

Tourism Development In Nepal In The Context Of Regional Perspective

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INTRODUCTION

Nepal, one of the least developed countries in the world with a per capita income of US \$ 200 in 1994 (WDR 1996), has numerous reasons for its underdevelopment. Nonetheless, its land locked geopolitical position between India and China and its limited resource base are regarded as major responsible factors. These together hinder exports of industrial products from Nepal. In contrast, tourism products are only exports from Nepal which do not need to go through the Indian transit route, and it thus increases the prospects of tourism development manifold compared with the merchandise exports. In addition, Nepal as a destination country has an enormous natural beauty, the lofty Himalayas, centuries old cultural heritage and monuments to offer to the pleasurable and cultural tourists. Moreover, Nepal is the birth place of Lord Buddha and the only Hindu state in the World, which together increase the prospect of developing pilgrimage tourism in the country. In short, enriched with large potentialities Nepal possesses a higher prospect of developing various types of tourism such as mountaineering and trekking tourism, cultural tourism and pilgrimage tourism. Tourism development if not taken as for its own sake and instead linked with the development of other sectors and local people and ploughed back some of the earnings from it for benefits of the local people can prove as an engine of growth for Nepalese economy. The recorded number of the tourist arrivals was about 6,000 in 1962 which rose to around 334,000 in 1992 and to 363,395 in 1995. The contribution of the tourism industry to the GDP accounted only 1 percent in 1974/75, and 4.3 percent in 1994/95 (Economic Survey 1995/96). Contributing one fifth of the total foreign exchange earnings in the country, tourism sector at present is one of the largest foreign exchange earners. However, tourist arrivals and development of tourism in the country should be evaluated in overall regional context since Nepal is one of the small partners of the regional arrivals. The purpose of this paper is to examine Nepal's tourism in the context of SAARC region and give some suggestions for policy implications.

OBJECTIVES OF TOURISM DEVELOPMENT

The primary objectives of tourism development in the past seem to have frequently been switched off from an increase in the number of tourist

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arrivals to an increase in amount of foreign currencies. The government objective at present is set at an increasing foreign currency earnings from tourism. Obviously, the objectives in the past were not defined in a broad national development perspective. The statements in several plan documents reveal that the government's objective of tourism development is to put more emphasis on foreign exchange earnings. However, the objectives of the tourism development should not be defined in such a narrow sense. Aiming at to contribute to the sustainable economic development of the country, objectives of the tourism development should be framed in broad national development perspective. The objectives of the tourism development in the past can be summarized as follows:

- To increase the earnings of foreign currency.
- To increase the number of high spending tourists.
- To retain more foreign currency in the country earned from the tourists.
- To increase tourists' lengths to stay in the country.

In the Eighth Five Year Plan document tourism objectives include: the improvement of living standard of the people and the reduction of the level of poverty by increasing the employment opportunities in tourism sector, the improvement of the quality of tourist products and the development of infrastructures required for the standard air services; most importantly, to forge a close coordinating link between tourism sector and other sectors of the economy. However, it missed considering the regional development as a main objective of the tourism development in the country.

TOURISM PLANNING AND POLICIES REVIEW

The Nepal Tourism Development Master Plan 1972, is the first and foremost comprehensive tourism plan in Nepal. It identified several useful strategies and programmes for the tourism development in Nepal. This plan is still useful in the present context and perhaps is milestone. The market segments considered in the master plan were: organised sight-seeing tourism; independent Nepal-Style tourism; trekking; pilgrimage.

Kathmandu was recognised as the core centre of tourism in Nepal. Nonetheless, it envisaged to develop several places outside Kathmandu. It recommended to create resort areas and to open up round-trip tours operated from Kathmandu eastward and westward. Similarly, the development of the pilgrimage centers at Lumbini, Muktinath, Barahchhetra, and Janakpur was also envisaged. According to the evaluation of Nepal Tourism Development Master Plan Review 1984, the private sector had responded to the master plan well. However, the government has fallen short of its goal of creating of tourist development areas. The number of hotel rooms in Kathmandu had exceeded the target of the master plan, but the target of geographical development had not been met, except in the case of Pokhara and Chitwan.

The Nepal Tourism Development Programme 1990, is another important study in this context. This programme spells out the difficulties of Nepalese Tourism as: limited foreign capital investment, transport bottlenecks, restricted liaison between government departments.

It has recommended that in future Nepal should seek to raise foreign exchange earnings by: raising the price of Nepalese tourist product, extending the stay of sightseeing visitor, increasing the opportunities which tourists have to spend.

The recommended strategies for the development of the tourism in Nepal are as follows:

- Establishment of new top-standard international quality hotels, one each in Kathmandu and Pokhara.
- Development of a Western axis for adventure tourism, combining river rafting on Karnali and Bheri rivers and wildlife attractions of Bardia and Suklaphat.
- Similar development of a Eastern axis, combining river rafting on the Sun Koshi and the Arun and wildlife attractions of the Koshi Tappu Park.
- Substantial improvements for Pokhara.

Very poor programme response to the government policies remained one of the main problems in Nepal. The lack of coordination among various government departments functioning under different ministries is also a great bottleneck. Although tourism policies always aimed to encourage the tourist arrivals in the country, the government's responses to these policies with strong programmes support by developing infrastructure and by encouraging the market promotion lagged behind. Nepal has never made endeavour to integrate tourism development policy with overall national development policy. Tourism development should necessarily be a part of the sustainable development and environment conservation of the country.

NEPAL'S SHARE IN TOURISM MARKETS AND MARKET TRENDS

Nepal is very minor destination in the world tourism market. Even the SAARC region's share in the world tourist arrival has never exceeded 0.76 percent over 1985-1995 period which reveals that this region is a minor destination itself. This share started declining continuously from 0.76 in 1986 and reached to 0.62 in 1993 and again slightly revived accounting 0.64 and 0.65 percent for 1994 and 1995 respectively. Nepal's market share in total arrivals in SAARC region has increased to about 9 percent for last five years. However, it's percentage share in SAARC region destination has declined for the years 1989, and 1990 accounting for 8.2 percent and 8.5 respectively which was lower than its 9.6 percent market share for the year 1988. (Annexure Table 4). Likewise, Nepal's position slid down from its 18th rank in 1988 to 20th rank in 1992 on the top 20

Pacific Asia destination list (Annexure Table 3). Similarly India's position also slipped down from its 10th rank to 12th rank for the same period. But, on the other hand, Sri Lanka's position went up from its 20th position in 1988 to 18th in 1992. In most cases Nepal as a destination is combined with India. In addition to India, other destinations such as Thailand and Goa, and most recently Sri Lanka and Tibet are sold together with Nepal destination. Since Nepal is combined with other destinations, it is noteworthy that tourist arrivals in Nepal can largely be influenced by the tourist arrivals in those destinations. The share of India as a destination in the Pacific Asia destination had gone down from 3.2 percent in 1988 to 2.8 percent in 1992, and average annual growth rate of tourist arrivals in India also remained at 3.7 percent during 1988-1992, which is lower than that of Nepal (5.0 percent) for the same period. Similarly, Thailand's share of the tourist arrivals, also decreased from 10.9 percent in 1988 to 10.1 percent 1992. However, there was slight increase (0.3 percent) in the share of tourist arrivals in the case of Sri Lanka, another partner of package tours to Nepal (WTO 1996). The average annual growth rates of tourist arrivals in Thailand and Sri Lanka were 5.0 and 21.2 percent respectively for the same period.

The marked turning point in the tourist market trend in the case of Nepal can be well visualised since the year 1988. In the one hand, the United States is no longer among the top three tourists sending countries to Nepal since the number of visitors from the States does remain about the same level of 1886 arrival. But on the other, the arrivals from Germany has continuously increased since 1988. The percentage share of India as a USA tourist destination has increased from 1.9 to 2.0 percent and average annual growth rate during 1988-1992 period remained 1.5 percent for India, while it was negative accounting 3.27 percent for Nepal. Moreover, the USA has been one of the top three senders of the tourists to India destination for the period of 1988-1995. This is the matter of study that why the US arrivals in Nepal has declined since 1988. The tourist arrival statistics for the 1993 marked a sharp decline for Nepal, perhaps first time in the history of Nepalese tourism. Indian tourist arrivals recorded a decrease of 21.5 percent, third country arrivals fell by 13.1 percent; and around a 16 percent decrease in overall arrivals. Tourist arrivals in both India. (The Statesman 1994, Jan. 22:16) and Sri Lanka for the year 1993 went down from January through November. (Annexure V). However, the former experienced a sudden and sharp increase (23.8 percent) in the number of tourist arrivals in the month of December recovering the percentage change of tourist arrivals in 1993 against 1992 that accounted for only an increase of 5 percent for India. (The Statesman 1994, Jan. 22:16).

The number of tourist arrivals in Nepal is not only sensitive to the stability in the region, but also the stability both in the en route countries and in the source countries. In addition, the stability in its counterpart

destination is equally important. For instance, the number of the tourist flow in Nepal had declined for the years 1979, 1980, 1981, 1984, 1989, 1990 and 1991, 1993 (DOT 1993). The major events responsible for these declines may be listed as follows: the referendum in the country in 1979-1980, the middle east crisis in 1981, the assassination of Indira Gandhi in 1984, the people's movement for the restoration of multiparty system in 1989, the Gulf war in 1990-1991 and the demolition of the Babari Masjid in India, the flood in Nepal and assassination of opposition leaders in Sri Lanka and Nepal. Likewise, the wide publicity of pollution problem in Kathmandu was another factor that had affected negatively visitors' arrival to this country in the past.

Tourism activities in any country are primarily interested in the foreign exchange earnings. Nepal's percentage share in SAARC region's tourist receipts has remained about the same which averaged at 5 percent over the years. But it has increased from 2.88 percent in 1985 to 5.46 percent in 1991, but declined to about 4.00 percent for 1992, again rose to 5.94 percent for 1993, 5.77 and 4.87 percent for 1994 and 1995 respectively. However, the share of SAARC region in world tourism receipts declined from 1.15 in 1985 to 0.94 in 1995. (Annexure Table 1). It shows that although SAARC region's share is declining Nepal's share in SAARC region's tourism earnings is going down so sharply.

IMPACT OF THE TOURIST ARRIVALS

Among the several measures developed to assess the effect of tourist arrivals in the tourist receiving economy the major ones are tourist intensity rate i.e. $TIR = \text{international tourist arrivals } 100^* / \text{population (TIR)}$, tourist penetration rate i.e. $TPR = \text{tourist arrival}^* 100^* / \text{average lengths of stay} / 365^* \text{ population (TPR)}$, tourist density rate i.e. $TDR = \text{average lengths of stay}^* \text{ number of tourist arrivals} / 365^* \text{ area in sq. km. (TDR)}$, and concentration ratio i.e. $CR = \text{percentage of tourist arrivals from top three source countries to total arrivals in the country (CR)}$. TIR is ratio between tourist arrivals and population in the tourist receiving country, hence it reveals the tourist arrivals load on local population. The TIR is relatively low in all three SAARC countries, India 0.2, Sri Lanka 1.1 and Nepal 1.5 (Annexure Table 6). The TPR takes account of total nights spent by tourists and expresses these nights as a percentage of total nights spent by local residents. The TPR estimated for Nepal is 0.53 which is higher compared to those of India's 0.02 and Sri Lanka's 0.04. The TDR is the ratio between tourist nights spent and total land area measured in square km. in that country. The TDR calculation for Nepal is 0.06 which is higher than that of India's 0.04 and lower than of Sri Lanka's 0.09 (Annexure Table 6). As far as Nepal is concerned the real impact of the tourist arrivals could be much more higher than that of calculated in annexure table 6 since the tourist arrivals are heavily concentrated on a few places such as Kathmandu, Pokhara, and Chitwan Wildlife Safari Park. The

sharp variation of the tourist arrivals is the function of a concentration ratio, a statistic which measures the limited spread of the market. The more dispersed the origin of the tourists the more stable arrivals are likely to be and thus low concentration of the tourist arrivals is meant as the rather sustainable market. A cursory glance at Nepal's tourist market spread shows that only the arrivals from top three tourist sending countries averaged at 49 percent of the total tourist arrivals in the country during the 1992-1995 period (Annexure Table 6). The high dependency on a few markets, and especially on India, for tourist arrivals has increased over the period 1988-1995. This CR ratio of 49 in Nepal is higher than other SAARC countries accounting 40 for India, 47 for Sri Lanka. It is remarkable that this ratio previously accounted for 35 and 40 for India and Sri Lanka respectively (Harrison 1992).

TOURISM PRODUCTS IN NEPAL

The natural beauty, cultural attractions, flora and fauna, temples, hotels and restaurants, travel and trekking, rafting and wildlife resorts are main tourist products which Nepal has been offering to world tourist market. Besides, there are a few religious places which can attract pilgrimage tourists from India and Japan. However, very little efforts were made in the past to develop supply side of tourism in Nepal. As is mentioned earlier, the private sector's efforts remained remarkable over the years showing an increasing trend in the number of the hotel bed from 4,925 (starred 3775 and non starred 1150) in 1979 to 11,772 (starred 5969 and non starred 5803) in 1992 and 21807 (starred 6502 and non starred 15305) in 1995. The year 1995 alone registered an increase of 23 percent in the number of beds (MOT 1996). Moreover, the tourist arrivals to Nepal is also largely influenced by the seasonality factors, as expressed by hotel bed occupancy rate, which is very low in the months of June through August. An increased number of Indian arrivals can, to some extent, lessen this problem of seasonality. In addition until 1992/93, 6606 young people have received training in hotel management and tourism; some development in the areas of road transport and air linkage—both domestic and international—have occurred over the years. Nonetheless, the development in the communication system remained satisfactory which, no doubt helped to boost the tourism development, and the promotion of exports of some tourist-related products such as carpets and curio goods has been helping to increase the foreign exchange earnings in the country.

FACTORS HAMPERING TOURIST DEVELOPMENT

There are many factors negatively affecting the tourism development in Nepal, such as rapid increased in the pollution in Kathmandu city and the recessions in major tourist generating countries as the Western Europe (1992-1995), the North America (1990-1993), Japan (1993-1995), and in India (1992-1995). It is remarkable that tourist arrivals from the USA and

Canada has dropped from 1990. Similarly, Nepal experienced the drop in arrivals from UK for the years 1993 and 1994 and in visitors from Germany for the year 1995. This type of positive correlation between recession in industrialized countries and decline in arrivals from those countries can be well understood (Annexure Table 7). The visitors from India also recorded a sharp drop from 106574 in 1992 to 83362 in 1993 accounting for 22 percent decrease. The other major factors are considered as the transport bottlenecks and the supply of low quality tourist products such as lodging and fooding in low standard hotels, already exhausted few tourist places within country together with non-existence of new tourism products such as skiing, skating. Likewise, international air carriers play an important role in increasing tourist arrivals in country. But the limited capacity of the RNAC and other airline companies flying from Kathmandu to other countries, which have limited carrying capacity especially from New Delhi and Bangkok, has proven a great setback in the target of increasing the number of tourists in Nepal.

Since Nepal is one of the many tourist destinations in the world, the tourists markets are highly competitive one. With this view in mind the premium product of higher comparative advantage could be selected so that it can attract the visitors. For example Nepal can promote the market for products like mountaineering and trekking whose share has increased since 1993. Tourist arrival by purpose of visit categorised by the Tourism Department, shows that traditionally more than 70 percent arrivals accounted for holidays and pleasure for many years, but recently this share has declined to 50.5 percent in 1995 (Annexure Table 2) which reveals that there is some structural change in the tourist arrival. Tourist arrival records show that more than half of tourists come to Nepal from the North America, Western Europe and Japan, (Annexure Table 8). Moreover, these regions deliver most of the high spending tourists coming to Nepal. As they are accustomed to the consumer sovereignty in their home countries, it is straight forward for them to look for the quality products even in destination countries. Apparently our endeavours should be directed both toward the improvement of quality of existing tourist products and the development of various new tourist products within the country. Likewise, the diversification of tourism both product wise and destination wise is of higher importance in attracting more visitors from abroad. Another significant factor is the time cost involved in travel which is equally significant for the tourists from the west. One of the reasons why the tourists like to confine to Kathmandu is the high time cost involved in travelling outside Kathmandu valley. It is thus our attempts toward the development of other tourist destinations within the country could remain futile until our roads and air transport become more reliable and safer. The opening up of other virgin places of tourist attractions basically depends upon how far the development of infrastructures of tourism development outside Kathmandu valley could be materialized.

The Nepal Rastra Bank study (1988) shows that 67 percent of the total arrivals were low income tourists in Nepal during its study period. The government launched new rules for tourists that disfavoured the budget of tourists arrivals which made the mandatory rule of daily percapita tourist's expenditure of US \$ 25. There was wide protests from the small hotel and restaurant owners against that rule. The government had, later on, withdrawn the rule for ever. At the same time country experienced the landslide decrease in tourist arrival for 1993. It should be examined whether there is some correlation between the change in government policy and reduced number of the tourists in the country. With the liberalised policy of Indian government various imported luxury goods entered into India, that reduced Indian arrivals to Nepal sharply because of the fact that their purpose of shopping of foreign goods from Kathmandu market was met by Indian domestic market. Another factor attracting the Indian visitors to Nepal was the gambling in casino at Soaltee hotel. It remained popular particularly among those Indian visitors who wanted to convert their black money into white money. The liberal fiscal measures in India—especially framed to arrest the capital flight from the country—served the interest of these people in India; which obviously could down grade the demand for casinos in Nepal on the one hand. But on the other, the openings or more casions in the rest of five starred hotels in Kathmandu increase the supply of it. It is thus there is direct imbalance between supply and demand for casinos. The rationality behind opening up the more casions may be the business expectations that demand for it will increase from other walks of life in India and other societies.

CONCLUSION

From above discussion, it is clear that despite so many hindrances and factors influencing negatively operative, tourism in Nepal still hold better position in the region both in terms of arrivals and receipts. It is no doubt that more arrivals could have been captured in past if the government had solved only the problem of pollution in Kathmandu. As it is evident from the USA market and others that in those markets down turn of arrivals continue to persist, which reveals that down turn could be more than short run fluctuation in the case of Nepal. The government needs to intervene with appropriate policy measures. One of the major reasons for this down turn is obviously a highly sensitive nature of the tourism market to the political, social and economic stability in South Asia as well as in the source countries. These are factors which cannot be controlled internally. But it is not the case with the decline in the US arrivals. In addition, current down turn is largely related to the pollution in Kathmandu which has widely been defaming the country since the publication of article entitled "Good Bye Shangrila" in Newsweek, 1994. As a move to counter this, the government could not launch any urgent programme for cleansing Kathmandu, instead the pollution problem further deteriorated. As a result, many tourists cut their scheduled visit short in

Nepal and left for other countries. This can be one of the reasons for declining visitors from the United States of America. The government is suggested to implement the programmes that include immediate replacement of Bikram tempos, the three wheeler auto rikshaw, by the pollution free vehicles such as *Safa* tempo and the well repaired minibuss, buses and taxis together with immediate disposal of the garbage in Kathmandu, Patan and Bhaktapur, and simultaneously an introduction of special package of incentives for the bicycle riders, cart and rickshaw owners in these cities. Besides, the immediate and full removal of garment and carpet industries from the Kathmandu, Bhaktapur and Patan city areas also can help to mitigate the pollution problem. Combined these with an improvement in the air connection and market promotion efforts in Japanese market and in newly industrialized countries as well as the rest of the countries can bring more arrivals into Nepal. In other words Nepal has ample opportunities to attract more tourists from Japan and Pacific Asian countries since out bound tourists from this region have increased substantially since past few years (Annexure Table 7). For the long run, government could formulate and implement the projects that would replace the current city buses by the trolley buses as soon as possible.

Policies of His Majesty's Government always lacked the programmes support in the past. There are several studies on Nepalese tourism recommending a number of measures for its development, but the government essentially lacked the genuine efforts for the implementation of programmes. For instance, Nepal could have been in better position at least in the preservation of the cultural heritage and environment in the country if the authorities in the government had taken it seriously. The Asian Development Bank's (1990) study calculated that one bed in a five-starred hotel involves investment of US \$ 150,000. Another study (Nepal Rastra Bank 1988) found an investment of NRs 156,000 generated one employment in a five-starred hotel, while it required only NRs 46,000 for one-star hotel and NRs 70,000 for a tourist standard hotel. It can, of course, be more appropriate to emphasis on the development of resort type tourist standard hotels which demand relatively less capital to invest and create more jobs for the people. Tourism in Nepal should essentially be targeted to create more jobs, correct deteriorating regional imbalances, and thus the development of trekking and mountaineering tourism may prove an appropriate strategy. Nepal, no doubt, has comparative advantages for the development of this kind of tourism, which will apparently bring an increase in average stay day of tourists and thereby a larger average spending of foreign exchange per tourist. Moreover, the incomes from tourism may be distributed more evenly across the country.

Since the number of hotel beds exceeded the tourist arrivals in Kathmandu for several years, the government could have shown its concern in not investing further in the hotel sector in Kathmandu. As far as income level of tourists concerned, sufficient logic can not be lodged in favour of

selecting only rich tourists from the distribution perspective. The Nepal Rastra Bank study (1988) shows that nonstarred hotels have very low import content (9.0 percent) against the five-starred hotel (46.6 percent). However, a five-starred hotel could certainly earn about US \$ 80 per tourist per day of Nepalese content while non-starred earned \$ 10 to 20 per tourist per day. This could be an issue of economic efficiency as the cost of the income distribution. Economic efficiency cannot alone be a decision criteria for the development of any industry including tourism in a country like ours. There is always trade off between economic efficiency and the societal objectives. Hence, our efforts toward the tourism development should be necessarily pertinent to societal objectives, such as, equity as well. Moreover, The Nepal Rastra Bank study (1988:310) found that the backward and forward linkages of the tourism with other sectors of the economy is relatively weaker in Nepal. This implies that an injection of a large amount of foreign currency could not produce a substantial multiplier effects in the economy. The same study (1988:264) found that output multipliers are the higher for tea shops along the trekking routes and the lowest for five star hotels. Employment generation for a large number of people with a minimum investment and a wider regional distribution and income distribution of benefits along with the preservation of our environmental, cultural and religious properties should be the objectives of the tourism development. It is already mentioned above that a non-starred hotel requires least amount of money to be invested for the generation of one employment. The development of the trekking and mountaineering tourism could be expected to disperse the tourist arrivals out of Kathmandu valley. It is imperative that Nepal should lay its more efforts to develop the resorts and small hotels in various trekking areas with necessary infrastructure development. And simultaneously, it should try to develop its product bases so that the import content could be reduced. We can invite and encourage foreign investment at starred luxuries hotels for high spending tourists, while the trekking and rafting should necessarily be left to be monopolised by the Nepalese nationals.

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ANNEXURE

Table 1
Nepal's Share In SAARC Tourism Receipts And SAARC Share
In World Tourism Receipts

(In U.S. \$)

Year	World Earnings	SAARC Earnings	Percentage Share of SAARC	Nepal Earnings	Percentage Share of Nepal
	Billions	Millions		Millions	
1985	117.6	1352	1.15	39	2.88
1986	142.1	1626	1.14	51	3.13
1987	174.2	1835	1.05	82	4.47
1988	201.5	1883	0.93	94	4.99
1989	218.4	1970	0.90	107	5.43
1990	264.7	2012	0.76	109	5.42
1991	271.8	2309	0.85	126	5.46
1992	308.6	2700	0.87	110	4.07
1993	314.0	2641	0.84	157	5.94
1994	346.7	2981	0.86	172	5.77
1995	372.6	349	0.94	170	4.87

Source: Calculated by Author based on the data from WTO, Nepal Tourism Statistics, Economic Survey 1995, WOT, MOT, MOF.

Table 2
Tourist Arrivals BY Purpose Of Visit

(In Percentage)

Purpose	1991	1992	1993	1994	1995	Mean
Holidays/pleasure	60.5	71.1	58.0	51.5	50.5	58.3
Business	5.0	9.5	6.6	7.2	6.0	6.9
Pilgrimage	3.1	2.2	3.6	1.7	1.4	2.4
Official	12.7	6.3	5.4	6.3	5.5	7.2
Convention/conference	1.9	0.2	1.8	1.6	1.5	1.4
Others	2.4	0.2	0.9	8.2	11.8	4.7

Source: Tourism Department MOT/HMG/N.

Table 3
Major Pacific Asia Destination

(In 000)

1992 Rank	Country	1992 Arrivals	1988 Arrivals	1988 Rank
1	Hongkong	6986	5589	2
2	Hawaii	6514	6142	1
3	Singapore	5990	4186	4
4	Thailand	5136	4231	3
5	Japan	3582	2355	5
6	Korea	3231	2340	6
7	Indonesia	3064	1301	9
8	Australia	2603	2255	7
9	Malaysia	2346	1239	11
10	Chinese Taipei	1873	1935	8
12	India	1435	1240	10
18	Sri Lanka	394	183	20
20	Nepal	334	266	18

Source : PATA Bulletin, 1993.

Table 4
Market Share Of SAARC Region And Nepal In Tourist Arrivals 1985-95

Year	World Arrivals	SAARC Arrivals	Percentage Share of SAARC	Nepal Arrivals	Percentage Share of Nepal
1985	329.6	2.401	0.73	0.181	7.5
1986	340.6	2.582	0.76	0.223	8.6
1987	366.9	2.581	0.70	0.248	9.6
1988	401.7	2.779	0.69	0.266	9.6
1989	431.0	2.943	0.68	0.240	8.2
1990	459.2	2.996	0.65	0.255	8.5
1991	466.0	3.2038	0.65	0.293	9.6
1992	503.3	3.297	0.65	0.334	10.1
1993	518.3	3.201	0.62	0.294	9.2
1994	546.3	3.499	0.64	0.327	9.3
1995	567.2	3.713	0.65	0.363	9.8

Source: Calculated by Author based on the data from *Tourism Market Trends, South Asia 1985-95*, June 1996, WTO.

Table 5
Tourist Arrivals In Sri Lanka

Month	1992	1993	Percentage 1993/1992
January	35,730	42,726	19.6
February	38,859	40,116	3.6
March	33,399	37,953	13.6
April	28,410	29,589	4.1
May	21,024	22,368	6.4
June	23,157	20,412	-11.9
July	33,771	32,904	-2.6
August	40,143	32,796	-18.3
September	29,839	27,495	-7.9
October	32,079	30,621	-4.5
November	35,969	35,103	-2.4
December	41,292	40,167	-2.7
Total	393,669	392,300	-0.3

Source: Monthly Statistical Bulletin on Tourism, Nov., 1993 Jan. 1994, Colombo, Sri Lanka.

Table 6
Tourist Concentration Ratio

Country	TIR	TPR	CR	TDR
Singapore	161.0	1.30	31	34.40
Jamaica	27.0	0.74	92	1.60
Costa Rica	12.2	0.33	60	0.18
Thailand	7.8	0.15	38	0.02
Kenya	3.0	0.13	41	0.05
Sri Lanka	1.1	0.04	40	0.09
India	0.2	0.02	35	0.04
Nepal	1.5	0.53	49	0.06

Source: Calculated by the Author based on the data from Tourism Department 1992, MOT/HMG/N.

Tourism and the Less Development Countries 1992, WTO, Geneva.

Table 7
Recession In Industrialised Countries

Country	Real GDP Percentage			Consumer Price Percentage Change			Unemployment Rate			Visitor to Nepal Percentage Change		
	1993	1994	1995	1993	1994	1995	1993	1994	1995	1993	1994	1995
Year	1993	1994	1995	1993	1994	1995	1993	1994	1995	1993	1994	1995
U.S.A.	3.0	3.9	2.6	3.0	2.8	3.2	6.8	6.2	5.8	-8.2	6.2	17.8
Japan	0.1	0.7	2.3	1.3	0.9	0.9	2.5	3.0	3.1	-8.9	9.9	37.6
W.Germany	-1.9	0.5	1.8	4.1	2.7	2.0	7.3	8.6	8.8	34.0	39.1	-39.1
France	-0.7	1.2	2.6	2.1	1.9	2.1	11.7	12.4	12.1	-25.1	9.8	0.2
Italy	-0.7	1.1	2.5	4.3	3.8	3.1	10.4	11.3	11.2	-30.2	3.7	7.2
UK	1.9	2.5	2.8	3.0	3.2	3.0	10.3	10.0	9.8	-11.4	-4.2	23.5
Canada	2.4	3.5	4.1	1.9	0.5	1.7	11.2	10.8	10.6	-5.0	-9.7	19.1
All Industrial Countries	1.2	2.4	2.6	2.9	2.5	2.6	8.2	8.8	8.1	-7.8	7.8	9.5

Source : *The Economist*, April 23-29, 1994, London.

Table 8
Tourist Arrivals In Nepal By Major Markets 1993 And 1994

Region	Percentage Share of Regional 1993	Percentage of Region	Percentage Share of Region 1994	Percentage of Region
N. America	8.2	100	7.5	100
USA	6.6	80.7	6.2	83.2
W. Europe	40.2	100	39.1	100
Germany	10.7	26.7	13.4	34.2
France	5.8	14.4	5.7	14.5
UK	7.1	17.8	6.0	15.5
Asia	45.9	100	48.2	100
Japan	6.0	13.0	5.9	12.3
SAARC	30.9	67.5	36.6	69.8
India	28.4	92.0	31.3	93.0
Total	100	-	100	-

Source: Nepal Tourism Statistics DOT/MOT/HMG/N, 1994.

Table 9
Outgoing Tourist From Pacific Asian Countries 1992

Countries	Rank 1992	Visitors	Rank 1988	Visitors
Japan	1	11,790,699	1	8,426,867
Taipei	2	4,214,734	3	1,601,992
Australia	3	2,276,265	2	1,697,700
Hongkong	4	2,232,810	4	1,569,850
India	5	2,162,321	-	n/a
Korea	6	2,043,299	8	725,176
Singapore	7	1,863,190	5	844,491

Source: PATA Bulletin, 1993.