hypothesis as follows:

Table 5.15: Seasonal indices

| Months | Seasonal Indices | | | | | | | |
|--------|------------------|--------|--------------------|----------------|---------------|-------------------|-------------|----------------|
| | Tourists | Hotels | Trekking & rafting | Education tour | Business tour | Medical treatment | Sightseeing | Others travels |
| Jan. | 107.6 | 120.67 | 74.08 | 138.79 | 49.85 | 54.82 | 160.39 | 100.79 |
| Feb. | 70.2 | 78.70 | 48.32 | 90.52 | 47.82 | 122.54 | 96.38 | 35.72 |
| Mar. | 80.5 | 90.27 | 55.42 | 103.82 | 46.29 | 209.61 | 109.47 | 67.38 |
| Apr. | 96.8 | 108.60 | 66.67 | 124.91 | 65.11 | 72.38 | 119.24 | 115.47 |
| May | 103.7 | 116.30 | 71.39 | 133.76 | 450.19 | 89.94 | 109.32 | 92.81 |
| June | 80.3 | 90.09 | 55.30 | 103.61 | 70.20 | 146.19 | 83.48 | 90.39 |
| July | 71.0 | 79.61 | 48.87 | 91.56 | 49.34 | 59.12 | 124.84 | 111.35 |
| Aug. | 93.8 | 105.29 | 64.64 | 121.10 | 80.37 | 89.22 | 33.26 | 98.56 |
| Sept. | 76.2 | 85.43 | 52.45 | 98.26 | 88.00 | 50.88 | 60.17 | 233.52 |
| Oct. | 126.5 | 141.92 | 87.12 | 163.23 | 101.23 | 182.38 | 70.24 | 101.33 |
| Nov. | 171.7 | 192.66 | 118.28 | 221.59 | 95.63 | 57.33 | 100.36 | 70.83 |
| Dec. | 121.9 | 136.76 | 83.96 | 157.30 | 55.96 | 65.57 | 132.85 | 81.85 |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

Table 5.16: Descriptive

| Descriptive | | | | | | | | |
|--------------------|-----|--------|--------|------------|----------------------------------|-------------|---------|---------|
| Seasonal indices | | | | | | | | |
| | N | Mean | SD | Std. Error | 95% Confidence Interval for Mean | | Minimum | Maximum |
| | | | | | Lower Bound | Upper Bound | | |
| Tourists | 12 | 100.00 | 29.42 | 8.49 | 81.31 | 118.69 | 70.15 | 171.73 |
| Hotels | 12 | 112.19 | 33.00 | 9.53 | 91.22 | 133.16 | 78.70 | 192.66 |
| Trekking & rafting | 12 | 68.88 | 20.26 | 5.85 | 56.00 | 81.75 | 48.32 | 118.28 |
| Travel agencies | 12 | 100.00 | 26.51 | 7.65 | 83.16 | 116.84 | 69.52 | 148.11 |
| Education tour | 12 | 129.04 | 37.96 | 10.96 | 104.92 | 153.16 | 90.52 | 221.59 |
| Business tour | 12 | 100.00 | 111.97 | 32.32 | 28.86 | 171.14 | 46.29 | 450.19 |
| Medical treatment | 12 | 100.00 | 53.56 | 15.46 | 65.97 | 134.03 | 50.88 | 209.61 |
| Sightseeing | 12 | 100.00 | 34.51 | 9.96 | 78.07 | 121.93 | 33.26 | 160.39 |
| Others travels | 12 | 100.00 | 47.41 | 13.68 | 69.88 | 130.12 | 35.72 | 233.52 |
| Total | 108 | 101.12 | 51.18 | 4.92 | 91.36 | 110.89 | 33.26 | 450.19 |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

Table 4.17: ANOVA

| ANOVA | | | | | |
|------------------|----------------|-----|-------------|-------|------|
| Seasonal indices | | | | | |
| | Sum of Squares | df | Mean Square | F | Sig. |
| Between Groups | 23390.820 | 8 | 2923.852 | 1.127 | .352 |
| Within Groups | 256886.677 | 99 | 2594.815 | | |
| Total | 280277.497 | 107 | | | |

Source: Calculation by researcher based on the 2010/011/012, official figure of NTB.

Table 4.17 shows that there is no significant difference on average seasonal index across nine components of tourism business. Since p-value of (0352) of statistic F is more than 10 percent level of significance, it means that each component has

similar influence in tourism business on the average. However, table 43 shows that Education tour and Hotels have relatively more indices on the average with larger variation in business tour.

Conclusion

The above time-series analysis of Total Foreign Earnings from Tourism as percent of GDP (TFEG) has severe downward trend during 22 fiscal years in Nepal. This downward trend in TEFH for economic development of Nepal is an unpleasant sign of Tourism sector in contributing to GDP in Nepal. The causes behind this event might be several factors, not mentioned in this time-series analysis. However, there could be some challenges of tourism in Nepal or planning and policy in Nepal or both.

Researcher has used different statistical tools for the finding and also has adopted nine components of the tourism sector which have not been used in the previous research studies.

In the seasonal time-series analysis of nine components of tourism business, each component has its own influence in particular month. From the above data we can conclude that in the month of January, May, October, November and December, tourist arrivals has greater occurrence in Nepal. Hotels are more influenced in the month of August, October, November and December. Travel agencies have been increased influence especially for four months February, March, Jun and July. Similarly, trekking & rafting are more influenced on the month of April, May, September, October and November. Likewise education tour has greater effect on months January, February, July, August, and October whereas Business tour has better impact only for two months May and October. Health sector has been more influenced and increased for four February, March, June and June. Sight-seeing is the

only sector which has a long term positive effect during the year. It generally has better influences for seven months January, March, April, May, July, November and December. Therefore, it can be one of the best and suitable tourism sources in the context of Nepal if it is developed well and carefully.

CHAPTER VI

TOURISM RESOURCES AND CHALLENGES

Existing resources are the main attraction for the development of tourism sector and the tourism of a particular country depends on products of available resources that address the interests of the tourists. Since visitors arrive from various backgrounds and different interests to the destinations, so, maximum natural resources and other resources can play vital role in this field. For example, on the one hand natural beauties like, fauna and flora and landscapes may attract to some tourists on the other hand, others may keep their interest to know the culture, lifestyle of ethnic groups, social diversity etc. of that particular destination. The main focus in this chapter is major resource for the tourism sector and its challenges of sustainability. The study has collected all the data regarding challenges of resources through primary data collection (survey) and statically analysis.

Various existing facilities like hotels, restaurants, museums, zoos, different types of clubs, sport- outlets, wildlife resorts and national parks etc. are considered as the major contributing factor for the development of tourism. Tourist's activity thus may prove to be the stimulus for various types of economically viable activities especially for those people who are involved in this sector (Shrestha, 1998, p. 49).

Resources for tourism attraction can be both, natural or manmade. The attractiveness of natural and cultural features depends not only on its own quality but is determined by a host of factors such as accessibility, accommodation, quality of services, recreational attractions and other supporting services. And those factors must

be considered while identifying and accessing the tourism resource potential of any country. There are many types of tourism attractions like site attractions, built attractions, event attractions etc. The natural resources are those where most of the tourists desire to visit, such as the great National Parks of United States, Africa and other countries, Nigeria Falls the Swiss Alps, the Himalayas, the Caribbean Islands etc. and the manmade resources are those made by human efforts such as historical and archeological sites e.g. Pyramids of Egypt, Taj Mahal of India, The Great Wall of China and Disney Land of USA” (Shrestha, 1999, P. 129-30).

The most important component of Tourism can be categorized into four groups that are attraction, accessibility, accommodation and amenities. According to Peter's classification (1996) of tourism products or attractions are grouped into five categories which are given below.

Classification of Tourism Products

The following classification has been done on Tourism Products on the basis of tourists’ interest. There are different kinds of manmade and natural tourist products or attractions in Nepal which are described briefly;

Table 6.1: Classification of tourism product

| | |
|--------------------------|---|
| Cultural | Sites and areas of archaeological interest, historical buildings and monuments, places of historical significance, museums modern culture, political and educational institutions religious institutions. |
| Traditions | National festivals; Arts and handicrafts, music Folk lore; Native life and customs |
| Service | National Parks; Wild life, Flora and Fauna, Beach resorts, mountains resorts. |
| Entertainment | Participation and viewing sports, Amusement and recreational parks, zoos, and Ocean Arians, cinemas and theatres Nightlife, cuisine. |
| Other attractions | Climate; Health resorts or spas; unique attractions not available elsewhere. |

Sources: Dhital, 2009.

Ecological Resources

Despite of being a small country, Nepal has amazing variation regarding to its natural, ecological and cultural phenomena. It contains from the lowland of Terai by 65m above the sea level to the highest peak of Mt. Everest by 8848 m. within 150 km aerial distance.

Nepal is one of the god gifted country that contains wonderful and highest mountains to different endanger animals and shrubs. Some of the highest mountains in the world with their height, range, area and country name are listed below from the highest to the lowest one;

Table 6.2: Ecological sources

| Name of mountains | Height (Meters.) | Range | Area | Country |
|-------------------|------------------|-----------------|------------------|----------|
| Everest | 8848 | Mahalangur | Sagarmatha Zone | Nepal |
| Karakoram (k2) | 8760 | Karakoram | Baltoro Mustagha | Pakistan |
| Kanchanjanga | 8568 | Kumbhakarna | Mechi Zone | Nepal |
| Lhotse | 8516 | Mahalangur | Sagarmatha Zone | Nepal |
| Makalu | 84 63 | Mahalangur | Koshi Zone | Nepal |
| Cho-Oyu | 8201 | Mahalangur | Sagarmatha Zone | Nepal |
| Dhaulagiri | 8167 | Annapurna | Dhaulagiri zone | Nepal |
| Manaslu | 8163 | Annapurna | Gandaki Zone | Nepal |
| Nanga Parbat | 8125 | Punjab Himalaya | Himanchal Kasmir | India |
| Annapurna | 8091 | Annapurna | Gandaki Zone | Nepal |
| Gasher Rum I | 8068 | Kara koram | Baltora Mustagha | Pakistan |
| Broad peak | 8047 | Kara koram | Baltora Mustagha | Pakistan |
| Gasher Rum II | 8035 | Kara koram | Baltora Mustagha | Pakistan |
| Shisha Pangma | 8013 | | | China |

Source: The World Almanac, 1998 and Department of Tourism.

Out of 6.2 highest snow-capped mountains in the world, 8 mountains lies in Nepal which is more than half. Similarly, out of 31 highest Himalayan peaks over

7600m in the world, 22 of them lie in Nepal. Therefore, Nepal is also known as the country of Mt. Everest, Machhapuchhere, Ama Dablam, Langtang, Lhotse and many more other mountains and the reason of world's attention to Nepal is natural resources and the Heights of Mountains. All of these peaks offer ample opportunities for the trekkers and mountaineers to trek and observe closely. Existing snow capped high Himalayas are the natural tourist resources that are generally preferred by high spending visitors and nature lover tourists (Singh et al., 1991). Along with high Himalayas, the mountains, hills and plains, as well as Terai which run from east to west also, present unique topography and enchanting views that lure tourists to Nepal (Gurung, 2007, Dhital, 2011).

The life style of the people, customs, traditions, cultures and language of Nepal are also diverse from place to place and community to community. It is believed that Rai, Limbu, and Tharus are some of the indigenous people who have been living in Nepal since the Aryans migrated from south and Mongols from the north to Nepal for their settlement. Despite having people with various custom and culture, it is always remained harmonious and peaceful with co-existence of different ethnic groups that develops most superficial and rich cultural diversity which is major attraction for tourism.

Water Resources

Nepal is one of the second richest countries in the world. There are major three rivers in different parts of Nepal and they are Karnali River in the west, Sapta Gandaki River in the central and the Sapta Koshi River in the east. Besides river, there are other many lakes, ponds, snows and glaciers are scattered in all over the country. Rara Tal in Mugu, Se-phoksundo and other numerous natural and manmade

ponds are located in different parts of Nepal. And all are preserved well secured for recreation purpose for the tourists (Dhital, 2009).

Water sports like boating, river rafting kayaking surfing, swimming, fishing and skiing, cannoning etc are some of the major attractions of tourists. Majority of the rivers in a country are very useful for rafting, kayaking and cannoning opportunities to all of the interested tourists (Nepal Lonely Planet, 1996). Hence, river rafting and journey to the water resources with different tourist activities such as rubber boating, fishing; skiing are very popular in Nepal (Shrestha, 1999).

The Major Attractions of Rafting

Rafting is one of the famous attractions for the tourist in Nepal as there are so many rivers and different kind of opportunities. There are various and so many positive advantages and reasons for rafting to be popular tourism sector, among them some are listed below;

- Rafting offers an attractive alternative to trekking.
- It offers a glance of the country from different viewpoints.
- Rafting leaves no footprints, has minimal ecological effects and causes little disruption to the social patterns of local life.
- It is one of the best ways to view wild life.
- Nepali rivers are warm in mild hot weather.
- One can get the experience of impressive geography of mountains.
- Rafting includes not only water; it also includes temples, peoples, culture, festivals, and medieval villages. Anybody can join the trips they do not need previous experience, training etc.

- Nepal is believed to be the paradise for the rafters with unique geographical setting.
- No other country has such choice of multi-day trips like in Nepal
- Nothing bites in Nepali river rafting. (Gurung, 2007)

The Best among the Best Rivers of Nepal

Some of the large rivers in Nepal are categorized into different groups on the basis of various purposes, which are mentioned as follows;

- Best combined trekking and rafting trips- Tamur, Marsyandi.
- Best budget trips- Trisuli, Kali, Sunkosi.
- Best family trips- Upper Sunkosi, Seti, Trisuli.
- Best long, white water trips-“world classic” -Karnali, Tamur, Sunkosi.
- Best rivers for wildlife and fishing- Baabai, Bheri, Karnali, Mahakali.
- Best 3-6 day white water trips- Marsyandi, Kali, Tamur.
- Best 1-3 day white water trips- Trisuli, Bhote Kosi.
- Best 4-5 days easy water trips- Bheri.
- Best 1-3 day easy water trips- Upper Sunkosi, Seti, Baabai, Trisuli.
- Best short white water- Bhote Kosi. “(Anand, Ghimire 2004, 165-66).

Flora and Fauna

Due to the altitudinal and climate variance, extreme bio- diversity is noticed in Nepal. Having geographic, climatic and vegetation diversity, Nepalese forest has become the home of many species of birds and mammals. Forest is not only economically important but it has great significance for conserving valuable flora and fauna preserving environments well as it is most significant for tourism industry

providing opportunities of sightseeing, hunting, jungle safari, bird watching and other several natural pleasure and entertainment etc. (Dhungel, 1981).

Wild Species

Nepal is one of the richest among many countries on the basis of wild species. To talk about this, Nepal has 170 species of mammals and among them, 30 species are large mammals. There are 859 species of birds, 180 species of fishes, 56 species of reptiles (40 snakes and 16 lizards) and 34 species of amphibians. Similarly, 600 species of butterflies are available in Nepal. The Danphey bird (*Inpeyanus Lopophorous*) is regarded as the national bird, *Laliguras* (rhododendron) the national flower and the cow is the sacred national animal of the country. It has been considered as a country of paradise for naturalists, zoologists, botanists, environmentalists and conservationists of the world (Upadhyay, 2003, Dhital, 2009).

Various animals are found in different places of Nepal. Tigers, leopards, bears, deer one-horned rhinoceros, elephants, buffaloes can be found in the forest of Terai area. Whereas snow leopards, musk-deer, wild yak, blue sheep, red pandas, Himalayan black bears, jackals, mouse bear, Langurs and other many notable mammals can be found in higher area of Nepal.

There are few hazardous incidents due to the wild animals in Nepal. However, it can be a good point of attraction for the tourists. Tourists, who are attracted to these animals and birds, visit Nepal for various sport purposes, and also for researches on them. As a result, it contributes in the increment of national economy directly and indirectly.

Government of Nepal has launched different conservation programs to preserve the wildlife and forests. There are 8 national parks, 4 wildlife reserves, 2

conservation sanctuaries and 1 hunting reserve. All of them are listed below with name, coverage area, established year and location in order to promote new kind of tourism activities.

Table 6.3: National parks, conservation and wildlife reserve, area and location

| Name | Area sq. km. | Established | Location |
|---------------------------------------|-------------------------|--------------------|-------------------|
| Royal Chitwan National Park | 932 | 1973 | Inner Terai |
| Royal Bardia National Park | 968 | 1988 | Eastern Terai |
| Sagarmatha National Park | 1148 | 1976 | Eastern Himalayas |
| Langtang National Park (LNP) | 1710 | 1976 | Central Himalayas |
| Rara National Park | 106 | 1976 | Western Himalayas |
| Shey- Phoksundo National Park | 3555 | 1984 | Western Himalayas |
| Khaptad National Park | 225 | 1984 | Far western Hill |
| Makalu-Barun National Park | 1500 | 1991 | Eastern Himalayas |
| Royal Shukla Phanta Wildlife reserve | 305 | 1976 | Far western Terai |
| Koshi Tappu wildlife reserve | 175 | 1976 | Eastern Terai |
| Parsa wildlife Reserve | 499 | 1984 | Central Hill |
| Shiva Puri Watershed Wildlife Reserve | 145 | 1984 | Central Hill |
| Dhor Patan Hunting Reserve | 1325 | 1987 | Western Himalayas |
| Annapurna Conservation Area (ACA) | 7629 | 1992 | Eastern Himalayas |
| Makalu Barun Conservation Area | 830 | 1991 | Eastern Himalayas |

Source: Department of national parks and wildlife conservation 1996 HMG/N.

Table 6.3 shows, Sagarmatha National Park, Royal Chitwan National Park and Annapurna conservation area, Langtang National Park, Shey Phoksundo National Park are more popular for the visitors.

Royal Chitwan National Park was designated as a Natural World Heritage Site by UNESCO in 1984, in which 56 species of mammals including the one-horned rhinoceros, Bengal tigers, leopards, sloth bears, wild elephants, striped hyena,

Gangetic dolphin and wild bison are protected. It is estimated of having 470 species of mammals, over 500 species of birds, 126 species of fish, 150 species of butterflies and 47 species of reptiles in the park. A recent study shows that over one third of Nepal's tigers are in Chitwan" (The Ultimate Adventure Destination, NTB, 2001, PP.27-38). Likewise, Royal Bardia National Park, Royal Sukla Phanta Wildlife Reserve and Parsa Wildlife Reserve are also considered as the most important sanctuaries of the country. All of these are major contributing factors that facilitate in promoting tourism. Therefore, some more such areas can be discovered in Nepal that may further help in the economic contribution through tourism.

Other Natural Facts

There are other very interesting and remarkable facts about Nepal. Altitudes of Nepal range from 65 m to 8848 m with 150 km of a horizontal distance, which is the greatest altitudinal variation on this planet and it is the steepest country. Similarly, "One third of the totals of Himalayas are in Nepal. This is the region of the tallest mountains, eight mountains are in Nepal among the top ten mountains, more than 1300 Peak higher than 6000m, and About 200 peaks of over 6000 meters lies in Everest Region only (Gurung, 1978 & HMG/Nepal, 1985).

The lake Tilicho is situated at 5099 m. north from the Annapurna Himal which is the Lake at the highest elevation in this world. The world's deepest gorge Kali Gandaki lies Between Dhaulagiri and Annapurna. Another most interesting fact is the total area would be equal to the US if all the surface areas of Nepal were made flat and filled in an open space. The biggest flying bird Sarus crane in the world is available in the Garden of Lumbini.

The smallest bird Rufous Piculet Woodpecker found in Makalu Barun that is only 10 cm from pick to tail and eleven of the 14 families of butterflies are found in Nepal. We have some butterflies probably the biggest in the world with their length from wing to wing about 1 ft. (30 cm). We have the highest number of birds in the world, which is equal to the whole continent of Nepal. America and Canada together possesses more than 848 species which is 8 percent of the world's bird's population. However, the notable thing is that Nepal's wild bees are the biggest of this world (Dhital 2009).

Nepal holds less than 0.1 percent of the total area but has 10 percent flora and fauna of this world. "It has more than 6000 native flowering plants, 1666 types of fungi, 687 algae, 740 mosses and 450 ferns, 5052 species of insects, 185 species of fishes, 43 species of amphibians, 100 types of reptiles, 32 species of rhododendrons out of 35 species of the world, 4 percent of mammals on earth and 319 species of exotic orchids" (Ghimire, 2004, p. 134). *Yarsagumba*¹⁷ is another important and rare species found in Nepal which has both medicinal as well as botanical importance. And, more species of such type are still to be discovered.

Interesting natural facts mentioned above play a vital role to attract massive number of tourists facilitating them with various tourism potentialities. Exploration, study and research activities are opened for all of the interested visitors in this unique, interesting and enchanting destination as like Nepal.

¹⁷ It's found in the Himalayan region of Nepal. The half of the portion of the body part of it is believed to constitute plant and rest of which is animal. It is used for medicinal purpose.

Other Products and Attractions

The historical monuments, art and architecture, religious shrines and social cultural products of the country which comprises all of the manmade attractions. They are known as unnatural attractions of tourism products. Some of the manmade attractions are briefly discussed below;

Historical Monuments

Art and Cultures

UNESCO has declared ten world heritage sites in Nepal. Eight of them are concerned with historical and religious monuments whereas rests of other two are national parks. Manmade resources attract tourists and promote for more potentialities of tourism in the nation. There are ancient palaces in Kathmandu Valley including Lalitpur and Bhaktapur such as Kathmandu Durbar Square, Patan Durbar Square and Bhaktapur Durbar Square. They all have monumental importance historically. Furthermore, there are religious monuments like Swayambhu Nath Stupa, Baudha Nath, Pasupati Nath, Changu Narayan and Lumbini. Having all these manmade resources, increases the sense of beauty of Nepal and Kathmandu valley is known as “Living Cultural Museum and “the City of Temples” which has enormous arts, architectures and sculptures. World Heritage sites of Nepal that UNESCO declarations are listed below.

Table 6.4: World heritage sites declared by, United Nations Educational, scientific and cultural organization (UNESCO)

| Name of the Sites | Location | Year of Declaration |
|-----------------------------|------------|---------------------|
| Kathmandu Darbar Square | Kathmandu | 1979 |
| Patan Darbar Square | Lalitpur | 1979 |
| Bhaktapur Darbar Square | Bhaktapur | 1979 |
| Swayambhu Nath Stupa | Kathmandu | 1979 |
| Baudha Nath Stupa | Kathmandu | 1979 |
| Pasupati Nath Temple | Kathmandu | 1979 |
| Changu Narayan Temple | Bhaktapur | 1979 |
| Royal Chitwan National Park | Chitwan | 1984 |
| Sagarmatha National Park | Sagarmatha | 1979 |
| Lumbini | Lumbini | 1997 |

Source: Department of tourism, HMG/N. 2011

Above table 6.4 mentioned historical heritage sites represents the Nepalese arts, architectures, sculptures of ancient and mediaeval era of the Mallas. All of them present the civilization level, traditions, customs, lifestyles and culture of that period. From Kirat period wooden bronze and stone sculptures had been started to be developed but it was flourished during the Malla period.

Nepal has a long history of painting. The religious paintings worshipped as icons, known as Paubha in Newari and 'Thangka' in Tibetan, have attracted most of the tourists here. Similarly the 'Mithila Art' is decorated by the woman of Terai in their houses is also becoming popular paintings of Nepal and is adored for its originality by most of the foreign visitors" (Shrestha, 1999, P.141). Similarly, the stone sculptures made during Malla period are found in many temples and palaces of Malla kings and are of immense attractions to the foreign visitors, wood carvings are

other attractions of Nepal. Fifty-Five Windowed Palace of Bhaktapur is an excellent example of wood carvings of Nepal. The wood carvings found in the ancient palaces are still one of the major attractions for new visitors.

All of these arts, sculptures and architectures are more valuable wealth of the nation because most of the tourists visit Nepal only to see such historical and religious monuments which is one of the major factors to promote tourism potentialities in the country. There are more religious temples and places such as *Pathibhara* and *Bhimeswar Mahadev* etc. which are believed to predict the future scenario here in Nepal. Such places are very prospective from the tourism perspective.

Art and Architecture

All arts and architectures attract tourists and play significant role to promote tourism in Nepal. The Malla period is considered as the golden era for the development of arts and architectures.

Kathmandu Patan and Bhaktapur are three cities of Kathmandu valley which are rich with its arts and architectures. These cities are considered as an open-air museum of arts and architectures. Not only in Kathmandu valley of temples sprinkled all over the country but-roofed traditional Pagoda style can be seen in most popular temple in Nepal. The multi-roofed pagoda styled temples, monuments and palaces are also found in these three cities.

Temples of pagoda styles are scattered all over the country such as, in Varahi Temple Pokhara, Tripura Sundari Temple Baitadi, and Chandannath Temple Jumla etc. Pagoda style was the wonderful architecture of Nepal, which was spread out later to other Asian countries as like China, Japan etc. Similarly, Shikhara Style is also another architecture adapted in Nepal from Malla period. A lot of Stupa style of

architectural design is also popular in Nepal which is known as Chaitya. This style of temples emanated from Buddhist religion concept such as the Swoyambhu Nath, the Baudhanath and the Namobuddha are the living examples of this style. These pagoda, stupas and shikhara styled ancient constructions are the recognition of Nepal and they have attracted numerous tourists in the country.

Socio- cultural Facts

Nepal is rich and fascinating in the sense of cultural heritages, religion, customs, festivals, languages, lifestyles of the people and cultural values. These socio-cultural aspects attract most of the tourists to Nepal. Therefore, some of the major socio-cultural values are observed as follow;

Festivals

According to Choegyal, (1994) Nepal is known for its continuous festivals that are observed throughout the whole year. It is believed that Nepalese are said to observe more festivals than there are days in a year. “Most of the Nepalese festivals are related to religion as well as social values and various people celebrate two or more than two religions in a combined form in common.

The Nepalese New Year’s Day, Bisket Jatra in Bhhaktapur, Machhindranath Jatra (held in May- April) are some biggest socio-cultural festival of Nepal. ‘Bhoto Dekhaune’, Seto Machhendranath Jatra held in Kathmandu city and Gai Jatra (held in July- august) are the grand festivals.

In Nepal, Dashain is the most important festival for the entire Nepalese people which are celebrated as the religious thought especially in Hindu society. Similarly, Tihar or Deepawali (held in October – November), is the festival of lights is celebrated for five days preparing special sweet dishes. Likewise, Krishna Astami (the

birth anniversary of Lord Krishna in July-August), Teej (in august- September), Maghe Sakranti (mid-January), Shree Panchami (in February), Shiva Ratri (in February), Ghode Jatra (in March- April), Lhosar (in February- March) and Vivaha Panchami are the major festivals celebrated by Nepalese.

Furthermore, there are different festival and fairs observed in different parts by different ethnic groups of Nepal on locality basis. Different ethnic groups celebrate different types of festivals. Some festivals are to honor gods and goddesses, control evil spirits and some others are to mark seasonal change (Riley, 191988). Christians and Muslims of the country also celebrate Christmas and Ramjan respectively. Most of the Nepalese festivals are related with religious beliefs as well as socio-cultural values. So, it is said that Nepal is the land of number of festivals which attract the visitors from all over the world who are interested in festivals, culture, religion and other social aspects.

Most of the festivals celebrated in Nepal are religious. However, they can be generally divided into four sections keeping in mind the main aspects of the festival emphasized.

Language

Many tourists are interested to know unique & different things about the visited places to feel new environment, to interact with different people, to see different sites or in one word, they like diversity in the destination like Nepal. There are more than one hundred ethnic groups and more than 90 different spoken languages and many more dialects in Nepal. Major top ten Ethnic Groups in Nepal are listed below with their ethnic groups and number along two different years.

Table 6.5: Major ten ethnic groups

| Caste/Ethnic Group | 2058 | 2068 |
|---------------------------|-------------|-------------|
| Chhetri | 3593496 | 4398179 |
| Bramin-Hill | 2896477 | 3226903 |
| Magar | 1622421 | 1887733 |
| Tharu | 1533879 | 1737470 |
| Tamang | 1282304 | 1539830 |
| Newar | 1245232 | 1321933 |
| Kami | 895954 | 1258554 |
| Muslim | 971056 | 1164255 |
| Yadav | 895423 | 1054458 |
| Rai | 635151 | 620004 |

Source: CBS, Statistical Year Book, 2013

In Nepal people are also extremely diverse by variety of ethnic groups and their culture, customs, spoken languages, dress, manners and life styles etc. they live in different regions, wear different dresses and ornaments and follow their own customs cultures food, shelter and lifestyle in different way one from other. Especially, Nepalese people are mixed of Indo -Aryan from India and Tibeto- Burman Mongoloids. In Nepal, all the people whatever their race or tribal they stocks peacefully and the characteristic of co-exist provide a unique Nepali culture (Satyal, 1988). Therefore, it is really very surprising to see such a large numbers of ethnic groups in this small country living for one another.

Nepali is the national and official language that is understood and spoken throughout the whole country. After the rise of democracy in Nepal in 1990, the people of other ethnicity / groups have been found to be more conscious towards their mother tongue.

Places of Religious Significance

Religion is one of the major factors of attraction of tourism in Nepal. The people with different religions and beliefs are living together in tolerance and great harmony in Nepal. Nepal has many remarkable religious places, which reflect the long history of Nepali art and architecture. We have described some of the famous religious places of Nepal which are very popular and motivating part of the tourism sectors (Ghimire 2004; Upadhyay 1997; Shrestha 1999; Shrestha 1998; Dhital 2007 & Khadka 2093).

The Balmiki Ashram, Varahakshetra, Devghat, Dhanushadham, Muktinath Temple, Pashupatinath temple, Manakamana, Simraungadah etc. are the major religious places of Nepal that can be important for the religious tourism.

Famous Tourist Spots

Kathmandu Valley

The Kathmandu valley, the political, commercial cultural hub of Nepal is famed for its natural beauty and historic, holistic place. At first Kathmandu valley contains three fabled cities, Kathmandu, Patan & Bhaktapur but later on they separated. Each cities has an artistic exposition of graceful temples, elegant palaces, brick paved courtyards and quaint streets. As a whole, the valley is surrounded by tier upon tier of green mountain walls above which tower mighty snow-capped peaks.

The valley is rich in places of pilgrimage for both Hindus and Buddhists. Both of their deities well side by side by both tantric symbolism and ancient animistic beliefs. Kathmandu Durbar Square, Swoyambhunath Stupa, "Monkey Temple." (Dahal, & Acharya, et.al. 1999). Pashupatinath Temple, Bouddhanath Stupa, Patan Durbar Square, Bhaktapur Durbar Square, Changu Narayan Temple

Kirtipur Municipality, Chobhar, Dakshinkali, Nagarkot, Gorkha, Daman, Pokhara, Lumbini, Tansen, Kakani (Dhital, 2009), Dhulikhel, Namo Buddha, Planchowk Bhagwati, Panauti, Janakpur and Barahachetra are the famous spots of Nepal with regard to tourism (Anand, 1985 & Banaskota, 1995).

Other Potentialities of Tourism in Nepal

Nepal is very rich in natural resources. There are enormous beautiful enchanting destinations situated in different parts of hilly areas of Nepal. Within and around 650 sq. of Kathmandu valley, lies Panauti, Godavari, Sankhu and Bajrayogini, Budhanilkantha, Dakshinkali, Kirtipur, Khokana, Nagarkot, Dhulikhel, Kakani, Phulchoki, Namoboudha etc. Similarly, Daman, Palanchok, Bhagawati, Gorkha city, Manakamana Temple, Bandipur Bazaar, Nuwakot, Charikot and Dolakha, Dhankuta and Hile, Illam and Antu Danda which are situated in different geographical parts of Nepal.

In addition to these, Janakpur Dham, Lumbini, the birth place of Lord Buddha, Barahachhetra, Devi Ghat, Tribeni, Tilaurakot etc. Besides these various national parks, wildlife reserves, conservation areas and hunting reserves are also scattered all over the country as major destination of tourism.

Besides, folk culture also attracts the tourists which comprise the socio-cultural practices, folk music, dances, songs and musical instruments. Each folk songs and dances are the natural expression of local people which attracts the visitors for their originality. Different ethnic groups have different folk cultures on their own. The folk songs such as; Jhyaure, Lok- Dohori, Rateuli, Ghantu, Kauda, Sorathi, Sakhila, Paiya, Jhumar and Santhal, etc. folk cultures are throughly enjoyed by many foreign

visitors. Nepal is rich in terms of folk culture which assists to promote tourism potentialities in the country (Anand & Bajracharya, 1985).

Furthermore, Nepal has adequate tourism resources and potentialities as like its geographical diversity and peculiarities, cultural heritages, historical monuments, arts and architectures, diversity of ethnic groups and languages, customs, traditions, religions, festivals etc. It has huge resource potential for tourism. Nepal has great prospect for tourism development but the country is not still able to fully utilize those resources properly for the tourism development.

Culture, Lifestyle, Religions, Arts, Architecture and the languages including other factors are crucial for the promotion of tourism in this country.

Adventurous Aspects on Nepalese Tourism

Para Gliding

Due to the portable nature and easy launch characteristics of a paraglide, it can be taken anywhere in the country. November and December are the best months for the paragliding season in Nepal. Para gliding is the simple engine of free aircraft which fits easily into a rucksack with weights around 12 kg. Sunrise Paragliding office is located in Pokhara which offers an introductory course for 3 days for the beginners before going Paragliding journey. It is a simple method to fly in the sky from most of the mountains of the country. It can be extended in other destinations too studying their feasibility that can be one of the tools for increasing the number of tourists.

Hot Air Ballooning

It is an expedition to fly over the forest, which moved with hot air ballooning. It was opened as an institution of balloon sunrise Nepal in 1995. Its flight time and

route has to be approved by civil aviation and every flight should maintain close communication. For this expedition, the day should be clear with good weather conditions. Also, its skillful pilot has to know and follow the movement as of other aircrafts to conduct the successful flight.

Bungee Jumping

Tourists who are adventure lovers enjoy the best from this adventurous sport. 'The Last Resort' is offering services for the adventure lover tourists in Nepal which was introduced just a decade ago. This resort is located around 10 km inside the Nepal- Tibet boarder on the Arniko highway. Bhote Kosi River, a suspension bridge is built above 160m above the river basis. Without any training and experience every jumpers can enjoy by bungee jumping adventure. The whole operation of jumping, bouncing and pulling up takes only five minutes in the supervision of experienced Bungee Master. This exciting sport may draw the attention of many tourists abroad longing to do it.

Ultra- Light Aircraft

In Ultra-Light Aircraft flight, the aircrafts can take off and land in a field or therefore, it is very comfortable and safe journey of scenic view for the tourists apart from a dirt road. Using these aircrafts, visitors enjoy with scenic view of valley, mountainous landscapes and lakes. This light aircraft service is centralized and conducted in Pokhara only because of its proximity of beautiful mountains, landscape and scenic lakes which attracts the visitors. The service provider operates the flight from Pokhara airport. The good season for this adventure is recommended from September to June. Only two ultra-light aircrafts has been providing services which were designed and manufactured in Russia the aircraft is light and small with the

capacity of two passengers and a pilot only. The government of Nepal should pay more attention to extend such services in other destinations of the country to attract additional more tourists.

Jungle Safari and Hunting

Jungle safaris on elephant back or jeep rides are offered by service providers to the visitors. Various types of hotels, resorts and lodges are located in safari areas to facilitate and to provide accommodation services for the visitors inside the jungle

Jungle safari is an important and attractive side of tourism. It can be conducted in various national parks and reserve such as Royal Chitwan national park which is declared one of the world heritages. Similarly, Parsa Wildlife Reserve, Royal Bardiya National park, Royal Suklaphanta Wildlife Reserve and Koshi Tappu Wildlife Reserves are the most popular for the purpose of safari activities in Nepal. These reserves and parks should be more preserved and improved naturally. Similarly most of tourists enjoy with the diversity of flora and fauna wildlife, scenic natural beauty and the land scope by the journey of jungle safaris.

Likewise, there is only one hunting reserve in Nepal named Dhorpatan Hunting Reserve with 1325 sq. km. covered area where Himalayan Thar and blue sheep are mostly allowed for hunting game. Hunting is allowed in certain time of the year and controlled providing license to the service providers. There are only few license holding agencies to conduct hunting activities in the country. This sport helps to generate national revenue at the cost of the life rare and endangered animals. It plays vital role to promote tourism potentialities in the country.

Cable Car

This service is operated from Kurintar of Chitawan to popular temple of Manakamana which is located in Gorkha. The temple is located at the hilltop with 1302 m in height. One can enjoy the spectacular view of various peaks of mountains as like, Annapurna, Himalchuli and Manaslu, and other scenic beauties of Trisuli and Marsyandi River and the view of hills in the opposite to the temple. There are more such places where the facility of cable car can be provided with, which can contribute to enhance tourism activities thereby attracting both internal as well as international tourists.

Major Challenges of Tourism Sectors

The economic development of Nepal has lots of problems and challenges regarding the tourism which are urgently needed to sort out. As the entire tourists want more facilities, tourism service provider must focus in the maximization of the facilities and happiness of tourists.

At present local telephone, Trunk, Telex, Telegram, leased circuit, Buro-Fax, wireless; internet services are the main facilities available in Nepal. Especially, tourists visiting Nepal use all of these communication facilities in urban area and most of the rural and remote area is deprived of communication system at desired level. Therefore, to promote tourism potentialities, the planners of Nepal should pay their more attention to supply more communication facilities in tourism destinations.

Nepal like other developing countries is not free from difficulties and challenges to attract more tourists globally every year. Despite there is a continuous arrival of tourists in Nepal every year, it could not develop the tourism sector perfectly. Government as well as non-government sectors have been trying to

overcome of various problems and challenges since early period of time. But, a complete solution of these problems is still under pitiable condition. Researcher has focused on some of those challenges, which are effecting in the tourism sector most in a Nation level such as tour arrangement (e.g., direct or indirect visit to Nepal), facilities to the tourists at airport, transport used for travel, lack of reasonable immigration charge, lack of reasonable accommodation charge, curies on re-visiting Nepal, security -threat in travel, knowledge about strikes in tour. Considering that there are no challenges in hypothesis in any of above factors, statistical analyses are done for every above factor and the results are as follows.

Table 49 shows responses obtained from tourists of 13 different countries. Response of a tourist of each country may be 'Yes' or 'No'. Now it is hypothesized that there is no challenge for immigration charge. In other words, average response for a response is more than that for a response. An inferential statistical analysis, a paired t-test is performed. The results are:

The value of the test statistic t is 7.023 with degrees of freedom of 12 from Table 51. It has p -value less than 1 percent level of significance. Thus, it is concluded that there is a significant difference between average response for Yes and for the response no. Sample average value for response “Yes” is 16.62 and for the response “No” is 2.62 shown in the given Table 50. It indicates that there is no significant challenge from the immigration charge. Moreover, a tourist is experiencing a reasonable immigration charge on average in Nepal. Therefore, the immigration charge in Nepal is found to have no challenge for tourists and so that is reasonable and illustrated below;

Table 6.6: Paired samples statistics

| | | Mean | N | SD | Std. Error Mean |
|--------|---------------------------------------|-------|----|-------|-----------------|
| Pair 1 | Immigration charge is reasonable? Yes | 16.62 | 13 | 7.042 | 1.953 |
| | Immigration charge is reasonable? No | 2.62 | 13 | 2.534 | .703 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.7: Paired samples test

| | | Paired Differences | | | | | t | df | Sig. (2-tailed) |
|--------|---|--------------------|-------|-----------------|---|--------|-------|----|-----------------|
| | | Mean | SD | Std. Error Mean | 95% Confidence Interval of the Difference | | | | |
| | | | | | Lower | Upper | | | |
| Pair 1 | Immigration charge is reasonable? Yes Immigration charge is reasonable? No | 14.000 | 7.188 | 1.994 | 9.656 | 18.344 | 7.023 | 12 | .000 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.8 shows whether the accommodation charge is reasonable or not.

Responses from tourists of 13 different countries were required to give either positive to negative answers. Now it is hypothesized that there is no challenge for accommodation charge. In other words, average response for a response 'Yes' is more than that for a response 'No'. An inferential statistical analysis, a paired t-test is performed and the results are:

The value of the test statistic is 5.929 with degrees of freedom is 12 (table 6.9). It has p-value less than 1 percent level of significance. Thus, it is concluded that there is a significant difference between average response for Yes and that the response for No. Sample average value of response for Yes is 15.46 and response for No is 3.77 (table 6.8). So, it is clear that the average of response for 'Yes' is more than the response for 'No'. It clarifies that there is no significant challenge regarding to the

accommodation charge. Moreover, a tourist is experiencing a reasonable accommodation charge on an average in Nepal. The clarification in the table is given to proof that the accommodation charge is reasonable in Nepal;

Table 6.8: Paired samples statistics

| | | Mean | N | Std. Deviation | Std. Error Mean |
|--------|---|-------|----|----------------|-----------------|
| Pair 1 | Accommodation charge is reasonable? Yes | 15.46 | 13 | 6.654 | 1.845 |
| | Accommodation charge is reasonable? No | 3.77 | 13 | 3.345 | .928 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.9: Paired samples test

| | | Paired Differences | | | | | t | df | Sig. (2-tailed) |
|--------|--|--------------------|-------|-----------------------|---|--------|-------|----|--------------------|
| | | Mean | SD | Std. Error Mean | 95% Confidence Interval of the Difference | | | | |
| | | | | | Lower | Upper | | | |
| Pair 1 | Accommodation charge is reasonable? Yes - Accommodation charge is reasonable? No | 11.692 | 7.111 | 1.972 | 7.395 | 15.989 | 5.929 | 12 | .000 |

Source: Calculation by researcher based on the Field Survey, 2013.

Similarly, the table 6.10 shows, there is any security threat in Nepal or not. In the same way questions were asked to tourists of 13 different countries. And response from a tourist of each country had a option of 'Yes' or 'No'. Now it is hypothesized that there is no challenge from security threat in Nepal. In other words, average response for a response 'No' is more than that the responses of 'Yes'. For an inferential statistical analysis, a paired t-test was performed. And the results are:

The value of the test statistic t is -7.724 with degrees of freedom of 12. It has p-value less than 1 percent level of significance. Thus, it is concluded that there is a significant difference between average response for Yes and response for No. Sample

average value for response 'Yes' is 1.0 and for response No is 18.23. So, it is clear that the average response for 'Yes' is less than the response for 'No'. It indicates that there is no significant challenge regarding to the security threat in Nepal. Moreover, a tourist is experiencing safe on average in Nepal. Therefore, the security threat in Nepal is found to have no challenge for tourists. The statistical data of security threat in Nepal is mentioned in the table below;

Table 6.10: Paired samples statistics

| | | Mean | N | Std. Deviation | Std. Error Mean |
|--------|-----------------------------------|-------|----|----------------|-----------------|
| Pair 1 | Any security threat in Nepal. Yes | 1.00 | 13 | 1.000 | .277 |
| | Any security threat in Nepal. No | 18.23 | 13 | 7.844 | 2.175 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.11: Paired samples test

| | | Paired Differences | | | | | t | df | Sig. (2-tailed) |
|--------|--|--------------------|-------|-----------------------|---|---------|--------|----|--------------------|
| | | Mean | SD | Std. Error Mean | 95% Confidence Interval of the Difference | | | | |
| | | | | | Lower | Upper | | | |
| Pair 1 | Any security threat in Nepal. Yes - Any security threat in Nepal. No | -17.231 | 8.043 | 2.231 | -22.091 | -12.370 | -7.724 | 12 | .000 |

Source: Calculation by researcher based on the Field Survey, 2013.

Likewise, the fourth question was how the strike is effecting in tour in Nepal. Responses were obtained from tourists of 13 different countries. Responses from tourists of each country were measured in 'Yes' or 'No'. Now it is hypothesized that there is no challenge from strike to visit in Nepal or we can say that average response for 'No' is comparatively more than for the responses 'Yes'. An inferential statistical analysis was done preparing a paired t-test. The results are:

Table 6.13 shows of the test statistics is -7.310 with degrees of freedom of 12. It has p-value less than 1 percent level of significance. Thus, it is concluded that there is a significant difference between average response for 'Yes' and that for response 'No'. Sample average value for response for 'Yes' is 2.69 and that for response of 'No' is 16.54. So, it is clear that the average for responses 'Yes' is less than the response for 'No'. It indicates that there is no significant problems occur from the strike in the tour of Nepal. Moreover, a tourist is experiencing no strike in their tour on an average in Nepal. Therefore, in this case strike doesn't affect the tourists' visit significantly. The knowledge about the strike in the visit to Nepal has shown in the table below;

Table 6.12: Paired samples statistics

| | | Mean | N | Std. Deviation | Std. Error Mean |
|--------|--------------------------------|-------|----|----------------|-----------------|
| Pair 1 | Know about strike in tour. Yes | 2.69 | 13 | 2.869 | .796 |
| | Know about strike in tour. No | 16.54 | 13 | 6.728 | 1.866 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.13: Paired samples test

| | | Paired Differences | | T | | | | df | Sig. (2-tailed) |
|--------|--|--------------------|-------|-----------------|---|--------|--------|----|-----------------|
| | | Mean | SD | Std. Error Mean | 95% Confidence Interval of the Difference | | | | |
| | | | | | Lower | Upper | | | |
| Pair 1 | Know about strike in tour. Yes - Know about strike in tour. No | -13.846 | 6.829 | 1.894 | -17.973 | -9.719 | -7.310 | 12 | .000 |

Source: Calculation by researcher based on the Field Survey, 2013.

The table 6.14 shows that about facilities to the tourist's arrival at the airport. Responses were obtained from tourists of 13 different countries had a opinion of

'Very good' or 'good' or 'satisfied' or 'poor' or 'very poor'. Now it is hypothesized that there is no challenge on from feeling of arrival in airport. In other words, there is a significant difference on averages of five responses. An inferential statistical analysis, a Friedman-test is performed. The results are:

The value of the test statistic Chi-square is 27.457 with degrees of freedom of 4. It has p-value less than 1 percent level of significance. Thus, it is concluded that there is a significant difference across averages for five responses. Sample average value for response of Very good is 4.46, for Good is 5.54, for Satisfied is 7.00, for Poor is 1.46 and for Very poor is 0.77. So, it is clear that the average for response, 'Satisfied' is the highest across all five responses on the average'. It indicates that there is no significant challenge of an unpleasant feeling regarding to the facilities to the tourists in airport. Therefore, the feeling of arrival in airport in Nepal is found to have no challenge for tourists in Nepal. The statistical data are given below

Table 6.14: Descriptive statistics

| | N | Mean | SD | Minimum | Maximum |
|--|----|------|-------|---------|---------|
| Feeling of arrival in airport. Very good | 13 | 4.46 | 3.886 | 0 | 10 |
| Feeling of arrival in airport. Good | 13 | 5.54 | 3.733 | 0 | 12 |
| Feeling of arrival in airport. Satisfied | 13 | 7.00 | 4.203 | 1 | 13 |
| Feeling of arrival in airport. Poor | 13 | 1.46 | 1.664 | 0 | 5 |
| Feeling of arrival in airport. Very poor | 13 | .77 | 1.013 | 0 | 3 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table6.15: Ranks

| | Mean Rank |
|--|-----------|
| Feeling of arrival in airport. Very good | 3.27 |
| Feeling of arrival in airport. Good | 3.38 |
| Feeling of arrival in airport. Satisfied | 4.50 |
| Feeling of arrival in airport. Poor | 2.19 |
| Feeling of arrival in airport. Very poor | 1.65 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.16: Test statistics^a

| | |
|------------------|--------|
| N | 13 |
| Chi-Square | 27.457 |
| Df | 4 |
| Asymp. Sig. | .000 |
| a. Friedman Test | |

Source: Calculation by researcher based on the Field Survey, 2013.

Likewise, the sixth question was whether Nepal is a good tourist destination or not. Responses were from tourists of 13 different countries with the answer option of 'Yes' or 'No' or 'Not sure'. Now, there is a significant difference on averages of three responses. More precisely, an average score for response 'Yes' is significantly highest among all type of responses and the hypothesis that Nepal may be a good tourist destination will be supported. The results are:

The value of the test statistic Chi-square is 20.667 with degrees of freedom of 2. It has p-value less than 1 percent level of significance. Thus, it is concluded that there is a significant difference across averages of three responses. Sample average value for response of 'Yes' is 12.77, for 'No' is 2.69, and for 'Not sure' is 3.77. So, it is clear that the average response for, 'Yes' is the highest among all three. Or, it is 99 percent confident that Nepal may be a good tourist destination. That means there is no

doubt to say Nepal as one of the best tourism destination. The data are shown in the chart below;

Table 6.17: Descriptive statistics

| | N | Mean | Std. Deviation | Minimum | Maximum |
|---|----|-------|----------------|---------|---------|
| 20. Nepal may be a good tourist destination. Yes | 13 | 12.77 | 5.644 | 3 | 20 |
| 20. Nepal may be a good tourist destination. No | 13 | 2.69 | 3.401 | 0 | 10 |
| 20. Nepal may be a good tourist destination. Not sure | 13 | 3.77 | 3.032 | 0 | 10 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.18: Ranks

| | Mean Rank |
|---|-----------|
| Nepal may be a good tourist destination. Yes | 2.92 |
| Nepal may be a good tourist destination. No | 1.23 |
| Nepal may be a good tourist destination. Not sure | 1.85 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.19: Test statistics^a

| | |
|-------------|--------|
| N | 13 |
| Chi-Square | 20.667 |
| Df | 2 |
| Asymp. Sig. | .000 |

a. Friedman Test

Source: Field survey, 2013

According to table 6.20, it is seen whether there is any security charge from tourists in Nepal. Responses from tourists of 13 different countries answered with the option 'Yes' or 'No'. Now it is hypothesized that there is no challenge from security charge for the tourists in Nepal or average response for a response 'No' is more than

that for a response 'Yes'. An inferential statistical analysis, a paired t-test is performed. The results are:

The value of the test statistic t is -3.184 with degrees of freedom of 12. It has p -value less than 1 percent level of significance. Thus, it is concluded that there is a significant difference between average response for Yes and that for response No. Sample average value for response for 'Yes' is 4.92 and that response for 'No' is 14.3. So, it is clear that the average for response 'Yes' is less than the response for 'No'. It indicates that there is no significant challenge from the security charge in Nepal. Moreover, a tourist is experiencing no security charge on average in Nepal. Therefore, the security charge in Nepal is found to have no challenge related to the tourists in Nepal.

Table 6.20: Any security charge from tourists in Nepal (paired samples statistics)

| | | Mean | N | Std. Deviation | Std. Error Mean |
|--------|---|-------|----|----------------|-----------------|
| Pair 1 | 18. Tourists need to pay any security charge. Yes | 4.92 | 13 | 5.438 | 1.508 |
| | 18. Tourists need to pay any security charge. No | 14.31 | 13 | 7.554 | 2.095 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.21: Paired samples test

| | | Paired Differences | | | | | T | df | Sig. (2-tailed) |
|--------|---|--------------------|--------|-----------------|---|--------|--------|----|-----------------|
| | | Mean | SD | Std. Error Mean | 95% Confidence Interval of the Difference | | | | |
| | | | | | Lower | Upper | | | |
| Pair 1 | 18. Tourists need to pay any security charge. Yes - 18. Tourists need to pay any security charge. No | -9.385 | 10.627 | 2.947 | -15.806 | -2.963 | -3.184 | 12 | .008 |

Source: Calculation by researcher based on the Field Survey, 2013.

In the same way, the table 6.23 shows whether there is need of tourist police in Nepal or not. Responses from various tourists of 13 different countries answered either 'Yes' or 'No'. Now it is hypothesized that there is no challenge from tourists who need not tourist police in Nepal. In other words, average response for a response 'Yes' is more than that for a response 'No' for an inferential statistical analysis; a paired t-test is performed. The results obtained are:

The value of the test statistic t is 7.389 with degrees of freedom of 12, from Table 6.22. It has p -value less than 1 percent level of significance. Thus, it is concluded that there is a significant difference between average response for 'Yes' and that for No. Sample average value for response 'Yes' is 15.08 and that for response 'No' is 4.15 from Table 65. So, it is clear that the average for response for 'Yes' is more than the response for 'No' and it clarifies that there is no significant challenge or need of tourist/foreign police in Nepal. Therefore, having the tourist police in Nepal is found to have no challenge for tourists in Nepal.

Table 6.22: There is need of tourist police in Nepal (Paired samples statistics)

| | | Mean | N | SD | Std. Error Mean |
|--------|---------------------------------------|-------|----|-------|-----------------|
| Pair 1 | 16. Tourists need tourist police. Yes | 15.08 | 13 | 5.664 | 1.571 |
| | 16. Tourists need tourist police. No | 4.15 | 13 | 3.508 | .973 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.23: Paired samples test

| | | Paired Differences | | | | | t | df | Sig. (2-tailed) |
|--------|--|--------------------|-------|-----------------|---|--------|-------|----|-----------------|
| | | Mean | SD | Std. Error Mean | 95% Confidence Interval of the Difference | | | | |
| | | | | | Lower | Upper | | | |
| Pair 1 | 16. Tourists need tourist police. Yes - 16. Tourists need tourist police. No | 10.923 | 5.330 | 1.478 | 7.702 | 14.144 | 7.389 | 12 | .000 |

Source: Calculation by researcher based on the Field Survey, 2013.

In the table 6.24, the question was that they should be Visited Nepal again or not. Responses were obtained from tourists of 13 different countries. Response of a tourist of each country were categorized into three groups 'Yes' or 'No' or 'Not sure'. Now it is hypothesized that there is no problem regarding the revisit to Nepal. Thus, we can conclude that, there is a significant difference between averages of three responses. More precisely, if an average score for response 'Yes' then it is significantly highest among all type of responses, the hypothesis that In a same way an inferential statistical analysis, a Friedman-test is performed. And the outcomes are:

The value of the test statistic Chi-square is 5.920 with degrees of freedom of 2 from Table 6.23. As it has p-value more than 5 percent level of significance, it is concluded that there is not a significant difference across averages for three responses. Sample average value for response for 'Yes' is 12.77, for 'No' is 2.69, and for 'Not sure' is 3.77, from Table 6.25. So, it is clear that the average for response, 'Yes' is not the highest across among all three on the average'. It indicates that there is challenge in revisiting Nepal. To perform Visit Nepal again is assumed to be no challenge in Nepal. But, the sample data do not support this statement. Therefore, there may be

challenge in a tourist business in Nepal if there is no repetition of the Visit Nepal in Nepal.

Table 6.24: There should be 'Visit Nepal' again (Descriptive statistics)

| | N | Mean | SD | Minimum | Maximum |
|--------------------------------------|----|------|-------|---------|---------|
| 15. Need visit Nepal again. Yes | 13 | 6.23 | 3.745 | 2 | 11 |
| 15. Need visit Nepal again. No | 13 | 8.69 | 6.210 | 0 | 21 |
| 15. Need visit Nepal again. Not sure | 13 | 4.31 | 4.070 | 0 | 13 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.25: Ranks

| | Mean Rank |
|----------------------------------|-----------|
| Need visit Nepal again. Yes | 2.23 |
| Need visit Nepal again. No | 2.31 |
| Need visit Nepal again. Not sure | 1.46 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.26: test statistics^a

| | |
|------------------|-------|
| N | 13 |
| Chi-Square | 5.920 |
| Df | 2 |
| Asymp. Sig. | .052 |
| a. Friedman Test | |

Source: Calculation by researcher based on the Field Survey, 2013.

Lastly, the question was about the service level of nation. The service levels under study were services of air, travel agency, tour guide, hotel, immigration and others. Responses are obtained from tourists of 13 different countries. Response of a tourist of each country may be 'Perfect' or 'Average' or 'Poor'. The summarized table is only prepared for the response 'Perfect'. Now it is hypothesized that there is no challenge from each of six service levels. In other words, there is a no significant difference on averages of six service levels. More precisely, if there exists a

significant difference among them, the service levels with smaller average score will be comparatively more challenge for a tourist business in Nepal. An inferential statistical analysis, a Friedman-test is performed. The results are:

Table 6.27: Descriptive statistics

| | N | Mean | SD | Minimum | Maximum |
|--|----|------|-------|---------|---------|
| Perfect Service level of Nation. Air | 13 | 3.62 | 3.429 | 0 | 11 |
| Perfect Service level of Nation. Travel Agency | 13 | 3.85 | 1.573 | 0 | 5 |
| Perfect Service level of Nation. Tour guide | 13 | 5.08 | 3.546 | 1 | 10 |
| Perfect Service level of Nation. Hotel | 13 | 3.54 | 3.550 | 0 | 10 |
| Perfect Service level of Nation. Immigration | 13 | 2.08 | 1.801 | 0 | 5 |
| Perfect Service level of Nation. Other | 13 | 1.08 | 2.139 | 0 | 7 |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.28: Ranks

| | |
|------------------|--------|
| N | 13 |
| Chi-Square | 18.839 |
| Df | 5 |
| Asymp. Sig. | .002 |
| a. Friedman Test | |

Source: Calculation by researcher based on the Field Survey, 2013.

Table 6.29: Test statistics^a

| | Mean Rank |
|--|-----------|
| Perfect Service level of Nation. Air | 3.85 |
| Perfect Service level of Nation. Travel Agency | 4.35 |
| Perfect Service level of Nation. Tour guide | 4.65 |
| Perfect Service level of Nation. Hotel | 3.27 |
| Perfect Service level of Nation. Immigration | 2.88 |
| Perfect Service level of Nation. Other | 2.00 |

Source: Calculation by researcher based on the Field Survey, 2013.

The value of the test statistic Chi-square is 18.839 with degrees of freedom of 5 from Table 6.28. It has p-value less than 1 percent level of significance. Thus, it is concluded that there is a significant difference between the averages of six service

levels. In table 6.28, sample average value for air is 3.85, for travel agency is 4.35, and for tour guide is 4.65, for hotel is 3.27, for immigration is 2.88, and for other is 2.00. So, it is clear that the tour guide has the highest average score among all. Other service has the smallest average score among all. It indicates that challenge has been minimize to some extent related to the service level, tour guide, and followed by travel agency, air, hotel, immigration and other. The service level of nation has shown in the table above.

Conclusion

There are various outstanding resources based on nature, art and architecture in Nepal that can be very good source of tourism. Similarly, there are many other interesting aspects such as social, cultural, festival, religious, language and attractive tourist spots across the country have been dealt in this chapter. These resources are considered very significant for the tourism development in Nepal throughout this section of the thesis. Various answers to the research questions given by the respondents in the field survey have been analyzed statistically in this chapter. The questions related to the standard of the services provided by the various tourism related agencies are categorized in this section in which the satisfactory level of the touristic services provided by Travel Company, hotels, tourist guides etc. have been classified.

In addition to these, tourists' feeling at the Tribhuvan International Airport (TIA) upon arrival is also tested and their responses have been statistically analyzed. Moreover, security level, their experiences of strike and any threats and on the question whether tourists should be charged as a security fee or not is also tested by the questionnaire has been analyzed in statistic system of analysis. Furthermore, the

response level provided by the tourists and experts on the question whether Nepal would be a good destination of the tourists is also analyzed statistically. Equally, the respondents' answers to the question on the reasonability of the costs and charges charged by immigration of Nepal and other service providers have been analyzed.

CHAPTER VII

SUMMARY, FINDINGS AND RECOMMENDATIONS

This chapter shows the major findings of the research on Contribution of Tourism Revenue in National Economy. Therefore, the research findings are drawn out based on study conducted on tourism revenue in relation to Nepal.

This study identifies the impact of tourism on national economy through revenue generation. This chapter consists of summary/conclusion, findings and recommendations of the study which are illustrated below:

Summary

There is no doubt that tourism, frequently referred to as 'the world's largest industry', is one of the major businesses that includes huge resources. Tourism is a major industry globally and a major contributing factor in various sectors in many country's economy. Over the past six decades, tourism has experienced continued growth and diversification and as a result it became one of the largest and fastest growing economic sectors in the world. It is forecasted that this will continue to grow over time, an increasing number of destinations will have opened up and huge amount of money will be invested in tourism development, by turning modern tourism into a key driver for socioeconomic progress, whilst total global tourism activity is increasing internationally and domestically. Moreover, it is anticipated that these activities would continue to increase for the foreseeable future in tourism.

It is of great importance to develop tourism and generate revenue with sustainability. A sustainable tourism industry is always economically viable and in the

absence of lack of sustainability the industry can't be economically viable. It is sometimes forgotten that the concept of revenue for economic sustainability has a dimension alongside. Its economic dimensions, an economic efficiencies result in less use of resources with potentially less adverse social and environmental impacts from their use of revenue. Tourism development is fundamentally driven by businessmen. Governments play a significant role as partners in tourism development through the formulation of policy and planning to an extent which is not replicated in most other industries through their extensive engagement, by all levels of government. In tourism planning and strategy, marketing, infrastructure development, land use planning and responsibility for parks and public and natural attractions, and their role in managing environmental and community impacts of tourism perceiving the importance of challenges and opportunities of tourism are addressed. The more comprehensive our understanding of the economic issues associated with tourism is the more it is reflected in the decisions made by tourism operators and policies enacted by destination managers.

Many capabilities of economic efficiencies are still to be achieved in the overall objective of sustainable development of the tourism industry.

Over the recent decades, an economic and social phenomenon of Tourism has grown surprisingly with the feature of sustainability. But unfortunately, the development of statistical concepts and frameworks for tourism has not kept pace with the changes in the nature and significance of tourism globally and its potentiality for future growth. The problem, measuring the economic significance of tourism spending is that 'tourism' does not exist as a distinct sector in any system of economic statistics or of national accounts but exists side by side. Consequently, the value of tourism to the

economy is not revealed in genuine sense. Actually, Tourism is “hidden” in other industrial activities such as accommodation, transportation, and telecommunications etc which are the additional phenomenon of tourism sector.

Due to its natural beauty and cultural, religious and archeological heritages, Nepal is one of the enchanting tourist destinations in the world. The country has comparative advantage to be in favor of tourism, the country has, however, not been able to reap adequate benefits from tourism sector because of limited air access, poor infrastructure and inadequate marketing strategy guided with good policy and planning despite enormous potentialities for tourism. Tourism is an activity of generating a number of economic and social benefits, which not only augment foreign exchange opportunities but also direct, indirect and induced employment through backward and forward linkages with other sectors of the economy. In fact, natural beauty and rich cultural heritage are the main tourism attributes of the country. Poor infrastructure is one of the hindrances in developing the tourism sector. The quality of physical and service infrastructure is needed to develop tourism properly.

The main objective of the study is to assess the contribution of tourism revenue in Nepalese Economy (GDP), review of planning and policies and major resources and its challenges on tourism sectors. Both primary and secondary data are used for the outcomes in this study. The primary data were collected through a sample of 250 tourists, 75 tourism organizations and 65 tourism experts. Similarly, the secondary data were collected from various publications of the government and non-government organizations like travel, trekking and mountaineering agencies, rafting, shopping, hotels and other tourism related sectors. The analysis has also been made using descriptive, analytical and statistical approaches. Statistical tools like time

series, standard deviation, chi-square test, charts, graphs percentages, growth rates, index and its share were used for the analysis.

Likewise, the theoretical foundation of tourism has been reviewed and the relevant Nepalese Literature which is related to the research topic has been also studied. Various scholars and institutions have studied on different aspects of tourism comprehensively and done in-depth analysis about the contribution of tourism revenue in the national economy. The present study is concentrated on the impact of tourism for the contribution of tourism revenue in national economy of Nepal.

Many scholars have conducted doctoral and general types of research on the topic of Nepalese tourism. However, the review of earlier reports and studies, as stated above, carried by various scholars and institutions on different aspects of tourism has revealed that a comprehensive and in-depth analysis of contribution of tourism revenue has not been studied. Most of the reports and studies have mainly concentrated on some particular problems and policy related issues only. Hence, this study is concentrated on the economic aspect of tourism and focused especially on the way of income generating from different perspectives.

Similarly, the most notable advantage from tourism sector is one has lots of business opportunities in tourism-related services, such as accommodations, food outlets, tourist agents or guides, retails, and sport facilities, since local and foreign tourists need various services along their stays on the is lands. The outcome of this study has proven that tourism has significant positive impacts on the financial and non-financial performances of the small tourism businesses and services. This consolidates tourism development theory and tourism that brings about positive impact on the local economy in general and entrepreneurial development in particular.

It also provides a clear signal that any efforts by governments in promoting and developing the tourism industry would bring about positive changes on the performance of small tourism businesses and benefits to all the people in this field.

In addition to this, tourism related organization has a vital role to promote and develop tourism industry at their respective level. The organizations like Nepal Tourism Board (NTB), Hotel Management and Tourism Training Center (HMTTC), Nepal Association of Travel Agents (NATA), Trekking Agencies' Association of Nepal (TAAN), Nepal Mountaineering Association (NMA), NARA, PATA, REBAN, Tourist Guides Association of Nepal (TURGAN), BARN, NSHAN, Himalayan Rescue Association (HRA), AHON, CAAN, CCIAN, RBAN, DNPWC have been playing a very significant role in the development of tourism sector in Nepal.

Therefore, more attention should be paid to avail various service provider agencies from all over the country. Transportation (road, air and water), means of communication, supply of electricity, drinking water, health services, shopping centers, sports and the way of entertainment outside the valley to the tourist and inadequate physical infrastructure can attract tourists in the country.

Various policies and Plans like 1st five year plan to 11th, similarly, the development of Tribhuvan International Airport, Organization of training to tourist guides, the enactment of the Tourism Act, 1964 organization of Nepal Hotels Association, Nepal Association of Travel Agents, and Nepal Tourism Master Plan (1972) first policy guidelines for tourism have contributed a lot in the tourism.

Similarly, the Ministry of Tourism was established during the 5th five year plan period which was a notable achievement in this sector. Nepal received the membership of the International Union of Official Travel Organization (IUOTO) as

well as formulated a Master Plan (1972). In the area of institutional development, Nepal Civil Aviation Authority was set up and Tourism Department was dissolved to establish Nepal Tourism Board. These achievements played some significant role in developing the tourism sector.

Findings from the Study

Tourism is a major economic sector of the developing countries. Therefore, Tourism business is contributing there by providing different opportunities in tourism related sectors.

- Different tourists visit with various purposes being attracted by different aspects of tourism perspective. Generally, 47.3 percent visitors come with the purpose of enjoying holidays and to have pleasure (see appendix - o) and largest number of tourist arrival was in the month of October (86, 379) in 2012. (See appendix K)
- The TEFG analysis shows that its value in 2010/11 was 1.8 where as in 2012 was 2.0 percent.
- The number of tourists arrived was 830,092, in 2012 and that affected on annual growth rate by 9.1 percent. The percentage of tourists who arrived by air was 74.5 and 25.5 percent entered through land and the average length of stay was 12.16 percent (see appendix J)
- 28.8 percent of tourists who visited Nepal for various purposes were between 31 to 45 years of age group (see appendix). The age group between 31 to 45 was the largest number of group in comparison to other age groups people that visited Nepal. The tourists who were interviewed during the research commented on the service and facility

level of TIA, and none the tourists were totally satisfied (91 persons) and the least number of the tourist commented the service level as very poor (10 persons) out of 250 tourists.

Contribution of Tourism Revenue

- At the time of data analysis the researcher finds the tourism trend of 22 years and the GDP Growth rate that has fluctuated since the period of time.
- As tourism has been one of the major revenue source for Nepalese economy and major contributors in national GDP, that has been representing maximum 4 percent and the minimum less than 2 percent of total GDP since the early period of time .
- US \$ 560,175 from 6,486 as a royalty from climbers of different types, was collected in the year of 2012 which is seen to have a great deal of effect in national economy (See appendix I)
- Tourism revenue of a particular country always depends on tourist arrival, social, environmental, cultural and the other major parts along with security. In the year of 1994/1995 4.1/4.1 was the maximum GDP earning and the 2006/2007 is the minimum 1.5/1.4 GDP earning in the 22 years of time series analysis. Tourists want to feel secure anywhere in their travel so in 006/007 tourist did not feel the sense of security in Nepal. There was critical situation because of the Maoist war. So, fewer tourists visited Nepal that year.
- The trend of earning from tourism in the proportion of GDP of Nepal is found decreasing with fluctuation between the fiscal year 1990/91 and

2011/2012. The highest representation of earning in GDP from tourism is seen in 1994/95 and the least in 2006/7. It is seen that various factors have in effect and footprint in earnings of foreign exchange that affect GDP.

- Using the Cubic model of the yearly trend, it was identified that it was going negative from 2006/007 TFEG that affected the national economy.
- TEFG trend was acknowledged by using cyclical variation method which indicated the fluctuation. The increasing ratio of the foreign exchange was not satisfactory and it is predicted that the result was going down to decrease (3.237 to -1.866,) and percent trend 92.68 to -107.18 and relative cyclical residual -7.32 to -207.18 during the period of 1990 to 2012.
- From the random or irregular variation; TEFG is not equal ratio in increasing trend and the effect was on the central movement which was average 3.64 to 2.29 during the 22 years of time period.

Findings on Policies

- From the opinion of the tourism-experts on "the visit Nepal 2011" campaign, it is found that the majority of those experts viewed it as an unsuccessful campaign and almost one fourth of them viewed it as a successful one. And the outcomes were measured by using binomial test and chi-square test.
- The majority of experts did not show their satisfaction on the representation of tourism expert numbers in policy formulation.

Among them 52.30 percent of were not satisfied, while only 47.69 percent said that they were satisfied.

- It is found that 36.92 percent of experts were satisfied and the 63.07 of them viewed that they were unsatisfied about the services conducted by the tourism organization.
- About the current situation of making tourism policy, experts were interviewed and out of the total number 250, 53.84 percent of them responded stating that they were satisfied and 46.15 percent expressed the opposite view.
- It is seen that policies and plans are made very ambitious with regard to increasing the number of tourists in the country. However, in practice, it has not met or could not reach the target.
- As every other sector, tourism is also one of the male dominated sectors as among 660 employees of tourism organizations; there are 75 percent male workers and 25 percent female. In comparison, it is evident that male dominated the female workers in number.
- The tourism sectors currently employ 90.47 percent of trained and 9.52 percent of untrained employees in the different working places. Most of the tourists visit Nepal with the purposes of viewing natural resources and major attractions of this country. This percentage is 17.6 and the least percentage is 9.2 who visit Nepal with the purpose of studying.
- 45.2 percent of the total number of tourists likes to stay in the star hotels and other 54.8 percent of the tourists prefers non-star hotels. It

means the majority of tourists stay in non star hotel in comparison on to the tourists stay in star hotel.

- Although Nepal has amazing geographical structure having numerous villages however, the rural part of the country is found not encouraged well yet. The reasons for this may be the lack of basic infrastructures such as transportation, communication and other required facilities that have not developed properly with the purpose to facilitate the visiting tourists.
- Ultimately, it is found that less emphasis has been given to the cultural aspects of tourism and marketing of the tourism product is not expanded abroad well. However, there is a compulsion to the tourism products to be limited only within the country or in the domestic market.

Recommendations

This study is basically or specifically concentrated on the contribution of tourism revenue in national economy but relevant recommendations are given more in general of the whole tourism sector. There are lots of lacking parts in tourism whose improvement is inevitable to generate more earning or to increase GDP and employment opportunities as well as to develop tourism in the country significantly. In this regard, the recommendations that are made in different categories are given as follows:

- The GDP growth rate should be made more stable in the trend of steady increase. To maintain this trend the short and long term tourism plans must be implemented effectively.

- Tourists want to feel secure anywhere in their travel so the safe environment where tourists can feel the sense of security should be urgently formed everywhere in Nepal.
- It is seen that various things leave impact in earnings of foreign exchange that directly affect on GDP. The trend of earning from tourism in the proportion of GDP of Nepal is found decreasing with fluctuation, so such negative influencing factors should be eradicated as soon as possible.
- Potential Tourist spots are essential to diversify into the regional development areas of the country. It should be developed as tourist destinations which might attract more tourists. Now, most of the tourists have been concentrated in some particular areas only.
- Emphasis should be given to urban as well as rural based tourism products, amusement parks, various types of sports, recreational camps etc.
- The tourist is interested to stay adopting or with original culture of the society. Therefore, the concept of home stay should be introduced equally as its potentiality all over the country is very high and it can be the best motive for the tourist to visit.
- Adventurous tourism is the main recognition of Nepal. In this regard, trekking and expedition, rafting, mountain climbing, rock climbing, hot air ballooning, bungee jumping, Para gliding, cannoning, fishing, ultra high aircraft, mountain flights, cable car, wave running, jungle safari, hunting, mountain biking, and other activities must be focused well for these make Nepal more enchanting destination in the world. These factors should be well managed are they increase the foreign exchange through various types of activities.

- Multi-packaged programs should be conducted based on different combinations of purposes, interests, professionals and purchasing capacity of the visitors. Apart from this, rather than old products, the nation should introduce new suitable products catering to the interests of various types of tourists by their age, and sex group.
- Concerned authorities and people of Nepal should pay more attention on the conservation, preservation and maintenance of those products properly which attract maximum tourist, such as ancient archaeological products like temples, idols, places and historical monuments, cultural and religious heritages sites like, old capital, cities, historical monuments, art and craftsmanship etc. Those products are not maintained and preserved well yet the urgent concern must be given to those resources by different tourism policy makers.
- Nepal should develop effective marketing strategies by improving the existing market and exploring new markets on the basis of their potentiality to the tourism sector. It would be a good idea to mobilize the Nepalese embassies and consulate offices abroad by the Government of Nepal to work for promotional purposes of tourism to attract more visitors.
- Nepal should pay more attention to the Indian and Chinese markets by introducing the tourism product as per the demand and need of the Chinese and Indian tourists.
- Publicity is highly desirable in order to generate market so that the number of information centers should be extended all over the country with best services for the visitors.

- Public relation techniques should be applied well providing information to promote tourism market.
- Tribhuvan International Airport (TIA) is the only single international airport of Nepal where big aircrafts cannot be landed. Its feasibility is also limited. So, construction of alternative international airports is more essential in the country, especially in the locations which are technically and economically viable. Therefore, Terai region may be the place of better choice for such options.
- There is the a kind of trend of taking more money from the tourist by many by facilitating people who can play a vital role for the sound image of a country so the government and concerned authorities as well as other people should pay more attention to treat tourist better. Besides Nepal Airlines, other national or international, private or public operating airlines should be also encouraged and flight schedules should be regular and reliable to ensure the confidence of the visitors. Similarly, the number of flights and the destinations should also be increased. Air services in tourism potential areas must be extended and more required facilities should be upgraded at least in major tourist sites for the convenience of the tourists.
- Nepal government should give due attention to the road network which should be well developed to diversify the tourism industry. New roads should be constructed in new areas and available roads should be regularly maintained.
- The existing rules and regulations should be amended targeting to increase employment opportunities in this sector. In this sector mostly unskilled

workers are working so for the better services we must train, educated and empower those unskilled people to make them more capable.

- Tourism for Rural Poverty Alleviation Program (TRPAP) should be extended all over the country to assist for the employment generation. Domestic tourism, rural or village tourism, cultural tourism, eco-tourism and sustainable tourism should be encouraged which may help to contribute in income generation.
- Tourism expertise is needed to make policy and promote the tourism business. For this, the experts play a vital role to develop a system of work and policy that evaluate the achievement on the basis of the objectives of government in relation to tourism.
- Further study should be carried out which can lead to the formulation of better policy in order to attract either local or foreign tourists or both for future development of the tourism sector.
- Furthermore, studies should also be carried out on small tourism businesses in order to identify any support needed by the entrepreneurs. Researches on this area would assist the small businesses in enhancing their performance.
- Nepal needs a consistent and coherent tourism policy in conformity with the overall national policy because tourism sector plays a key role in overall economic development. Policies should be formulated concerning various advantages enjoyed by this Himalayan kingdom to attract tourists from abroad, besides encouraging tourism domestically.
- Nepal Government needs professional civil servants who can work efficiently and handle the tourists properly which is lacking in Nepal and it

has become a big problem.

- Government must define and develop strategy to promote rural tourism in order to enhance employment and to reduce widespread poverty and regional inequality through policy level.
- A great deal has been written about tourism in Nepal but there has been no definite study on policy to provide a clear and detailed national economic impact analysis that is disaggregated into sector or regional levels. So, a research study of policy must be conducted to provide a clear and detailed national economic impact.
- In Nepal data availability must be in such a fashion that can it be helpful for in-depth understanding through policies to have a better understanding about tourism development and economic development. Besides, there is need to promote input-output technique in the economy to understand interdependence of various economic activities including tourism related activities
- Legal framework must be made to facilitate the growth of tourism sector in the economy considering the fact that tourism sector is undergoing rapid change in terms of structure and volumes besides change in overall economic scenario in the country.
- A multi-dimensional industry, a comprehensive approach should be adopted and an efficient management is needed for the development of tourism as our desired standard. Political stability, peace and security are more essential to promote tourism in desired standard. Hence, concerned authorities and

people should pay more attention to it.

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APPENDICES

Appendix A

Information taken: Date:Place:.....

"Contribution of Tourism Revenue in National Economy"

Singhania University, Rajasthan, India

Questionnaire for Tourist

Dear visitors/ friends

Tourism is one of the major resources of Nepalese economy. I am conducting a research work on this as a subject area of my study. The purpose of this PhD research is to find out the **Contribution of the Tourism Revenue in National Economy of Nepal** and prescribe solutions to the problems appeared in this sector.

As an academic researcher, I would like to request you to provide me your valuable time to fill up this checklist (questionnaire) required for my study.

I will be grateful to you for your kind support and participation by providing true and genuine information and facts which will be very much useful for the successful completion of the research project.

Please, give answer to all questions.

Alak Babu Prasai

PhD Scholar

Singhania University, Rajasthan, India

A. General Information

1. **Nationality:**

2. **E-mail:**

3. **Sex:** Male ☐ Female ☐

4. **Age group:**

Less than 15 ☐ 15-30 ☐ 30-45 ☐ 45-60 ☐ more than 60 ☐

5. **Marital status:**

Married ☐ Unmarried ☐ divorced ☐ widowed ☐

6. **Occupation:**

Business ☐ Service ☐ Teaching ☐ Health ☐ Industry ☐

Others (Security, armed force, NGOs etc)

7. **How many days did you spend in Nepal?**

1-4 ☐ 5-7 ☐ 8-15 ☐ 16-30 ☐

More than 30 days (.....)

B. Travel Details

8. **Through which border did you came to Nepal?**

Directly: Tribhuvan International Airport Kathmandu ☐

Indirectly: Sunauli Birgunj, Kakarvitta, Mahendrananger, Tatopani, ☐

Others.... ..

9. **Why did you choose Nepal as your destination for?**

Adventure ☐ wild life attraction ☐ business ☐

Cultural ☐ quality services ☐ cheap destination ☐

Winter holiday ☐ summer holiday ☐ shopping ☐

Research ☐ arts and crafts ☐ Religious ☐

☐ ☐ ☐

Pleasure

Trekking

other

(.....)

10. How do you arrange your trip?Tour agency in your country ☐ self arranged ☐ friends ☐Tour agency in Nepal ☐ web search ☐ other

(.....)

11. How did you feel at the condition of international airport, when you landed?Very good ☐Good ☐Satisfactory ☐Poor ☐Very poor ☐**12. Where are the places you have already visited in Nepal?**

| | | | | |
|-------------|--|--|--|--|
| Destination | | | | |
| duration | | | | |

13. How did you find the service level of your travel?

| Title | Comment: 1=perfect, 2=average, 3=poor |
|-------------------------|---------------------------------------|
| Airlines | 1 (.....), 2 (.....), 3 (.....) |
| Travel Agency | 1 (.....), 2 (.....), 3 (.....) |
| Tour Guide | 1 (.....), 2 (.....), 3 (.....) |
| Hotel | 1 (.....), 2 (.....), 3 (.....) |
| Immigration services | 1 (.....), 2 (.....), 3 (.....) |
| Others (Please specify) | 1 (.....), 2 (.....), 3 (.....) |

C. Cost and Expenditure**14. Could you please mention the name of hotel you stayed and its class?**

Hotel:

15. What was the means of transport you used for tours?Bus ☐ car/van ☐ airplane ☐Helicopter ☐ others ☐**16. Did you feel that the period you spent was short?**Yes ☐ no ☐**17. How much did you spend per day, on an average?**

.....

18. Are you satisfied that immigration fee was reasonable?Yes ☐ no ☐**19. Did you find the accommodation charge reasonable?**Yes ☐ no ☐**20. What is the most expensive sector in your visit?**Hotel ☐ transportation ☐ communication ☐ agency service ☐Entrance fees ☐ royalty ☐ others ☐**21. Will you visit Nepal again?**Yes ☐ no ☐ not sure ☐

(Please, give description.....)

D. Tourist Security**22. Do you know about tourist police?**Yes ☐ No ☐**23. Did you experience any security threats during the stay?**Yes ☐ no ☐ no comment ☐

24. Did you get any services from tourist police?

Yes

no

25. How do you level about tourist police services of Nepal?

Very good ☐

Good ☐

Satisfactory ☐

Average ☐

Not satisfactory ☐

26. Did you think those tourists need to pay Security charge?

Yes ☐

no ☐

27. Do you have any suggestions to improve tourist security in Nepal?

.....

.....

E. Experience and Recommendation

28. What is the most satisfactory service you received from?

Transport ☐

Hotel ☐

travel agency ☐

Communication ☐

Other (.....) ☐

29. Which thing did you like the most during your visit?

Natural attraction ☐

cultural ☐

hospitality ☐

Adventure ☐

sports ☐

others (.....) ☐

30. Have you experienced any strikes in Nepal?

Yes ☐

No ☐

31. What did you feel about immigration services?

Perfect ☐

Good ☐

Poor ☐

32. Do you think Nepal can be developed as a good tourist destination?

Yes ☐

no ☐

(Give reason).....

.....

33. What is your suggestion for Nepal Tourism Board to improve tourism in Nepal?

| Sectors | Recommendation |
|--------------------|----------------|
| Travel agency | |
| Hotel | |
| Security | |
| Immigration | |
| Communication | |
| Transportation | |
| Others Services | |
| Products/Souvenirs | |
| Cost | |

34. Can you share your happy and sad moments that you experienced during your visit to Nepal?

| Happy moment | Unhappy moment |
|--------------|----------------|
| | |

Good bye/ Namaste

Thank you

Appendix B

Information taken: Date: Place:.....

"Contribution of Tourism Revenue in National Economy"

Singhania University, Rajasthan, India

Questionnaire for experts

Dear experts,

I, Alak Babu Prasai, I'm a PhD scholar of Singhania University India.

I'm conducting a survey on the **Contribution of Tourism Revenue in National Economy of Nepal** and would like to request for some solutions for the improvement of problem areas of this sector.

Please, offer your valuable time to answer the following questions. The information provided by you on this questionnaire will be kept confidential and will only be used to fulfill the objectives of this study.

Thank you for kind cooperation.

Alak Babu Prasai

PhD Scholar

Singhania University, Rajasthan, India

Thank you

1. How do you find current tourism situation of Nepal?

Very good ☐ Good ☐ Satisfactory ☐

Average ☐ Not satisfactory ☐

2. Do you think, Tourism is a major source of economy of Nepal?

Yes ☐ no ☐

3. How can we receive maximum benefit from tourism sector?

by developing infrastructure ☐

by bringing changes & Improvement in government policy ☐

by producing skilled manpower ☐ others ☐

4. How do you find the present growth of tourism in Nepal?

Rapid growth ☐ Normal growth ☐

Not satisfactory growth ☐

5. In your opinion, is Nepal a main tourism destination in south Asia?

Yes ☐ No ☐

6. Which is particular area do you think it should be brought improvement in order to promote tourism?

Transport ☐ Marketing ☐ Sustainable government ☐

policy ☐ ☐

Peaceful environment others (please specific).....

7. What factor do you think contributes to motivate tourists to visit Nepal frequently?

Policy ☐ Natural Attraction ☐

Adventure ☐ Hospitality of the host people ☐

Cultural Heritage ☐ Other (please specific) ☐

8. How successful was campaign "the visit Nepal 2011 year?"

Highly successful ☐ Less successful ☐ No successful ☐

9. Are you satisfied from the government tourism policy of Nepal?

Yes ☐ no ☐

10. Are tourism organizations playing effective role in increasing of the tourist number?

Yes ☐ no ☐

11. Are you satisfied from the conducts of tourism organization?

Yes ☐ no ☐

12. How much impact it will leave in tourism if Nepal went in provincial system?

Good ☐ bad ☐ wait and see ☐

13. How do you find experts involved to make tourism policy?

Satisfactory ☐ not satisfactory ☐

14. How do you feel about tourist security of Nepal?

Good ☐ very good ☐ satisfactory ☐ not satisfactory ☐

15. Does the security part is needed for tourism promotion?

Yes ☐ No ☐ Others.....

16. How can we better manage tourist security in Nepal?

Using skill manpower ☐ Training to people ☐ Rewarding to public ☐

Others (.....) ☐

17. How to improvement of tourism revenue and tourism Security?

Designation:

E-mail:

Contact no:

Thank you

Appendix C

Information taken: Date:Place:.....

"Contribution of Tourism Revenue in National Economy"

Singhania University, Rajasthan, India

Questionnaire for Tourist Organization

I, Alak Babu Prasai, a PhD scholar of Singhania University India. I'm conducting a survey on the '**Contribution of Tourism Revenue in National Economy of Nepal**' and would like to suggest some solutions for the improvement by finding out the problem areas of this sector.

Please, offer your valuable time to answer the following questions.

The information provided by you on this questionnaire will be kept confidential and will only be used to fulfill the objectives of this study.

Thank you for kind cooperation.

Alak Babu Prasai

PhD Scholar

Singhania University, Rajasthan, India

Thank you

1. Name of person (optional):

2. Name of the organization:.....

3. Branch:.....

4. Established year:.....

5. Type of Business:.....

Hotel ☐

Ticketing ☐

Travel ☐

Rafting ☐

Others (Please, specify).....☐

6. How many staff do you have in your organization?

.....

7. Please, mention the number of male, female and third gender employees who work in your organization?

Male: ☐

Female: ☐

8. Could you please mention the number of employees who have taken skilled training in tourism?

Trained: ☐

Untrained: ☐

9. What do you think it plays the major role in the promotion of tourism?

Government policy ☐

Non-government Activities ☐

10. Are you satisfied from your business:

Yes ☐

No ☐

11. How much does a tourist spend in average in your organization for the services you provide?

500-2000 ☐

2000-4000 ☐

4000-6000 ☐

6000-10000 ☐

10000- more than ☐

12. In your experience, do all tourists become satisfied from your services?Satisfy %: (10-20) ☐ (20-40) ☐ (40-60) ☐ (60-80) ☐ (80-100) ☐Unsatisfied %: (10-20) ☐ (20-40) ☐ (40-60) ☐ (60-80) ☐ (80-100) ☐**13. Are you satisfied with our tourist security policy?**Yes ☐No ☐**14. What are the major challenges in your business?**Government rule ☐Standard tourist ☐Good production ☐Others (.....) ☐**15. How is your business security?**Good ☐Very good ☐Satisfactory ☐Not satisfactory ☐**16. How can we motivate the quality tourist in Nepal?**Changing in government policy ☐Improving of Transportation ☐Improving of Products and services ☐Improving of Communication ☐

Others (cost).....

E-mail:

Contact no:

Thank you

Appendix D

Tourism Organizations (75)

| Organization Name |
|--|
| Airlines Operators Association of Nepal (AOAN) |
| Association of Helicopter Operators Nepal (AHON) |
| Board of Airline Representatives in Nepal (BARN) |
| Cargo Agents Association of Nepal (Reban) |
| Department of Civil Aviation (DCA) |
| Everest Submitters Association (ESA) |
| Federation of Nepalese Chambers of commerce and Industry (FNCCI) |
| Federation of Nepalese Chambers of Commerce and Industry (FNCCI) |
| Freight Forwards Associations of Nepal (FFAN) |
| Handicraft Association of Nepal |
| Handicraft Association of Nepal |
| Himalayan Rescue Association |
| Hotel Association of Nepal (HAN) |
| Nepal Association of tour Operators (NATO) |
| Nepal Entrepreneurs Association of Tourism (NEAT) |
| Nepal Incentive and Convention Association (NICA) |
| Nepal Association of Rafting Agents |
| Nepal Association of Rafting Agents (NARA) |
| Nepal Association of Tour and Travel Agents (NATTA) |
| Nepal Association of Tour Operators (NATO) |
| Nepal Mountaineering Association (NMA) |
| Non-Star Hotel Association of Nepal Chapter |
| Pacific Asia Travel ssociation Nepal Chapter (PATA) |
| Restaurant and Bar Association of Nepal (REBAN) |
| Thamel Tourism Development Board |
| Tourists Guide Association of Nepal |
| Trekking Agencies' Association of Nepal (TAAN) |
| Trekking Agents Association of Nepal (TAAN) |
| Alpine Travel Service P. Ltd. |
| Alternative Destinations (P) Ltd. |
| Altruism Travels Pvt. LTd. |
| Ama Travel (P.) Ltd. |
| Amazing Tours & Travels |
| Asia Travel Bureau P. Ltd. |
| Asian Adventure Travel & Tour (P.) Ltd. |
| Asuka Travels & Tours (P) Ltd. |
| Boudha Travels & Tours |
| Broadway Travels (P) Ltd |
| Cruise Travel P. Ltd |
| D.K. Travels & Tours Pvt. Ltd. |
| Damaru Cultural Tours & Travels Pvt. Ltd. |
| Danfe Travel Centre (P) Ltd. |
| Dharma Travels Pvt. Ltd. |
| Diana Travels and Tours Pvt. Ltd. |

| |
|---|
| Dynamic Services Pvt. Ltd |
| Dynamic Travels & Tours Pvt. Ltd |
| East Travels Nepal Pvt. Ltd. |
| Sun koshi River Rafting |
| Tamur River Rafting |
| Karnali River Rafting |
| Seti river Rafting |
| Marsyangdi River Rafting |
| Kali gandaki River Rafting |
| Bhote Koshi River Rafting |
| Trisuli River Rafting |
| Shai River Rafting |
| Kathmandu-Lhasa Tours & Travels (P.) Ltd. |
| Leisure World Tours & Travels (P) Ltd. |
| Manakamana Nepal Tours (P) Ltd. |
| Manang Tours and Travels (P) Ltd. |
| Mandap Travels Pvt. Ltd. |
| Jyatha Hotel |
| Hotel Mandup |
| Kathmandu View Hotel |
| Potala Guest House |
| Acme Guest House |
| Hotel Tenki |
| Kathmandu Guest House |
| Thamel Guest House |
| Tibet Hotel |
| Hotel Thamel |
| Hotel Yak and Yeti |
| Hotel Marshyangdi |
| Hotel Buddha |
| Hotel Manang |

Appendix E

Tourism experts (65 persons)

| Name |
|--------------------------------|
| Pro. Dr. Hari Prasad Shrestha |
| Pro. Dr. Rudra Prasad Upadaya |
| Dr. Bishnu Prasad Gautam |
| Dr. Jib Nath Dhital |
| Pro. Dr. Soorbeer Paudyel |
| Pro. Dr. Ram Kumar Dahal |
| Dr. Uma Kanta Silwal |
| Subash Niraula |
| Pro. Dr. Hari Prasad Thapaliya |
| Dr. Roj Natah Pandey |
| Pro. Dr. Mukunda Raj Aryal |
| Dr. Puspa Shrestha |
| Pro. Dr. Jayaraj Acharya |
| R.P. Pantha |
| Parasar Prasai |
| Karna Shakya |
| Dipendra Purush Dhakal |
| Shekhar Prasai |
| Sherpa Yankila |
| Prachanda Man Shrestha |
| Jhalak Thapa |
| Ramesh Tiwari |
| Gynendra Tuladhar |
| Hari Dhoj Tuladhar |
| Hotel Basecamp |
| Balkrishna Prasai |
| Tej Bahadur Prasai |
| Pro. Dr. Mohan Gyanwali |
| Beshu Dev Oli |
| Visma Prasai |
| Dr. Ramesh Chandra Chitrakar |
| Devendra Subba |
| Anand Ghimire |
| Ins. Chhiring Kippa Lama |
| P. K. Budhathoki |
| Pokheral Tek Chandra |
| Shakya Yogendra |
| Sherpa Ang Tsering |
| Sitaram Prasai |
| Dr. Meg Raj. Dangal |
| Prof. Rudra Prasad Gautam |
| Sunil Sharma |
| Shekhar Kumar Regmi |
| Surya Prasad Thapaliya |
| Treelochan Upreti |

| |
|------------------------|
| Dr. Surendra Upreti |
| Dr. Sugam Jung K.C. |
| Dr. Prati Bajracharya |
| Bhushan Dahal |
| Sunil Sharma |
| Dr. Rabindra Pandey |
| Lekh Nath Bhandari |
| Kalpana Oswati |
| Dr. Bhagawat Rimal |
| Dr. Surya Raj Pathak |
| Pawan Sharma |
| Rabin Kumar Acharya |
| Shayam Sundar Sharma |
| Dr. Surya Raj Pathak |
| Dr. Bidur Parajuli |
| Sushil Ghimire |
| Sangam Prasai |
| Sangita Shrestha |
| Sambhu Prasad Dhungana |
| Praman Raj Bhajra |

Appendix F

About tourist

Nationality and gender of tourist

| Nationality | Male | Female | Total | Percentage |
|-------------------|------------|-------------|------------|------------|
| Austria | 5 | 10 | 15 | |
| Australia | 20 | 8 | 28 | |
| Bhutan15 | 15 | 10 | 25 | |
| Bangladesh | 5 | 10 | 15 | |
| France | 3 | 4 | 7 | |
| Germany | 5 | 14 | 19 | |
| Japan | 22 | 5 | 27 | |
| UK | 12 | 10 | 22 | |
| USA | 18 | 13 | 31 | |
| Switzerland | 10 | 15 | 25 | |
| Thailand | 10 | 2 | 12 | |
| China | 5 | 3 | 8 | |
| Others | 9 | 7 | 16 | |
| Total | 139 | 111 | 250 | |
| Percentage | 5.6 | 44.4 | 100 | |

1. Age, marital status and occupation of Tourist

| Nationality | Less 15 | 16-30 | 31-45 | 46-60 | More 60 | Total |
|----------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Austria | 0 | 0 | 5 | 6 | 4 | 15 |
| Australia | 2 | 6 | 8 | 9 | 3 | 28 |
| Bhutan | 2 | 3 | 7 | 3 | 10 | 25 |
| Bangladesh | 0 | 4 | 0 | 5 | 6 | 15 |
| France | 2 | 0 | 1 | 3 | 1 | 7 |
| Germany | 3 | 4 | 2 | 3 | 7 | 19 |
| Japan | 3 | 0 | 13 | 3 | 8 | 27 |
| UK | 5 | 2 | 4 | 10 | 1 | 22 |
| USA | 0 | 0 | 10 | 20 | 1 | 31 |
| Switzerland | 5 | 3 | 4 | 10 | 3 | 25 |
| Thailand | 0 | 1 | 2 | 0 | 9 | 12 |
| China | 3 | 5 | 0 | 0 | 0 | 8 |
| Other | 4 | 2 | 4 | 2 | 4 | 16 |
| Total | 29 | 30 | 60 | 74 | 57 | 250 |
| Percent | 11.6 | 12.0 | 24.0 | 29.6 | 22.8 | 100.0 |

3. Travel to directly and indirectly

| Nationality | Directly | Indirectly | Total |
|-------------------|-------------|-------------|------------|
| Austria | 7 | 8 | 15 |
| Australia | 17 | 11 | 28 |
| Bhutan | 15 | 10 | 25 |
| Bangladesh | 3 | 12 | 15 |
| France | 2 | 5 | 7 |
| Germany | 9 | 10 | 19 |
| Japan | 11 | 16 | 27 |
| UK | 11 | 11 | 22 |
| USA | 17 | 14 | 31 |
| Switzerland | 15 | 10 | 25 |
| Thailand | 12 | 0 | 12 |
| China | 8 | 0 | 8 |
| Others | 2 | 14 | 16 |
| Total | 129 | 121 | 250 |
| Percentage | 51.6 | 48.4 | |

4. Purpose of travel

| Nationality | Wild life | Naturally | Enjoy | Study | Religious | Trekking | Others | Total |
|-------------------|-------------|-------------|-------------|------------|-------------|-------------|-----------|------------|
| | | | | | | | | |
| Austria | 3 | 2 | 4 | 2 | 0 | 1 | 3 | 15 |
| Australia | 5 | 7 | 0 | 0 | 2 | 6 | 8 | 28 |
| Bhutan | 2 | 4 | 5 | 0 | 10 | 1 | 3 | 25 |
| Bangladesh | 0 | 4 | 2 | 3 | 1 | 2 | 3 | 15 |
| France | 2 | 1 | 2 | 0 | 1 | 1 | 0 | 7 |
| Germany | 4 | 5 | 7 | 2 | 0 | 0 | 1 | 19 |
| Japan | 6 | 5 | 4 | 1 | 3 | 5 | 3 | 27 |
| Uk | 6 | 4 | 6 | 2 | 3 | 8 | 0 | 31 |
| USA | 5 | 6 | 7 | 2 | 3 | 8 | 0 | 31 |
| Switzerland | 2 | 2 | 3 | 4 | 2 | 0 | 12 | 25 |
| Thailand | 2 | 1 | 1 | 0 | 4 | 2 | 2 | 12 |
| China | 2 | 0 | 0 | 2 | 4 | 0 | 0 | 8 |
| Others | 4 | 3 | 2 | 5 | 1 | 1 | 0 | 16 |
| Total | 43 | 44 | 43 | 23 | 33 | 29 | 35 | 250 |
| Percentage | 17.2 | 17.6 | 17.2 | 9.2 | 13.2 | 11.6 | 14 | |

5. Nationality and tour arrangement

| Nationality | Direct | Indirect | total |
|-------------|--------|----------|-------|
| Austria | 5 | 10 | 15 |
| Australia | 15 | 13 | 28 |
| Bhutan | 19 | 6 | 25 |
| Bangladesh | 8 | 7 | 15 |
| France | 2 | 5 | 7 |
| Germany | 10 | 9 | 19 |
| Japan | 6 | 21 | 27 |
| UK | 3 | 19 | 22 |
| USA | 10 | 21 | 31 |

| | | | |
|-------------------|-------------|-------------|------------|
| Switzerland | 7 | 18 | 25 |
| Thailand | 4 | 8 | 12 |
| China | 8 | 0 | 8 |
| Others | 1 | 15 | 16 |
| Total | 98 | 152 | 250 |
| Percentage | 39.2 | 60.8 | |

6. Feeling of arrival in airport

| Nationality | V. good | Good | Satisfactory | Poor | Very poor | Total |
|-------------------|-------------|-------------|--------------|------------|-----------|------------|
| Austria | 1 | 3 | 5 | 5 | 1 | 15 |
| Australia | 8 | 8 | 11 | 1 | 0 | 28 |
| Bhutan | 0 | 10 | 12 | 3 | 0 | 25 |
| Bangladesh | 2 | 12 | 1 | 0 | 0 | 15 |
| France | 0 | 0 | 5 | 2 | 0 | 7 |
| Germany | 3 | 5 | 7 | 3 | 1 | 19 |
| Japan | 9 | 5 | 8 | 3 | 2 | 27 |
| UK | 10 | 9 | 3 | 0 | 0 | 22 |
| USA | 10 | 7 | 13 | 0 | 1 | 31 |
| Switzerland | 0 | 7 | 13 | 2 | 3 | 25 |
| Thailand | 4 | 2 | 6 | 0 | 0 | 12 |
| China | 7 | 0 | 1 | 0 | 0 | 8 |
| Others | 4 | 4 | 6 | 0 | 2 | 16 |
| Total | 58 | 72 | 91 | 19 | 10 | 250 |
| Percentage | 23.2 | 28.8 | 36.4 | 7.6 | 4 | |

7. Service level of nation (perfect/average/poor)

| Nationality | Air | Travel agency | Tour guide | Hotel | Immigration | Others | Total |
|-------------------|-------------|---------------|-------------|-------------|-------------|------------|------------|
| Austria | 2 | 5 | 1 | 7 | 0 | 0 | 15 |
| Australia | 4 | 5 | 7 | 3 | 5 | 4 | 28 |
| Bhutan | 0 | 4 | 10 | 5 | 4 | 2 | 25 |
| Bangladesh | 4 | 5 | 2 | 0 | 3 | 1 | 15 |
| France | 2 | 4 | 1 | 0 | 0 | 0 | 7 |
| Germany | 0 | 0 | 5 | 10 | 4 | 0 | 19 |
| Japan | 10 | 5 | 6 | 4 | 2 | 0 | 27 |
| UK | 2 | 4 | 10 | 5 | 1 | 0 | 22 |
| USA | 11 | 5 | 10 | 3 | 2 | | 31 |
| Switzerland | 4 | 5 | 7 | 9 | 0 | 0 | 25 |
| Thailand | 5 | 2 | 1 | 0 | 4 | 0 | 12 |
| China | 2 | 4 | 2 | 0 | 0 | 0 | 8 |
| Others | 1 | 2 | 4 | 0 | 2 | 7 | 16 |
| Total | 47 | 50 | 66 | 46 | 27 | 14 | 250 |
| Percentage | 18.8 | 20 | 26.4 | 18.4 | 10.8 | 5.6 | 100 |

8. Stay hotel category

| Nationality | Star | Non-star | Total |
|-------------|------|----------|-------|
| Austria | 2 | 13 | 15 |
| Australia | 20 | 8 | 28 |
| Bhutan | 8 | 17 | 25 |
| Bangladesh | 3 | 12 | 15 |

| | | | |
|-------------------|-------------|-------------|------------|
| France | 2 | 5 | 7 |
| Germany | 8 | 11 | 19 |
| Japan | 4 | 23 | 27 |
| UK | 15 | 7 | 22 |
| USA | 17 | 14 | 31 |
| Switzerland | 19 | 6 | 25 |
| Thailand | 6 | 6 | 12 |
| China | 1 | 7 | 8 |
| Others | 8 | 8 | 16 |
| Total | 113 | 137 | 250 |
| Percentage | 45.2 | 54.8 | |

9. Transport used for travel

| Nationality | Bus | Car | Aero plane | Helicopter | Others | Total |
|-------------------|-------------|-----------|-------------|------------|------------|------------|
| Austria | 8 | 5 | 2 | 0 | 0 | 15 |
| Australia | 20 | 8 | 0 | 0 | 0 | 28 |
| Bhutan | 17 | 3 | 5 | 0 | 0 | 25 |
| Bangladesh | 5 | 8 | 2 | 0 | 0 | 15 |
| France | 0 | 7 | 0 | 0 | 0 | 7 |
| Germany | 10 | 9 | 0 | 0 | 0 | 19 |
| Japan | 15 | 7 | 5 | 0 | 0 | 27 |
| UK | 5 | 12 | 5 | 0 | 0 | 22 |
| USA | 5 | 10 | 9 | 0 | 7 | 31 |
| Switzerland | 13 | 12 | 0 | 0 | 0 | 25 |
| Thailand | 4 | 4 | 4 | | | 12 |
| China | 4 | 4 | 0 | 0 | 0 | 8 |
| Others | 5 | 6 | 5 | 0 | 0 | 16 |
| Total | 111 | 95 | 37 | 0 | 7 | 250 |
| Percentage | 44.4 | 38 | 14.8 | 0 | 2.8 | |

10. Spend per day of tourist

| Nationality | Average US\$ | Total |
|--------------|--------------|-----------|
| Austria | 41 | 15 |
| Australia | 52 | 28 |
| Bhutan | 30 | 25 |
| Bangladesh | 23 | 15 |
| France | 30 | 7 |
| Germany | 34 | 19 |
| Japan | 29 | 27 |
| UK | 55 | 22 |
| USA | 50 | 31 |
| Switzerland | 57 | 25 |
| Thailand | 33 | 12 |
| China | 35 | 8 |
| Others | 27 | 16 |
| Total | 27 | 16 |

11. Immigration charge is reasonable

| Nationality | Yes | No | Total | Yes% | No % |
|--------------------|-------------|-------------|--------------|-------------|-------------|
| Austria | 15 | 0 | 15 | 100.0 | 0.0 |
| Australia | 28 | 0 | 28 | 80.0 | 20.0 |
| Bhutan | 20 | 5 | 25 | 66.7 | 33.3 |
| Bangladesh | 10 | 5 | 15 | 100.0 | 0.0 |
| France | 7 | 0 | 7 | 94.7 | 5.3 |
| Germany | 18 | 1 | 19 | 81.5 | 18.5 |
| Japan | 22 | 5 | 27 | 100.0 | 0.0 |
| UK | 22 | 0 | 22 | 80.6 | 19.4 |
| USA | 25 | 6 | 31 | 80.0 | 20.0 |
| Switzerland | 20 | 5 | 25 | 58.3 | 41.7 |
| Thailand | 7 | 5 | 25 | 58.3 | 41.7 |
| China | 8 | 0 | 8 | 87.5 | 12.5 |
| Others | 14 | 2 | 16 | 86.4 | 13.6 |
| Total | 216 | 34 | 250 | | |
| Percentage | 86.4 | 13.6 | | | |

12. Accommodation charge is reasonable

| Nationality | Yes | No | Total |
|--------------------|-------------|-------------|--------------|
| Austria | 12 | 3 | 15 |
| Australia | 17 | 11 | 28 |
| Bhutan | 18 | 7 | 25 |
| Bangladesh | 15 | 0 | 15 |
| France | 7 | 0 | 7 |
| Germany | 13 | 6 | 19 |
| Japan | 27 | 0 | 27 |
| UK | 20 | 2 | 22 |
| USA | 26 | 5 | 31 |
| Switzerland | 20 | 2 | 25 |
| Thailand | 7 | 5 | 25 |
| China | 8 | 0 | 8 |
| Others | 11 | 5 | 16 |
| Total | 201 | 49 | 250 |
| Percentage | 80.4 | 19.6 | 100 |

13. Visit Nepal again

| Nationality | Yes | No | Not sure | Total | Yes % | No % | Not sure % |
|-------------|------|------|----------|-------|-------|------|------------|
| Austria | 10 | 4 | 1 | 15 | 6.7 | 26.7 | 6.7 |
| Australia | 10 | 15 | 3 | 28 | 35.7 | 53.6 | 10.7 |
| Bhutan | 11 | 9 | 5 | 25 | 44.0 | 36.0 | 20.0 |
| Bangladesh | 2 | 12 | 1 | 15 | 13.3 | 80.0 | 6.7 |
| France | 7 | 0 | 0 | 7 | 100.0 | 0.0 | 0.0 |
| Germany | 11 | 5 | 3 | 19 | 57.9 | 26.3 | 15.8 |
| Japan | 5 | 11 | 11 | 27 | 18.5 | 40.7 | 40.7 |
| UK | 5 | 13 | 4 | 22 | 22.7 | 59.1 | 18.2 |
| USA | 2 | 21 | 8 | 31 | 6.5 | 67.7 | 25.8 |
| Switzerland | 10 | 11 | 4 | 25 | 40.0 | 44.0 | 16.0 |
| Thailand | 2 | 10 | 1 | 12 | 16.7 | 83.3 | 0.0 |
| China | 4 | 1 | 3 | 8 | 50.0 | 12.5 | 37.5 |
| Others | 2 | 1 | 13 | 16 | 12.5 | 6.3 | 81.3 |
| Total | 81 | 113 | 56 | 250 | 32.4 | 45.2 | 22.4 |
| Percentage | 32.4 | 45.2 | 22.4 | | | | |

14. about tourist police

| Nationality | Yes | No | Total |
|-------------|------|------|-------|
| Austria | 14 | 1 | 15 |
| Australia | 25 | 3 | 28 |
| Bhutan | 15 | 10 | 25 |
| Bangladesh | 13 | 2 | 15 |
| France | 7 | 0 | 7 |
| Germany | 15 | 4 | 19 |
| Japan | 17 | 10 | 27 |
| UK | 18 | 4 | 22 |
| USA | 24 | 7 | 31 |
| Switzerland | 17 | 8 | 25 |
| Thailand | 9 | 3 | 12 |
| China | 6 | 2 | 8 |
| Others | 16 | 0 | 16 |
| Total | 196 | 54 | 250 |
| Percentage | 78.4 | 21.6 | |

15. Any security threat in travel

| Nationality | Yes | No | Total |
|-------------------|------------|-------------|------------|
| Austria | 1 | 14 | 15 |
| Australia | 3 | 25 | 28 |
| Bhutan | 0 | 25 | 25 |
| Bangladesh | 0 | 15 | 15 |
| France | 1 | 6 | 7 |
| Germany | 2 | 17 | 19 |
| Japan | 1 | 26 | 27 |
| UK | 0 | 22 | 22 |
| USA | 0 | 31 | 31 |
| Switzerland | 2 | 23 | 25 |
| Thailand | 1 | 11 | 12 |
| China | 2 | 6 | 8 |
| Others | 0 | 16 | 16 |
| Total | 13 | 237 | 250 |
| Percentage | 5.2 | 94.8 | |

16. Need any security charge?

| Nationality | Yes | No | Total |
|-------------------|-------------|-------------|------------|
| Austria | 2 | 13 | 15 |
| Australia | 20 | 8 | 28 |
| Bhutan | 0 | 25 | 25 |
| Bangladesh | 5 | 10 | 15 |
| France | 5 | 2 | 7 |
| Germany | 1 | 18 | 19 |
| Japan | 6 | 21 | 27 |
| UK | 11 | 11 | 22 |
| USA | 4 | 27 | 31 |
| Switzerland | 5 | 20 | 25 |
| Thailand | 4 | 8 | 12 |
| China | 1 | 7 | 8 |
| Other | 0 | 16 | 16 |
| Total | 64 | 186 | 250 |
| Percentage | 25.6 | 74.4 | 100 |

17. Know about strikes in tour

| Nationality | Yes | No | Total |
|-------------------|-----------|------------|------------|
| Austria | 5 | 10 | 15 |
| Australia | 8 | 20 | 28 |
| Bhutan | 0 | 25 | 25 |
| Bangladesh | 0 | 15 | 15 |
| France | 1 | 6 | 7 |
| Germany | 0 | 19 | 19 |
| Japan | 2 | 25 | 27 |
| UK | 1 | 21 | 22 |
| USA | 7 | 24 | 31 |
| Switzerland | 6 | 19 | 25 |
| Thailand | 0 | 12 | 12 |
| China | 2 | 6 | 8 |
| Other | 3 | 13 | 16 |
| Total | 35 | 215 | 250 |
| Percentage | 14 | 86 | |

18. Nepal may be good tourist destination

| Nationality | Yes | No | Not sure | Total |
|-------------------|-------------|-----------|-------------|------------|
| Austria | 12 | 0 | 3 | 15 |
| Australia | 20 | 8 | 0 | 28 |
| Bhutan | 17 | 3 | 5 | 25 |
| Bangladesh | 15 | 0 | 0 | 15 |
| France | 5 | 1 | 1 | 5 |
| Germany | 14 | 0 | 5 | 19 |
| Japan | 10 | 7 | 10 | 27 |
| UK | 20 | 0 | 2 | 22 |
| USA | 20 | 9 | 2 | 31 |
| Switzerland | 12 | 10 | 3 | 25 |
| Thailand | 7 | 1 | 4 | 12 |
| China | 3 | 2 | 3 | 8 |
| Other | 11 | 1 | 4 | 16 |
| Total | 166 | 35 | 49 | 250 |
| Percentage | 66.4 | 14 | 19.6 | 100 |

18. Any happy or unhappy moment

| Nationality | Title | Yes | No | Total |
|--------------------|--------------|------------|-----------|--------------|
| Austria | | | | 15 |
| Australia | | | | 28 |
| Bhutan | | | | 25 |
| Bangladesh | | | | 15 |
| France | | | | 7 |
| Germany | | | | 19 |
| Japan | | | | 27 |
| UK | | | | 22 |
| USA | | | | 31 |
| Switzerland | | | | 25 |
| Thailand | | | | 12 |
| China | | | | 8 |
| Other | | | | 16 |
| Thailand | | | | 250 |

Appendix G

Tourism Organization

1. Type of Business or Nature of business

| Types | No of respondents | Percentage |
|-----------|-------------------|------------|
| Hotel | 15 | 20 |
| Ticketing | 15 | 20 |
| Travel | 15 | 20 |
| Rafting | 15 | 20 |
| Trekking | 15 | 20 |

2. Type of trained /untrained manpower

| Types | Trained | Untrained | Total | Train% | Untrain % |
|-------------------|--------------|-------------|------------|--------|-----------|
| Hotel | 250 | 15 | 255 | 94.1 | 5.9 |
| Ticketing | 70 | 5 | 75 | 93.3 | 6.7 |
| Travel | 120 | 30 | 150 | 80.0 | 20.0 |
| Rafting | 90 | 0 | 90 | 100.0 | 0.0 |
| Trekking | 50 | 10 | 60 | 83.3 | 16.7 |
| Total | 570 | 60 | 630 | | |
| Percentage | 90.47 | 9.52 | | | |

3. Type of gender employment

| Types | Male | Female | Total | Male% | Female% |
|-------------------|------------|------------|------------|-------|---------|
| Hotel | 195 | 60 | 255 | 76.5 | 23.5 |
| Ticketing | 45 | 30 | 75 | 60.0 | 40.0 |
| Travel | 80 | 10 | 90 | 88.9 | 11.1 |
| Rafting | 87 | 3 | 90 | 96.7 | 3.3 |
| | | | | | |
| Total | 497 | 163 | 660 | | |
| percentage | 75 | 25 | | | |

4. The major role on tourist of government or non-government

| Types | Gov role | Non gov. | Total | Major role % | Major role % |
|--------------|-----------|-----------|-----------|--------------|--------------|
| Hotel | 12 | 3 | 15 | 80.0 | 20.0 |
| Ticketing | 14 | 1 | 15 | 93.3 | 6.7 |
| Travel | 10 | 5 | 15 | 66.7 | 33.3 |
| Rafting | 13 | 2 | 15 | 86.7 | 13.3 |
| Trekking | 15 | 0 | 15 | 100.0 | 0.0 |
| Total | 64 | 11 | 75 | | |

5. Satisfied or non-satisfied organization

| Types | Satisfied | Non-satis | Total | Satisfied % | Non satisfied % |
|--------------|-----------|-----------|-----------|-------------|-----------------|
| Hotel | 7 | 8 | 15 | 46.7 | 53.3 |
| Ticketing | 10 | 5 | 15 | 66.7 | 33.3 |
| Travel | 9 | 6 | 15 | 60.0 | 40.0 |
| Rafting | 2 | 13 | 15 | 13.3 | 86.7 |
| Trekking | 3 | 12 | 15 | 20.0 | 80.0 |
| Total | 1 | 44 | 75 | | |

6. Tourist spend in average organization

| Types | | | Amount | | | |
|----------------|-----------------|------------------|------------------|-------------------|------------------|--------------|
| | 500-2000 | 2000-4000 | 4000-6000 | 6000-10000 | 10000< | Total |
| Hotel | 2 | 3 | 7 | 2 | 1 | 15 |
| Ticketing | 9 | 2 | 1 | 3 | 0 | 15 |
| Travel | 3 | 7 | 3 | 2 | 0 | 15 |
| Rafting | 5 | 7 | 2 | 1 | 0 | 15 |
| Trekking | 1 | 2 | 10 | 2 | 0 | 15 |
| Total | 20 | 21 | 23 | 10 | 1 | 75 |
| Percent | 26.7 | 28.0 | 30.7 | 13.7 | 1.3 | 100 |

7. Satisfied of tourism security policy

| Types | Satisfied | Unsatisfied | Total | Satisfied | Non satisfied % |
|-------------------|-----------|-------------|-----------|-----------|-----------------|
| Hotel | 5 | 10 | 15 | 33.3 | 6.7 |
| Ticketing | 7 | 8 | 15 | 46.7 | 53.3 |
| Travel | 6 | 9 | 15 | 40.0 | 60.0 |
| Rafting | 4 | 11 | 15 | 26.7 | 73.3 |
| Trekking | 3 | 12 | 15 | 20.0 | 80.0 |
| Total | 25 | 50 | 75 | | |
| Percentage | | | | | |

8. Satisfied percentage of tourism

| Types | 20-oct | 20-60 | 40-60 | 60-80 | 80-100 | Total |
|-------------------|----------|------------|-------------|-------------|-------------|--------------|
| Hotel | 0 | 0 | 5 | 7 | 3 | 15 |
| Ticketing | 0 | 2 | 6 | 3 | 4 | 15 |
| Travel | 0 | 0 | 5 | 7 | 3 | 15 |
| Rafting | 0 | 0 | 6 | 5 | 4 | 15 |
| Trekking | 0 | 0 | 2 | 3 | 10 | 15 |
| Total | 0 | 2 | 24 | 25 | 24 | 75 |
| Percentage | 0 | 2.7 | 32.0 | 33.3 | 32.0 | 100.0 |

9. Major challenges of business

| Types | Gov rule | Stand. tourist | Good prod. | Others | Total |
|-------------------|-------------|----------------|-------------|-------------|--------------|
| Hotel | 5 | 3 | 2 | 5 | 15 |
| Ticketing | 3 | 7 | 2 | 3 | 15 |
| Travel | 2 | 5 | 6 | 2 | 15 |
| Rafting | 1 | 3 | 8 | 3 | 15 |
| Trekking | 2 | 6 | 5 | 2 | 15 |
| Total | 13 | 24 | 23 | 15 | 75 |
| Percentage | 17.5 | 32.0 | 30.7 | 20.0 | 100.0 |

10. Business security

| Types | Good | Very good | Satisfactory | Non satisfactory | Total |
|-------------------|-------------|------------|--------------|------------------|------------|
| Hotel | 2 | 0 | 3 | 5 | 10 |
| Ticketing | 1 | 0 | 5 | 6 | 12 |
| Travel | 3 | 0 | 2 | 8 | 13 |
| Rafting | 2 | 0 | 6 | 7 | 15 |
| Trekking | 3 | 0 | 5 | 5 | 13 |
| Total | 11 | 0 | 21 | 31 | 63 |
| Percentage | 17.5 | 0.0 | 33.0 | 49.2 | 100 |

11. Motivate the quality tourist

| Types | Change in Gov. policy | Improvement transportation | Imp. product | Imp. commutation | Others | Total |
|-------------------|-----------------------|----------------------------|--------------|------------------|-------------|------------|
| Hotel | 7 | 2 | 2 | 4 | 0 | 15 |
| Ticketing | 2 | 7 | 2 | 2 | 2 | 15 |
| Travel | 3 | 3 | 1 | 5 | 3 | 15 |
| Rafting | 4 | 2 | 3 | 3 | 3 | 15 |
| Trekking | 0 | 5 | 5 | 2 | 3 | 15 |
| Total | 16 | 19 | 13 | 16 | 11 | 75 |
| Percentage | 21.3 | 25.3 | 17.3 | 21.3 | 14.7 | 100 |

Appendix H

Tourism Export

1. Total number of export

| Title | Number | Percentage |
|---------------------|-----------|------------|
| Academic expert | 20 | 30.8 |
| Organization export | 30 | 46.2 |
| Others | 15 | 23.1 |
| Total | 65 | 100 |

2. Current tourism situation of Nepal

| Title | V. good | Good | Average | Satisfactory | Non-satis | Total | Percentage |
|---------------------|------------|-------------|-------------|--------------|------------|-----------|------------|
| Academic export | 0 | 2 | 4 | 14 | 0 | 20 | 20 |
| Organization export | 2 | 4 | 8 | 15 | 1 | 30 | 30 |
| Others | 0 | 2 | 3 | 10 | 0 | 15 | 15 |
| Total | 2 | 8 | 15 | 39 | 1 | 65 | |
| Percentage | 3.1 | 12.3 | 23.1 | 60.0 | 1.5 | | |

3. Tourism is a major source of economy of Nepal

| Title | Yes | No | Total | Yes% | No% |
|---------------------|---------------|---------------|-----------|-------|------|
| Academic export | 20 | 0 | 20 | 100.0 | 0.0 |
| Organization export | 25 | 5 | 30 | 83.3 | 16.7 |
| Others | 11 | 4 | 15 | 73.3 | 26.7 |
| Total | 56 | 9 | 65 | | |
| Percentage | 86.153 | 13.846 | | | |

4. We receive maximum benefit from tourism sector

| Title | Yes | No | Total | Yes% | No% |
|---------------------|-----------|-----------|-----------|-------------|-------------|
| Academic expert | 15 | 5 | 20 | 23.1 | 7.7 |
| Organization expert | 22 | 8 | 30 | 33.8 | 12.3 |
| Others | 13 | 2 | 15 | 20.0 | 3.1 |
| Total | 50 | 15 | 65 | 76.9 | 23.1 |

5. Present growth rate of tourism in Nepal

| Title | R. growth | N. growth | Not satisfactory | Total |
|---------------------|------------|-------------|------------------|------------|
| Academic export | 0 | 7 | 13 | 20 |
| Organization expert | 2 | 13 | 15 | 30 |
| Other | 0 | 0 | 15 | 15 |
| Total | 2 | 20 | 43 | 65 |
| Percentage | 3.1 | 30.8 | 66.2 | 100 |

6. Nepal a main destination in South Asia

| Title | Yes | No | Total | Yes% | No% |
|---------------------|-----------|-----------|-----------|-------------|-------------|
| Academic expert | 16 | 4 | 20 | 24.6 | 6.2 |
| Organization expert | 13 | 17 | 30 | 20.0 | 26.2 |
| Others | 5 | 10 | 15 | 7.7 | 15.7 |
| Total | 34 | 31 | 65 | 52.3 | 47.7 |

7. The contribute to motivate tourists to visit Nepal frequently

| Title | Policy | Natural attr. | Adventure | Hospitality | Cultural heritage | Others |
|---------------------|----------|------------------|-----------|-------------|----------------------|----------|
| Academic expert | 5 | 3 | 4 | 4 | 3 | 2 |
| Organization expert | 2 | 3 | 9 | 8 | 8 | 0 |
| Others | 2 | 3 | 4 | 1 | 4 | 0 |
| Total | 9 | 9 | 17 | 13 | 15 | 2 |

8. Needed the improvement to promote tourism

| Title | Transport | Mark. | Sustainable. Gov. policy | Peaceful environment | Others |
|---------------------|-----------|-------|-----------------------------|-------------------------|--------|
| Academic expert | 2 | 4 | 5 | 6 | 3 |
| Organization expert | 5 | 8 | 2 | 10 | 5 |
| Others | | | | | |

9. Successful was campaign "the visit Nepal 2011 year"

| Title | Yes | No | Total | Yes% | No% |
|---------------------|-----------|-----------|-----------|-------------|-------------|
| Academic expert | 2 | 18 | 20 | 3.1 | 27.7 |
| Organization expert | 5 | 25 | 30 | 7.7 | 38.5 |
| Others | 7 | 8 | 15 | 10.8 | 12.3 |
| Total | 14 | 51 | 65 | 21.5 | 78.5 |

10. Satisfied from the government tourism policy of Nepal

| Title | Yes | No | Total | Yes% | No% |
|---------------------|-----------|-----------|-----------|-------------|-------------|
| Academic expert | 10 | 10 | 20 | 15.4 | 15.4 |
| Organization expert | 14 | 16 | 30 | 21.5 | 24.6 |
| Others | 7 | 3 | 15 | 10.8 | 12.3 |
| Total | 31 | 34 | 65 | 47.7 | 52.3 |

11. Effective role playing of increasing number

| Title | yes | no |
|---------------------|-----|----|
| Academic expert | | |
| Organization expert | | |
| Others | | |

12. Satisfied the conduct of tourism organization

| Title | Yes | No | Total | Yes % | No % |
|---------------------|-----------|-----------|-----------|-------------|-------------|
| Academic expert | 10 | 10 | 20 | 15.4 | 15.4 |
| Organization expert | 8 | 22 | 30 | 12.3 | 33.8 |
| Others | 6 | 9 | 15 | 9.2 | 13.8 |
| Total | 24 | 41 | 65 | 36.9 | 63.1 |

13. Impact of provincial system

| Title | Good | Bad | Wait and see |
|---------------------|------|-----|--------------|
| Academic expert | 1 | 2 | 17 |
| Organization expert | 2 | 3 | 25 |
| Others | 1 | 3 | 11 |

14. Expert involved making tourism polity

| Title | Yes | No | Total | Yes % | No % |
|---------------------|-----------|-----------|-----------|-------------|-------------|
| Academic expert | 10 | 10 | 20 | 15.4 | 15.4 |
| Organization expert | 17 | 13 | 30 | 26.2 | 20.0 |
| Other | 8 | 7 | 15 | 12.3 | 10.8 |
| Total | 35 | 30 | 65 | 53.8 | 46.2 |

15. About tourist security of Nepal

| Title | Good | V. good | Satisfactory | Non-satisfactory | Total |
|---------------------|----------|----------|--------------|------------------|-----------|
| Academic expert | 2 | 3 | 1 | 14 | 20 |
| Organization expert | 2 | 0 | 27 | 1 | 30 |
| Others | 2 | 0 | 9 | 4 | 15 |
| Total | 6 | 3 | 37 | 19 | 65 |

16. Security part is needed for tourism promotion

| Title | Yes | No | Total | Yes% | No% |
|---------------------|-----------|-----------|-----------|-------------|-------------|
| Academic expert | 18 | 2 | 20 | 27.7 | 3.1 |
| Organization expert | 27 | 3 | 30 | 41.5 | 4.6 |
| Other | 6 | 9 | 15 | 9.2 | 13.8 |
| Total | 51 | 14 | 65 | 78.5 | 21.5 |

17. Better manage tourist security I n Nepal

| Title | Using skill manpower | Training to people | Rewarding to public | Others | |
|---------------------|----------------------|--------------------|---------------------|----------|-----------|
| Academic expert | 4 | 5 | 11 | 0 | 20 |
| Organization expert | 5 | 7 | 18 | 0 | 30 |
| Others | 3 | 7 | 5 | 0 | 15 |
| Total | 12 | 19 | 34 | 0 | 65 |

18. Improvement of tourism revenue and tourism security

| Title | Product | Policy | Security | Total |
|---------------------|----------------|---------------|-----------------|--------------|
| Academic expert | 5 | 12 | 3 | 20 |
| Organization expert | 7 | 20 | 3 | 30 |
| Others | 2 | 7 | 6 | 15 |
| Total | 14 | 39 | 12 | 65 |
| Percentage | 21.5 | 60.0 | 18.5 | 100 |

Appendix I

Number of Expedition Teams Season wise Members & Royalty by country, 2012

(contd.) (permit issued by Nepal mountaineering association)

| Country | Teams | Climbers | Royalty (\$) |
|-------------------|-------|----------|--------------|
| Andorra | 1 | 2 | 350 |
| Australia | 96 | 466 | 40,605 |
| Austria | 70 | 392 | 31,315 |
| Bangladesh | 2 | 7 | 740 |
| Belgium | 28 | 140 | 11,505 |
| Belize | 1 | 3 | 350 |
| Brazil | 2 | 14 | 960 |
| Bulgaria | 1 | 11 | 585 |
| Brunei Darussalam | 1 | 5 | 390 |
| Canada | 52 | 245 | 21,385 |
| Chile | 3 | 9 | 1,050 |
| China | 6 | 24 | 2,300 |
| Croatia | 1 | 2 | 350 |
| Czech republic | 25 | 115 | 10,065 |
| Denmark | 18 | 93 | 7,490 |
| Finland | 6 | 45 | 2,865 |
| France | 114 | 494 | 45,785 |
| Germany | 119 | 520 | 48,555 |
| Greece | 3 | 12 | 1,130 |
| Hungary | 6 | 18 | 2,140 |
| Iceland | 1 | 2 | 350 |
| India | 18 | 82 | 7,435 |
| Ireland | 12 | 69 | 5,200 |
| Israel | 2 | 9 | 820 |
| Italy | 40 | 199 | 16,805 |
| Japan | 84 | 271 | 33,475 |
| Kazakhstan | 1 | 12 | 610 |
| Kenya | 2 | 8 | 700 |
| Latvia | 4 | 26 | 1,825 |
| Luxembourg | 2 | 3 | 850 |
| Malaysia | 9 | 59 | 4,075 |
| Mexico | 2 | 14 | 960 |
| Nepal | 8 | 44 | 3,545 |
| Netherlands | 36 | 158 | 14,950 |
| Norway | 12 | 61 | 5,245 |
| Philippines | 1 | 1 | 350 |
| Poland | 31 | 160 | 13,030 |
| Portugal | 3 | 12 | 1,090 |
| Romania | 2 | 18 | 1,070 |
| Russia | 54 | 275 | 22,920 |
| Saudi Arabia | 1 | 1 | 350 |
| Singapore | 10 | 67 | 5,015 |

| | | | |
|----------------|--------------|--------------|----------------|
| Serbia | 1 | 11 | 585 |
| Slovakia | 5 | 11 | 1,790 |
| Slovenia | 9 | 51 | 3,635 |
| South Africa | 4 | 18 | 1,640 |
| South korea | 10 | 52 | 4,700 |
| Spain | 65 | 281 | 24,755 |
| Sri lanka | 1 | 5 | 390 |
| Switzerland | 49 | 275 | 21,925 |
| Sweden | 12 | 38 | 4,475 |
| Taiwan | 1 | 10 | 560 |
| Thailand | 10 | 84 | 5,155 |
| Ukraine | 13 | 71 | 5,555 |
| United kingdom | 138 | 770 | 60,435 |
| United states | 96 | 465 | 40,755 |
| Uruguay | 1 | 1 | 350 |
| Venezuela | 2 | 12 | 1,080 |
| Vietnam | 1 | 3 | 350 |
| Total | 1,333 | 6,486 | 560,175 |

Source: Nepal Mountaineering Association (NMA), 2013

Appendix J

Tourist Arrival and Average Length of Stay (2000-2012)

| Year | Total | | By Air | | By Land | | Average Length of Stay |
|------|---------|-------|---------|------|---------|------|------------------------|
| 2000 | 463,646 | -5.7 | 376,914 | 81.3 | 86,732 | 18.7 | 11.88 |
| 2001 | 361,237 | -22.1 | 299,514 | 82.9 | 61,723 | 17.1 | 11.93 |
| 2002 | 275,468 | -23.7 | 218,660 | 79.4 | 56,808 | 20.6 | 7.92 |
| 2003 | 338,132 | 22.7 | 275,438 | 81.5 | 62,694 | 18.5 | 9.60 |
| 2004 | 385,297 | 13.9 | 297,335 | 77.2 | 87,962 | 22.8 | 13.51 |
| 2005 | 375,398 | -2.6 | 277,346 | 73.9 | 98,052 | 26.1 | 9.09 |
| 2006 | 383,926 | 2.3 | 283,819 | 73.9 | 98,052 | 26.1 | 10.20 |
| 2007 | 526,705 | 37.2 | 360,713 | 68.5 | 165,992 | 31.5 | 11.96 |
| 2008 | 500,277 | -5.0 | 374,661 | 74.9 | 125,616 | 25.1 | 11.78 |
| 2009 | 509,956 | 1.9 | 379,322 | 74.4 | 130,634 | 25.6 | 11.32 |
| 2010 | 602,867 | 18.2 | 448,800 | 74.4 | 154,067 | 25.6 | 12.67 |
| 2011 | 736,215 | 22.1 | 545,221 | 74.1 | 190,994 | 25.9 | 13.12 |
| 2012 | 803,092 | 9.1 | 598,258 | 74.5 | 204,834 | 25.5 | 12.16 |

Source: Nepal Tourism Board, 2013

Appendix K

Tourist Arrival by Month 2000-2012.

| Year | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Total |
|------|------------------|------------------|------------------|------------------|-----------------|------------------|------------------|-----------------|-----------------|-------------------|------------------|-----------------|------------------|
| 2000 | 25,307 | 38,959 | 44,944 | 43,635 | 28,363 | 26,933 | 24,480 | 34,670 | 43,523 | 59,195 | 52,993 | 40,644 | 463,646 |
| 2001 | 30,454 | 38,680 | 46,709 | 39,083 | 28,345 | 13,030 | 18,329 | 25,322 | 31,170 | 41,245 | 30,282 | 18,588 | 361,237 |
| 2002 | 17,176 | 20,668 | 28,815 | 21,253 | 19,887 | 17,218 | 16,621 | 21,093 | 23,752 | 35,272 | 28,723 | 24,990 | 275,468 |
| 2003 | 21,215 | 24,349 | 27,737 | 25,851 | 22,704 | 20,351 | 22,661 | 27,568 | 28,724 | 45,459 | 38,398 | 33,115 | 338,132 |
| 2004 | 30,988 | 35,631 | 44,290 | 33,514 | 26,802 | 19,793 | 24,860 | 33,162 | 25,496 | 43,373 | 36,381 | 31,007 | 385,297 |
| 2005 | 25,477 | 20,338 | 29,875 | 23,414 | 25,541 | 22,608 | 23,996 | 36,910 | 36,066 | 51,498 | 41,505 | 38,17 | 375,398 |
| 2006 | 28,769 | 25,728 | 36,873 | 21,983 | 22,870 | 26,210 | 25,183 | 33,150 | 33,362 | 49,670 | 44,119 | 36,009 | 383,926 |
| 2007 | 33,192 | 39,934 | 54,722 | 40,942 | 35,854 | 31,316 | 35,437 | 44,683 | 45,552 | 70,644 | 52,273 | 42,156 | 526,705 |
| 2008 | 36,913 | 46,675 | 58,735 | 38,475 | 30,410 | 24,349 | 25,427 | 40,011 | 41,622 | 66,421 | 52,399 | 38,840 | 500,277 |
| 2009 | 29,278 | 40,617 | 49,567 | 43,337 | 30,037 | 31,749 | 30,432 | 44,174 | 42,771 | 72,522 | 54,423 | 41,049 | 509,956 |
| 2010 | 33,645 | 49,264 | 63,058 | 45,509 | 32,542 | 33,263 | 38,991 | 54,672 | 54,848 | 79,130 | 67,537 | 50,408 | 602,867 |
| 2011 | 42,622 | 56,339 | 67,565 | 59,751 | 46,202 | 46,115 | 42,661 | 71,398 | 63,033 | 96,996 | 83,460 | 60,073 | 736,215 |
| 2012 | 52,501 (23.2) | 66,459 (18.0) | 89,151 (31.9) | 69,796 (16.8) | 50,317 (8.9) | 53,630 (16.3) | 49,995 (17.2) | 71,964 (0.8) | 66,383 (5.3) | 86,379 (-10.9) | 83,173 (-0.3) | 63,344 (5.4) | 803,092 (9.1) |

Sources: Nepal Tourism Board 2013

Appendix L

Tourist Arrival by Month, 2000-2012 (Excluding Indian)

| Year | Jan | Feb | Mar | Apr | May | Jun | July | Aug | Sep | Oct | Nov | Dec | Total |
|------|------------------|------------------|-----------------|-----------------|----------------|------------------|------------------|-----------------|----------------|------------------|-----------------|-----------------|------------------|
| 2000 | 21,092 | 33,939 | 38,959 | 36,430 | 18,658 | 12,036 | 16,842 | 27,205 | 34,643 | 51,100 | 45,318 | 31,509 | 367,731 |
| 2001 | 25,158 | 32,763 | 40,684 | 32,211 | 17,406 | 8,929 | 13,965 | 21,658 | 26,132 | 37,198 | 25,795 | 15,018 | 296,917 |
| 2002 | 13,180 | 16,960 | 25,102 | 16,877 | 11,751 | 8,338 | 9,962 | 15,515 | 18,768 | 30,251 | 24,044 | 17,943 | 208,691 |
| 2003 | 15,659 | 19,321 | 22,260 | 20,303 | 15,288 | 7,835 | 13,607 | 19,149 | 22,577 | 38,040 | 31,750 | 25,980 | 251,769 |
| 2004 | 22,947 | 28,743 | 35,468 | 26,279 | 15,581 | 9,776 | 17,070 | 27,657 | 21,829 | 38,104 | 29,330 | 22,187 | 294,971 |
| 2005 | 19,531 | 17,061 | 25,847 | 18,311 | 15,438 | 11,170 | 14,921 | 26,119 | 27,413 | 40,553 | 34,778 | 27,822 | 278,964 |
| 2006 | 21,126 | 21,320 | 30,169 | 18,435 | 13,517 | 11,841 | 15,066 | 24,966 | 26,327 | 43,026 | 37,402 | 27,009 | 290,204 |
| 2007 | 25,857 | 33,133 | 48,022 | 32,794 | 23,296 | 18,937 | 26,160 | 37,658 | 38,813 | 65,745 | 46,822 | 33,458 | 430,695 |
| 2008 | 30,473 | 40,334 | 51,364 | 31,952 | 19,619 | 12,922 | 18,097 | 32,084 | 33,870 | 60,938 | 47,467 | 29,980 | 409,100 |
| 2009 | 23,969 | 34,594 | 45,950 | 34,938 | 20,362 | 17,078 | 19,942 | 36,121 | 36,241 | 65,592 | 48,667 | 32,618 | 416,072 |
| 2010 | 28,076 | 43,289 | 56,632 | 37,208 | 21,053 | 17,967 | 24,273 | 43,172 | 44,650 | 69,982 | 57,304 | 38,363 | 481,969 |
| 2011 | 34,541 | 48,045 | 58,455 | 49,089 | 29,692 | 25,081 | 28,875 | 55,204 | 50,560 | 86,988 | 72,436 | 47,745 | 586,711 |
| 2012 | 42,055 (21.8) | 55,301 (15.1) | 2,882 (24.7) | 53,745 (9.5) | 0,140 (1.5) | 30,084 (19.9) | 34,837 (20.6) | 57,590 (4.3) | 4,654 (8.1) | 79,536 (-8.6) | 74,603 (3.0) | 51,850 (8.6) | 637,277 (8.6) |

Sources: Nepal Tourism Board, 2013

Appendix M

Total Revenue from National Parks and Protected Areas for Fiscal Year 262/63- 2067/68

| National Parks | 2062/63 | 2063/64 | 2064/65 | 2065/66 | 2066/67 | 2067/68 |
|----------------------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| Bardiya National Park | 1,581,501 | 3,432,490 | 4,012,763 | 5,032,233 | 8,245,898 | 10,648,950 |
| Chitwan National Park | 37,979,523 | 47,732,092 | 58,793,101 | 62,797,975 | 61,017,691 | 83,145,930 |
| Dhorpatan Hunting Reserve | 3,600 | 6,235 | 81,898 | 46,552 | 87,003 | 80,670 |
| Kanchanjunga Conservation Area | 15,000 | 192,560 | 224,070 | 818,582 | 981,900 | 1,468,650 |
| Khaptad National Park | 22,664 | 77,818 | 70,396 | 112,811 | 208,293 | 219,117 |
| Koshi Tappu Wildlife Reserve | 322,026 | 411,314 | 542,842 | 210,030 | 488,027 | 1,175,153 |
| Langtang National Park | 2,812,625 | 4,428,302 | 5,839,900 | 10,336,815 | 7,688,099 | 12,065,458 |
| Makalu Barun National Park | 124,860 | 179,430 | 748,463 | 784,208 | 1,247,444 | 1,822,892 |
| Parsa Wildlife Reserve | 2,172,693 | 9,467,480 | 14,432,290 | 25,192,784 | 14,046,683 | 46,870,322 |
| Rara National Park | 11,940 | 75,070 | 190,040 | 128,020 | 293,420 | 434,420 |
| Sagarmatha National Park | 13,905,852 | 17,084,031 | 22,861,928 | 23,673,652 | 26,662,962 | 66,439,415 |
| Shey Phoksundo National Park | 65,720 | 337,627 | 390,840 | 262,860 | 539,607 | 702,425 |
| Shivapuri Nagarjun National Park | 947,515 | 2,900,520 | 2,964,618 | 4,696,449 | 6,829,775 | 6,622,356 |
| Sukla Phanta Wildlife Reserve | 437,857 | 1,664,096 | 717,959 | 1,335,576 | 1,412,302 | 3,258,988 |
| Banke National Park | - | - | - | - | - | 830,291 |
| Krisnasar Conservation Area | - | - | - | - | - | 105,350 |
| Api Nampa Conservation Area | - | - | - | - | - | 561.980 |
| Total | 60,403,376 | 87,989,065 | 111,871,108 | 135,428,547 | 129,749,104 | 236,452,367 |

Source: Development of National Park and Wildlife Conservation, 2013

Appendix N

Entry fee structure of different places

| Entry Fee (NPR) | | | |
|--|-------------------|-----------------------------|---------|
| Place | Foreign Nationals | SAARC Nationals | Chinese |
| Kathmandu Durbar Square including Tribhuvan Museum | 750 | 150 | 750 |
| National Museum, Chauni , KTM | 50 | 10 | 50 |
| Patan Durbar Square | 500 | 25 | 200 |
| Patan Museum | 250 | 75 | 75 |
| Patan Golden Temple | 50 | 25 | 50 |
| Bhaktapur Durbar Square | US\$ 15 or 1100 | 100 | 100 |
| National Art Museum, Bhaktapur | 100 | 50 | 150 |
| Swayambhunath Stupa | 200 | 50 | 200 |
| Baudhanath Stupa | 150 | 40 | 150 |
| Pashupatinath Temple (per day per entry) | 500 | Free | 500 |
| Changunarayan Temple | 100 | 100 | 100 |
| Ethnographic musuem, Bhrikutimandap, NTB | 100 | 50 | 100 |
| Chitwan National Park (per day per entry) | 1500 | 200 | 500 |
| Chitwan Elephant breeding camp | 50 | 25 | 50 |
| Tharu cultural museum, Chitwan | | | |
| Lumbini | 50 | 50 | 50 |
| Lumbini Museum | 50 | 50 | 50 |
| Kapilvastu Museum | 10 | 5 | 10 |
| Int'l mountain museum, Pokhara | 300 | 100 | 300 |
| Manaslu Conservation Area | 2000 | 200 | 2000 |
| Annapurna Conser Area | 2000 | 200 | 2000 |
| Everest/Langtang N. Park | 3000 | 100 | 1000 |
| Shivapuri N. Park | 250 | 250 | 250 |
| Garden of Dreams, Katmandu | 160 | 160 | 160 |
| Dharahara, Kathmandu | 299 | 160 | 299 |
| Godawari Park | 100 | For Indian 25 and others 50 | 100 |

Sources: Nepal tourism board, 2013

Appendix O

Table 6: Tourist Arrival by Purpose of Visit & Major Nationalities, 2012

| Nationality | Holiday/ pleasure | Trekking & mountain climbing | Business | Pilgrimage | Official | Conference/ convention/ exhibition | Study/research/ employment | Others | Not specified | Total |
|--------------------|----------------------|---------------------------------------|----------|------------|----------|--|-------------------------------|--------|------------------|---------|
| Afghanistan | 103 | 42 | 23 | 1 | 165 | 65 | 11 | 27 | 66 | 503 |
| Argentina | 1,223 | 86 | 12 | 95 | 14 | 6 | 17 | 27 | 137 | 1,617 |
| Australia | 10,618 | 7,199 | 380 | 526 | 333 | 214 | 653 | 886 | 1,221 | 22,030 |
| Austria | 1,688 | 1,393 | 47 | 119 | 38 | 28 | 72 | 101 | 311 | 3,797 |
| Bangladesh | 10,830 | 303 | 354 | 125 | 1,131 | 425 | 169 | 625 | 2,802 | 16,764 |
| Belgium | 3,623 | 1,339 | 92 | 107 | 137 | 52 | 120 | 260 | 556 | 6,286 |
| Bhutan | 1,105 | 141 | 156 | 1,003 | 568 | 87 | 229 | 352 | 542 | 4,183 |
| Brazil | 1,1371 | 173 | 23 | 58 | 20 | 11 | 22 | 69 | 117 | 1,630 |
| Bulgaria | 708 | 187 | 13 | 143 | 25 | 14 | 17 | 19 | 103 | 1,229 |
| Cambodia | 257 | 31 | 8 | 410 | 14 | 31 | 16 | 16 | 79 | 862 |
| Canada | 6,942 | 3,199 | 295 | 523 | 349 | 236 | 397 | 521 | 1,045 | 13,507 |
| China | 53,096 | 3,164 | 2,245 | 1,393 | 918 | 308 | 722 | 660 | 9,355 | 71,861 |
| Czech republic | 1,730 | 1,216 | 35 | 208 | 30 | 14 | 52 | 50 | 257 | 3,592 |
| Denmark | 3,949 | 1,578 | 142 | 137 | 145 | 54 | 240 | 263 | 610 | 7,118 |
| Finland | 1,315 | 505 | 156 | 22 | 107 | 55 | 72 | 85 | 147 | 2,464 |
| France | 13,514 | 9,964 | 397 | 684 | 407 | 127 | 509 | 850 | 2,353 | 28,805 |
| Germany | 13,674 | 10,402 | 644 | 774 | 718 | 225 | 622 | 1,022 | 2,328 | 30,409 |
| Greece | 453 | 54 | 17 | 16 | 10 | 17 | 20 | 7 | 97 | 691 |
| India | 58,481 | 3,430 | 11,139 | 24,432 | 16,716 | 7,241 | 6,005 | 11,758 | 26,613 | 165,615 |
| Indonesia | 630 | 85 | 22 | 391 | 61 | 73 | 25 | 16 | 197 | 1,500 |
| Ireland | 1,034 | 560 | 52 | 57 | 50 | 13 | 30 | 85 | 137 | 2,018 |
| Israel | 2,880 | 3,059 | 99 | 62 | 86 | 17 | 49 | 138 | 761 | 7,151 |
| Italy | 8,984 | 2,734 | 191 | 259 | 175 | 106 | 241 | 416 | 1,508 | 14,614 |
| Japan | 19,625 | 3,621 | 927 | 487 | 737 | 289 | 452 | 347 | 2,112 | 28,642 |
| Malaysia | 6,405 | 1,136 | 582 | 1,348 | 530 | 164 | 175 | 482 | 958 | 11,78 |
| Mexico | 1,169 | 52 | 13 | 27 | 15 | 5 | 9 | 33 | 141 | 1,464 |
| Myanmar | 2,069 | 55 | 22 | 5,447 | 53 | 62 | 31 | 148 | 1,583 | 9,470 |
| Netherlands | 9,265 | 3,111 | 218 | 440 | 260 | 78 | 430 | 569 | 1,074 | 15,445 |
| New Zealand | 1,895 | 1,084 | 85 | 98 | 34 | 54 | 126 | 161 | 220 | 3,757 |
| Norway | 1,625 | 741 | 154 | 90 | 117 | 63 | 137 | 125 | 228 | 3,280 |
| Pakistan | 2,205 | 289 | 213 | 65 | 504 | 450 | 71 | 283 | 992 | 5,072 |
| Philippines | 962 | 137 | 101 | 4 | 100 | 141 | 64 | 90 | 158 | 1,757 |
| Poland | 3,109 | 1,526 | 64 | 221 | 56 | 34 | 84 | 119 | 476 | 5,689 |
| Portugal | 767 | 174 | 11 | 25 | 26 | 19 | 16 | 31 | 158 | 1,336 |
| Republic of korea | 14,768 | 2,654 | 1,060 | 2,818 | 456 | 112 | 795 | 1,249 | 2,092 | 26,004 |
| Romania | 735 | 261 | 23 | 54 | 25 | 13 | 36 | 31 | 158 | 1,336 |
| Russian federation | 3,938 | 3,508 | 101 | 547 | 135 | 47 | 117 | 204 | 1,076 | 9,673 |
| Saudi Arabia | 502 | 97 | 128 | 58 | 34 | 6 | 53 | 64 | 267 | 1,209 |
| Singapore | 2,960 | 1,032 | 167 | 735 | 38 | 64 | 80 | 192 | 358 | 5,626 |
| Slovakia | 634 | 402 | 9 | 62 | 21 | 4 | 14 | 16 | 105 | 1,267 |
| South Africa | 637 | 365 | 45 | 57 | 15 | 33 | 24 | 34 | 114 | 1,324 |

| | | | | | | | | | | |
|---------------|---------|---------|--------|---------|--------|--------|--------|--------|--------|---------|
| Spain | 8,758 | 2,889 | 153 | 687 | 132 | 68 | 172 | 532 | 1,158 | 14,549 |
| Sri lanka | 15,805 | 2,205 | 199 | 40,988 | 523 | 303 | 814 | 1,156 | 7,483 | 69,476 |
| Sweden | 2,436 | 887 | 112 | 203 | 68 | 44 | 167 | 137 | 398 | 4,452 |
| Switzerland | 3,176 | 2,248 | 119 | 286 | 156 | 61 | 224 | 196 | 580 | 7,046 |
| Thailand | 12,976 | 1,391 | 228 | 16,458 | 352 | 179 | 259 | 288 | 4,487 | 36,618 |
| Turkey | 1,147 | 95 | 104 | 11 | 15 | 23 | 32 | 48 | 213 | 1,688 |
| Ukraine | 787 | 579 | 21 | 176 | 21 | 27 | 26 | 15 | 234 | 1,886 |
| UK | 19,214 | 10,945 | 1,074 | 1,678 | 1,100 | 602 | 1136 | 2,231 | 3,314 | 41,294 |
| USA | 26,437 | 8,371 | 1,370 | 2,382 | 1,857 | 635 | 1479 | 2,367 | 4,087 | 48,985 |
| Vietnam | 809 | 29 | 13 | 924 | 16 | 24 | 6 | 25 | 330 | 2,176 |
| Taiwan | 5,816 | 980 | 132 | 677 | 66 | 48 | 84 | 235 | 790 | 8,828 |
| Others | 9,614 | 2,847 | 638 | 800 | 687 | 525 | 453 | 781 | 2,262 | 18,607 |
| Not specified | 1,408 | 460 | 112 | 456 | 94 | 50 | 112 | 110 | 2,259 | 5,061 |
| Total | 379,627 | 105,015 | 24,785 | 109,854 | 30,460 | 13,646 | 17,988 | 30,552 | 91,165 | 803,092 |

SOURCE: NEPAL TOURISM BOARD, 2013