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**TOWARDS AN INSTITUTIONAL FRAMEWORK FOR TOURISM
DEVELOPMENT: A CASE STUDY OF POKHARA, NEPAL**



**A thesis
submitted in partial fulfilment
of the requirements for the Degree
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**By
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ABSTRACT

Abstract of a thesis submitted in partial fulfilment of the requirements for the Degree of Master of PR&TM.

TOWARD AN INSTITUTIONAL FRAMEWORK FOR TOURISM DEVELOPMENT AT THE LOCAL LEVEL: A CASE STUDY OF POKHARA, NEPAL

by S.P. Koirala

A Government's institutional arrangements - organisational structures and legal framework are important for the development and management of tourism. They serve several important functions including: tourism planning and development; coordination; marketing and promotion; and regulation and control.

The main aim of this study is to examine the existing institutional framework (organisational structure and legal framework) in relation to tourism development in Pokhara, Nepal. This area contains Nepal's second largest city and serves as the gateway to the Annapurna Region. In keeping with tourism development in many Third world destinations Pokhara's tourism development has been at the forefront of rapid infrastructure and urban development.

To achieve the above aim, an analysis has been made of: the existing legal and structural arrangements; current issues/problems in tourism planning and development; and potential ways to mitigate these. Primary research methods include the Nominal Group Technique (NGT), applied in combination with in-depth interviews of key actors. The main goals of the NGT in this study are first, to encourage local residents, political leaders, business people and planners to think systematically about current issues/problems associated with tourism development in Pokhara, and second to identify their possible solutions. To achieve these goals, five different nominal group sessions were conducted with different stakeholder groups, and interviews undertaken with a wide range of key people from both inside and outside the tourism industry to elaborate the 'issues' and explore their possible solutions.

Nine major issues associated with the tourism development of Pokhara have been identified. They are: conservation of natural areas; the development of additional attractions, events and activities; lack of professionalism; waste management; poor coordination in tourism planning and implementation; poor implementation of existing rules and regulations; haphazard urbanisation; lack of marketing and promotion; and inadequate infrastructure to develop rural areas. The contributing reasons have been identified as; limited roles of local tourist organisations; lack of coordination between local organisations; lack of 'technical back-up support'; overlapping legal frameworks; inadequate power of local tourist organisations to regulate the tourism industry; lack of legal frameworks to regulate tariff rates and to protect consumers (tourists). The main conclusion from this study is that the resolution of these issues clearly requires organisational strengthening and legal reforms at the local level in Pokhara, Nepal. A framework for a strengthened local tourism organisation is presented.

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CHAPTER 1

INTRODUCTION

The World Tourism Organisation (WTO) (1994) noted that achieving successful tourism development and management relies as much on effective institutional factors as it does on development policy, physical planning and impact controls. Tourism related laws are required to set out a policy for developing tourism and to establish functions, structures and the source of funding for national tourism organisation or regional tourism offices. In addition, legislation and regulations are also required for the successful implementation of a tourism plan and for the continuing management of tourism (Inskip, 1991).

National, regional and local tourist organisations, particularly in tourist-receiving countries, should be structured, organised and run according to effective policy and management concepts if the national objectives for tourist growth are to be attained (Pearce, 1992). The goal of each organisation involved in tourism is to bring the greatest possible benefits to the host population, tourism businesses and visitors while minimising any harmful consequences to the destination's ecology and culture (Laws, 1995). In addition, there are a large number of organisations involved in the provision of the tourist product, spread across a wide variety of activities (Pearce, 1992), not all of whom have a primary interest in tourism (Hughes, 1994). Therefore, the major role of government tourist organisations is to take the initiative and coordinate the actions of the various individual organisations (for product development and promotion of the destination) and others.

The nature of the tourism industry also requires legislation for protecting the social and economic well-being of individuals of the host society and of consumers (tourists) (Cooper, Fletcher, Gilbert and Wanhill, 1993). Thus, governments introduce and regulate a number of pieces of legislation affecting such essential matters as public health and safety, the environment, and tourist activities; for instance, sewerage, refuse collection, land use, conservation of natural and cultural attractions, licensing of the tourism industry, and other tourist related facilities and services.

Therefore, a test of government effectiveness in tourism development in any country is how the government organisations operate and regulate the tourism sector for the collective benefit

of local residents and tourists. These goals are manifest at both central and local levels of government.

The main goal of this research is to examine the institutional elements of tourism - organisational structures and legal frameworks in relation to tourism development at the local level in Pokhara, Nepal. Issues previously identified for the tourism sector in Nepal are: a lack of appropriate policy, administration, rules and regulations and their effective implementation (Nepal Planning Commission (NPC), 1992). The Tourism Policy 1995, proposed institutional arrangements for the central administration of tourism development in Nepal (Ministry of Tourism and Civil Aviation, 1995). However, parallel arrangements are also now required at the local level. Pokhara, Nepal has been selected and utilised as a case study.

1.1 Research Objectives

To achieve the above goals, this research has three main objectives:

1. To identify the current tourism development issues/problems.
2. To examine the present role of local organisations in relation to tourism development
3. To examine the effectiveness of existing legislation in relation to government roles in tourism development.

1.2 Thesis Organisation

This thesis contains seven chapters. Chapter Two begins with a brief overview of tourism development in Nepal. It then briefly discusses the economic significance and the major tourism development issues/problems in Nepal.

Chapter Three introduces Pokhara, as a case study area. Pokhara occupies a central location in Nepal. The magnificent natural beauty, with spectacular views of the Annapurna Himalayan ranges and the trekking opportunities, are two major reasons for tourists visiting Pokhara. This

chapter begins with a brief description of the geographical setting, the people, the economy, infrastructure development, tourist arrivals, the local attractions and activities. Following this, major issues and problems associated with tourism development of Pokhara are reviewed.

Tourism development, in all nations, involves both the public and the private sector. It requires extensive involvement of the public sector in the provision of infrastructure. In addition, tourism is a complex industry that requires public sector intervention to coordinate with and to regulate the industry. Chapter Four focuses on the above areas, beginning with government involvement in tourism, and its three main roles: tourism planning, coordinating and regulation. It also briefly outlines tourism planning, tourism organisation and regulatory systems in the tourism sector of Nepal and their relationship to the case study area, Pokhara.

Chapter Five presents a rationale for, and description of, research methods. The 'nominal group technique' (NGT) and 'in-depth interviews' were applied as formal methods. Field observation has also been utilised in a supportive role. The Chapter concludes with a discussion of data analysis and study limitations.

Chapter Six presents and discusses the results of this study. Data obtained from the different nominal groups sessions is presented in three main categories: most important issues/problems (ranked as the top five most important by at least one nominal group); important issues/problems (recognised by all nominal groups, but were not ranked within the top five most important); and least important issues/problems (these were perceived to be issues/problems, but did not elicit universal support by all nominal groups) based on ranking scores from the NGT sessions. Data obtained from in-depth interviews is integrated within the discussion to add depth and interpretation to the quantitative data. Attention is paid to those issues/problems which were ranked as the top five most important by at least one nominal group session. Finally, this chapter discusses the implication of results for organisational strengthening and legislative review.

The final chapter of this thesis briefly summarises the results. It also reviews the wider implication of the research methods employed in this study, and outlines further research opportunities.

CHAPTER 2

TOURISM IN NEPAL

2.0 Introduction

Tourism development is a comparatively recent phenomenon in Nepal. Since the country opened its doors to Westerners, an increasing number of tourists have chosen to visit the Himalayan Kingdom. The major reasons for the inflow of tourists into this country are its unique natural beauty and rich cultural heritage. The magnificent mountains, panoramic hills, glaciers, abundant flora and fauna, and friendly people attract visitors from all over the world. Today, tourism has become a major industry in Nepal, and it is also an increasingly important sector of the national economy.

The main objective of this chapter is to supply background information about the development of tourism in Nepal. This chapter outlines the historical background of tourism development; tourist arrivals by nationalities, travel purpose, major tourist attractions and activities and tourism infrastructure development. The economic significance and the major issues and problems of tourism development are also briefly discussed.

2.1 Historical Background

Nepal was traditionally known as a remote and inaccessible Himalayan mountain frontier, isolated from the outside world. The revolution of democracy 1951 marked a new era in Nepal when it was first opened to foreign visitors (Belk, 1993). After the climbing success of Tenzing and Hillary on Mt. Everest in 1953, Nepal became a highly sought after destination for climbers (Thakali, 1994), and consequently, during the first decade (1950-1960), over a hundred large and small mountaineering expeditions visited Nepal, in addition to other tourists (Engma Consultant, 1989).

Tourism development in Nepal was also cultivated by foreign diplomats. In the 1950s, several embassies and missions were opened, and there was an increasing inflow of diplomats and their families. They found Nepal a wonderful country, rich in diverse attractions of natural beauty and cultural heritage. They then started to write about Nepal to their friends and

families and also invited them to visit. Hence, this period can be classified as a period of 'diplomatic tourism' (Karna Shakya, personal communication, 1996).

Following the era of 'diplomatic tourism', Nepal entered a period of 'hippy tourism' in the 1960s, due to the easy access to drugs. At this time, many hippies were attracted to visit Kathmandu by Hindu cults (Sill, 1991). However, in the early 1970s, at the time of coronation of His Majesty King Birendra, the Nepalese government enforced new visa regulations and also banned the cultivation and selling of drugs (Belk, 1993); this discouraged hippies from visiting Nepal. Consequently, the flow of hippies to Nepal has gradually declined. From the mid 1970s, this phase waned, and 'mountain tourism' or 'adventure tourism' became popular (Karna Shakya, personal communication, 1996).

2.2 Tourist Arrivals

Until the year 1965, the total number of tourists arriving in the country was less than 10,000. During the 1970s, the figure increased five-fold before levelling off in the 1980s. Since the 1970s, the increase in tourist numbers has been at a lower growth rate than in the previous decade. Nepal Tourism Statistics (1994) show that the average annual growth rate during the 1970s was 13.9 per cent, with 32 per cent the highest annual growth rate in 1974 and 3.9 per cent the lowest in 1979. The average annual growth rate during the 1980s declined to 5.7 per cent, with the highest annual growth rate of 23.4 per cent in 1986 and the lowest -1.5 per cent in 1984 (Department of Tourism (DOT), 1995a). In the early 1980s, tourist numbers stagnated because of an economic recession in the West, unrest in Northern India and rapidly rising oil prices and airfares (Sill, 1991). According to Mathieson and Wall (1984:39), political unrest at particular destinations, changes in international currency exchange rates, energy shortages, and climatic events can cause tourist traffic to divert to new destinations with more amenable conditions.

In 1988, the government called upon the tourism sector to increase the number of tourists visiting Nepal to one million by the year 2000. The private sector criticised the government for projecting an overambitious and unreliable plan in contrast with the little support it had generated to provide the necessary infrastructure to achieve it (Sharma, 1995). A study of tourism development programmes, funded by the Asian Development Bank (ADB) for the

Ministry of Tourism, Nepal, projected a total of around 950,000 tourists per year by the year 2010 (Touche Ross and New Era, 1990). In 1992, the Eighth, Five Year Plan, projected a growth rate of 8.0 per cent per annum in tourist arrivals over the period 1992-1993 to 1996-1997. Of the growth rate, 6.6 percent was to be contributed by non-Indian tourists and 11.0 percent by the smaller group of Indian tourists (Nepal Planning Commission (NPC), 1992).

A recent study of the Tourism Infrastructure Development Project, funded by the ADB commented on the above projection of the Eighth Five Year Plan 1992-97 (International Consultants and Technocrats (ICT) and Science and Applications International Corporation (SAIC) (1995). They remarked that considering an average growth rate of 3.8 per cent per annum in the past, a growth rate of 6.6 per cent, for non-Indian tourists was over optimistic. They suggested a growth rate of 4 to 4.5 per cent as more realistic, because, such a growth rate would allow for sustaining the past growth rate plus and a marginal increase due to increased efforts by various agencies for the development of tourism. Similarly, for Indian tourists, a growth rate of seven to eight per cent would be more realistic than a sustained growth rate of 11 per cent. On this basis, a composite growth rate of five per cent to six per cent may be more realistic than the growth rates suggested in the Eighth Five Year Plan. Using the more realistic growth rates presented above, the future tourist traffic is shown in Table 1.

Table 1: Projections of Tourist Arrivals (1994-2015)

Year	Non-Indians	Indians	Total
1994	228,600	102,400	329,000
2000	295,000	162,000	457,000
2005	368,000	239,000	607,000
2010	458,000	351,000	809,000
2015	571,000	515,000	1,086,000

Source: ICT and SAIC, 1995:4

The latest data show that 363,395 tourists visited Nepal in 1995 and that the growth rate was 11.3 per cent above 1994. Indian tourists were the highest single group of tourist arrivals representing about 32.3 per cent of the total, an increase of 14.4 per cent over 1994 (DOT, unpublished data, 1996). Similarly, overseas tourists increased by 9.98 per cent in 1995 in comparison with 1994. The average annual growth rate of total tourist arrivals from 1990 to 1995 was 8.5 per cent.

2.2.1 Tourist Arrivals by Nationalities and Purpose of Visit

Tourists from nearly 45 different countries visit Nepal. By continent, Western European tourists were the major source of tourist inflow to Nepal until the late 1970s. In the 1980s and until the mid 1990s, Asia has been the major source of tourist inflows to Nepal. A total of 180,377 Asian visitors visited Nepal in 1995 which is 49.6 per cent of total tourist arrivals to the country (DOT, unpublished data, 1996).

Other major reasons for an increasing inflow of Asian tourists to Nepal is the increasing number of Indian tourists. A total of 117,260 visitors were Indian in 1995. The major factors motivating Indian tourists to visit in Nepal are: 1) Kathmandu is a very popular and easily accessible without the need for passports and visas; 2) another Hindu country with the temple of Lord Pasupatinath; 3) a market for foreign goods (Folsom, 1988); and 4) an alternative mountain destination because of political instability in Kashmir (Sill, 1991).

Western Europe remained in second place. Tourist arrivals to Nepal from Western Europe were 133,803 in 1995 and increased by 10 per cent over 1994 (DOT, unpublished data, 1996). Within the Western European market, significant increases took place in arrivals from the United Kingdom, Austria, Belgium and Switzerland while declining numbers were recorded from Germany in 1995.

Tourist arrivals to Nepal from North America were 29,702 in 1995 and increased by 13.9 per cent in 1994 to achieve eight per cent of total visitor arrivals. According to Folsom (1988), the North American tourist has significant disposable income but generally limited vacation

time. Given the added travel time and distance of Nepal from the North American market, the retired, wealthy, and the "wanderlust" segment of the North American market appear as a potential growth market. He further noticed that the publicity of the visit of American President Carter in 1984 could have aided in overcoming safety and sanitation fears for that market segment.

Tourist arrivals from Australia and the Pacific are less than those from other continents except Africa. They accounted for 11,499 visitors in 1995 which was 3.1 per cent of total visitors. Africa is so far the lowest source of tourist inflows to Nepal. It supplied only 1,073 tourists in 1995 which is about 0.3 three per cent of total visitors (DOT, unpublished data, 1996).

Most tourists visit Nepal for holiday/pleasure and trekking. Holiday/pleasure tourists accounted for the major share among total tourist arrivals from 1962 to 1995, with 50.5 per cent of tourists visited Nepal for holiday/pleasure purposes in 1995. Trekking and mountaineering purposes took second place with 23.3 per cent. The number of trekking tourists has increased steadily as Nepal has become widely known as a trekking destination. The longer length of stay of trekkers and their regional spread gives them a greater importance in tourism in Nepal than their numbers suggest. These two leisure oriented activities constituted about 74 per cent of visitors in 1995. Businessmen, government officials and convention attenders constituted about 14 percent (Ibid).

This breakdown of the above segment emphasises that Nepal is a pleasure/leisure destination and that recreational tourism is of the highest importance. Gray (1970) characterised two forms of travel motivation as either 'sunlust' or 'wanderlust' (Mathieson and Wall, 1984). Nepal appeals to the 'wanderlust' category of tourists but major growth in tourism has been seen in the 'sunlust' activities of older, affluent Europeans and North Americans. This change would be affecting the different perceptions of the major tourist markets including India, Western Europe and North America, because tourist motivations become more specific when a tourist is urged to visit certain destinations or select a particular activity or mode of transport (Mathieson and Wall, 1984).

2.2.3 Major Tourist Attractions and Activities

The major tourist attractions in Nepal are: 1) cultural tourism especially in the Kathmandu valley; 2) the Himalayas; 3) wildlife in jungle settings; 4) trekking on well-established routes particularly in Annapurna, Khumbu and Langtang; and 5) major religious sites for pilgrims, including Lord Pasupatinath in Kathmandu, Muktinath, and Lumbini, the birth place of Lord Buddha (Touche Ross and New Era, 1990; Sharma, 1992). The Nepal Tourism Master Plan of 1972 also identified five major potential markets including: 1) sightseeing tourism; 2) trekking tourism; 3) Nepal-style tourism (culturally oriented); 4) recreational tourism from India, particularly in the mid-altitude regions; and 5) pilgrimage tourism from Nepal and abroad, especially in Kathmandu, Bharachetra, Janakpur, Muktinath and Lumbini (Ministry of Commerce and Industry, 1972).

The overwhelming numbers of tourists remain in the Kathmandu Valley for sight-seeing and visiting cultural attractions. The Nepal Tourism Statistics (1994) show that a total of 59,201 non-Indian visitors visited Pokhara in 1994, which is 26.4 per cent of the total non-Indian tourists coming to Nepal. There were 76,865 tourist who visited Nepal for trekking in 1994. A total of 44,733 trekkers visited the Annapurna Conservation Area while Everest and Langtang were used by 17.5 per cent and 10.6 per cent of all trekkers respectively. A total of 57,719 non-Indian visitors visited different national parks in 1994 (DOT, 1995a).

The flow of tourists from outside Kathmandu has been concentrated in a few pockets. To divert tourists away from the Kathmandu Valley and spread the income-generating benefits of tourism, the Ministry of Tourism and Civil Aviation has promoted tourism in Pokhara and in the Royal Chitwan National Park (See map: Fig 1).

In addition, two new trekking areas, Kanchanjunga in the Eastern Himalayas, and Dolpa, to the West of the Annapurna range, were opened to trekkers in 1989, and the Resort Area Development Projects at Dhanakuta in the Eastern Hill were also established (Sill, 1991).

2.3 Tourism Infrastructure

As noted previously, Nepal was quite isolated from the outside world until 1951. The only way of visiting Nepal before 1951 was by walking. The first air services to Nepal were established in 1951 when the Indian National Airways started services between Kathmandu and Patna (Styal, 1988). The Royal Nepal Airlines Corporation (RNAC) was established in 1958. It first operated domestic routes from Kathmandu to Biratnagar, Simra, Pokhara and Bhairhawa with a DC3 fleet. The RNAC started its international services with routes to Patna, Delhi and Calcutta in 1960 (Ibid). In the 1960s, Nepal upgraded its international airport in Kathmandu, and added 43 other smaller airports for domestic flights (Ministry of Finance, 1993 cited in Thakali, 1994). Today, the RNAC, a national airline with a fleet of four jet aeroplanes, has an air link to major tourist-generating destinations in Asia and Europe. His Majesty's Government of Nepal adopted an open market policy in 1992 which brought a significant development of air services. There are three private airlines and one helicopter company excluding the RNAC now operating in Nepal.

Hotel accommodation was almost totally lacking in the 1950s. In 1958, there were only 88 fully commercial bed spaces available, and all in Kathmandu (Sill, 1991). From 1965 to 1970, about eight hotels came into operation, giving impetus to tourism development in the country (Centre for Resource and Environmental Studies (CREST), 1995). The Nepal Industrial Development Corporation (NIDC), a credit agency, has channelled loans for tourism related activities, especially for hotel construction and operation. Consequently, a number of hotels have expanded significantly since the 1960s (Blaikie, Cameron and Seddon, 1980).

There were 520 tourist hotels in 1995, of which 254 are based in the Kathmandu Valley and the rest being in secondary destination areas like Pokhara, Chitwan, Nepalgunj, Birgung, Dang, Bhairahawa and Palpa. Similarly, the total number of rooms available in those hotels is 11,124 and the beds number 21,807. Kathmandu accounts for 6,943 rooms with 13,424 beds, and the hotels outside the valley account for 4,181 rooms with 8,383 beds. The year 1994 registered an increase of 84 per cent in the number of hotels, 40.3 per cent in rooms and 41.3 per cent in the number of beds. By the year 1995, there was an increase of 32 per cent in the number of hotels, 23.6 per cent in rooms and 23 per cent in beds (DOT, unpublished data, 1996).

There was a 116 per cent increase in the supply of accommodation over this two year period. This increase in accommodation is not parallel with tourist arrivals, however both are recorded by the Department of Tourism.

Thakali (1994) noted that tourism activities have diversified over the last three decades, from mountaineering expeditions to trekking, rafting, wildlife viewing, and cultural tourism in the Kathmandu Valley. Such diversification in tourism activities has led to the establishment of a different tourism industry in Nepal. According to the Department of Tourism, by 1995, registered travel; trekking; and rafting agencies stood at 388, 311 and 56 respectively.

2.4 Signification of Tourism in Nepal

The most important reason for tourism development is almost always the various economic benefits which tourism can bring to a destination (Davidson, 1989:144). Various countries have embraced tourism as a means to create employment opportunities, and to earn foreign exchange in order to generate economic growth (Collier, 1991). English (1986:17) comments the significance of tourism in the developing countries:

In view of its growth potential, its foreign exchange earnings and employment generation, tourism has been hailed by some observers as a key element in the efforts of many Third World countries to escape their poverty. Since a few primary commodities, with volatile price and/or supply conditions, tend to dominate the export structures of these economics, tourism appears to offer a valuable source of diversification and stability.

Nepal was classified as a "less-developed country" by the United Nations in 1971 on the basis of a number of economic and social indicators (Blaikie et al., 1980). The struggle for economic growth is a central and dominating issue for Third World governments. Economic development is necessary for the sheer survival of the citizen of these countries (O'Grady, 1982). Nepal's per capita income (US\$170) is almost the lowest in the world. It has a low literacy rate (21 per cent), a short life expectancy (53.52 years in 1989), high infant mortality (107 per 1000 births in 1986/87), a high birth rate (41 per 1000 in 1986/87), and a high death rate (16 per 1000 in 1986/87) (Central Bureau of Statistic, 1992).

In its geographical context, Nepal is landlocked, which makes trade dependent on the goodwill of India. Soils are generally poor, fields are small, cultivation is labour-intensive and the yields are low. The economy of Nepal is, however, still dominated by agriculture. It accounts for 46 per cent of national gross domestic product (GDP), providing employment to 81.1 per cent of the economically active population, and there is little industry (Sharma and Subedy, 1994). The average annual growth rate of GDP for the last 10 years is reported as 2.8 per cent (Ibid), and the foreign debt is US\$1.4 billion. The inflation rate at that time was 10.1 per cent (Brandnock, 1992). The development of Nepal has been constrained by its geography and also by its limited natural resources. Thus, the struggle for economic growth is a central and dominating issue in Nepal. Realising the magnitude of this, the Nepal Tourism Master Plan of 1972 pointed out the importance of the tourism industry in Nepal:

The tourism industry can, once properly developed, function as Nepal's most important foreign exchange earner; it can play a significant role in regional development; it creates new employment opportunities and new market possibilities for local production; through this it can help achieve a wide distribution of income from tourism, and induce development in other sectors of the economy" (Ministry of Commerce and Industry, 1972:169).

To support this goal, the Ministry of Tourism and Civil Aviation (1995:1) has formulated national tourism policies with the following objectives:

- (a) To develop tourism as an important sector of the national economy by developing linkages between tourism and other sectors;*
- (b) To diversify tourism down to rural areas so as to improve employment opportunities, foreign currency earnings, growth of national income and regional imbalances;*
- (c) To improve natural, cultural and human environments of the nation in order to develop and expand the tourism industry;*
- (d) To maintain a good image of the nation in the international community by providing quality service and security; and*
- (e) To develop and promote Nepal as an attractive tourist destination.*

New Era (1988) noted that tourism development in Nepal is crucial from both economic and non-economic points of view. From the economic perspective, tourism helps speed up the tempo of development by earning precious foreign exchange. Similarly, dissemination of Nepal's rich culture, renovation of religious monuments, and mutual exchange to foster cultural understanding are some of the important non-economic aspects. For instance, tourism is encouraging the preservation of historical and cultural monuments of Kathmandu and Lumbini, the birth place of Lord Buddha, with the financial and technical assistance of various national and international agencies.

Tourism has become one of the biggest foreign exchange earners in Nepal. Between 1979 and 1995, the number of tourists to Nepal increased from 162,276 to 363,395. Similarly, gross foreign exchange earnings in convertible currencies increased from US\$ 35,227,000 to US\$ 116,784,000 (DOT, unpublished data, 1996). Looking at the annual change in tourist arrivals and foreign exchange, (Table 2) there is no parallel change in tourist arrivals and foreign exchange earnings. The income from Indian tourists is not included in the above figure, thus, the figures underestimate the total earnings through tourism.

Table 2: Gross Foreign Exchange Earnings and Tourist Arrivals (1984-1995)

Year	Tourist Arrivals			Gross Foreign Exchange Earnings in Convertible Currencies		
	Number	Growth Rate %	Average Length of Stay (Days)	Total Earning in US\$ (000)	% Change in US\$	Average Spending Per Visitor Per Day in US\$
1984	176,634	-1.5	10.6	41,273	15.7	33
1985	180,989	2.5	11.3	39,185	-5.1	27
1986	223,331	23.4	11.2	50,841	29.8	27
1987	248,080	11.1	12	60,229	18.5	27
1988	265,943	7.2	12	63,502	5.4	27
1989	239,945	-9.8	12	68,343	7.6	29
1990	254,885	6.2	12	63,701	-6.8	27.2
1991	292,995	15	9.3	58,589	-8	31
1992	334,353	14.1	10.1	61,090	4.3	26.4
1993	293,567	-12.2	11.9	66,337	8.6	26.4
1994	326,531	11.2	10	88,195	32.9	39.4
1995	363,395	11.3	11.3	116,784	32.4	42

Source: Nepal Rastra Bank, 1994, cited in DOT, 1995a; DOT, unpublished data, 1996.

The above table exhibits that higher numbers of tourist inflows do not always lead to higher amounts of foreign exchange earnings. For example, in 1985, there was a significant increase in tourist arrivals but a large decrease in foreign exchanges earnings. In addition, this trend was also observed at a marginal level between 1990 and 1991. In terms of the country's balance of payments, since the mid-1970s, tourism has provided about 20 percent of Nepal's foreign exchange receipts. In 1995, foreign exchange earnings from tourism stood at about US\$ 116.7 million which represents a 32.4 per cent increase from 1994. Tourism contributed around 4.4 per cent of the GDP of the nation and 19.6 percent of total foreign exchange earnings (Nepal Rastra Bank, 1995; cited in DOT, 1995a:14).

Average income per tourist and average daily tourist expenditures within Nepal, however, did not grow consistently over the 1980s. The average income per visitor per day was US\$ 39.4 in 1994, which increased to US\$ 42 in 1995 (DOT, unpublished data, 1996). However, it was found that trekker expenditure per day was low compared with that of pleasure tourists (Sill, 1991).

Tourism is commonly viewed as a labour-intensive industry (Collier, 1991). One of the main objectives of developing tourism in Nepal is to increase employment opportunities for the local people. However, there were only 8,996 persons, about one per cent of the national workforce, employed, some seasonally, in the various tourist industries (New Era, 1988). In 1989, the Nepal Rastra Bank carried out a survey on employment in the tourism sector that covered airline, travel and trekking agencies, and 81 percent of the hotels/lodges/guest houses. This study found 11,176 people employed in the tourism sector (Nepal Rastra Bank, 1989).

A third study conducted by the Centre for Economic Development and Administration (CEDA) (1991) on accommodation, catering, travel/trekking and rafting agencies, indicated that a total of 30,430 people were directly employed in the tourism sector. Besides this, 12,000 and 80,000 seasonal workers were found in the mountaineering and trekking sectors respectively. The following table shows the employment pattern in the tourism sector in Nepal.

Table 3: Employment Pattern in the Tourism Sector

Area of Employment	Male		Female		Total
	No.	Percent	No.	Percent	
Travel Agencies	1,975	89.4	235	10.6	2,210
Trekking Agencies	924	95.0	49	5.0	973
Rafting Agencies	343	96.0	14	4.0	357
Airline	2,109	89.1	257	10.9	2,366
Accommodation/Catering	19,913	81.2	4,611	18.8	24,524
Total	25,264	83.0	5,166	17.0	30,430

Source: Centre for Economic Development and Administration, 1991:2

The above studies show a difference of employment pattern in the tourism sector especially between the year 1989 and 1991. For instance, there were 239,945 visitors, and 11,176 people were employed in 1989 whereas in 1991, the tourist numbers were 292,995 and 30,430 people were employed. The major reasons for such a disparity in the above figures could be that the 1989 survey covered only 81 percent of hotels/lodges/guesthouses; the survey also did not cover the major catering sector including tourist bars/restaurants, and it also left out the rafting sector. These figures may vary and different estimates¹ were found because the tourism sector situation is changing so rapidly in Nepal.

Up until 1992, Hagen (1992) estimated that US\$61 million had been invested in the tourism sector. The per capita investment per job was about US\$2,560. But in trekking tourism (including guiding, portage and hotel accommodation) investment per job was estimated at about US\$40.

The Hotel Management and Tourism Training Centre (HMTTC) produced 8,542 (6,949 males and 1,593 females) trained people for the tourism sector between 1972-73 to 1994-5 (HMTTC, 1995). The data shows that a total of 36.3 per cent (2,515 males and 584 females) were trained for the hotel sector and 15.9 per cent (1,140 males and 218 females) for the tour and travel sector. Similarly, 19.5 per cent (1,652 males and 9 females) were trained for the

¹ A more recent source estimated that about 74,036 permanent and 181,775 seasonal jobs have been generated through the tourism industry in Nepal (NPC, unpublished data, 1997).

trekking sector, and 25.5 per cent (1,482 males and 699 females) were trained for all sectors by a mobile training unit. Only two per cent (160 males and 83 females) were trained for other courses/training/workshops. The above training data produced by HMTTC exhibits that women's officially recorded employment in the tourism sector is very low.

Employment is also created indirectly by tourism in Nepal. For example, Sill (1991) observed that 14 per cent of tourist expenditure in Nepal is on locally produced souvenirs, such as handicrafts, carpets and clothing. The largest concentration of tourist-related employment is found in handicrafts. In recent years, trekking and rafting activities are getting more popular in Nepal which may generate further employment opportunities for local people. The Tourism Master Plan 1972 noted that the overall economic aim of developing tourism is the earning of foreign exchange rather than the provision of employment opportunities or the increase of local income (Ministry of Commerce and Industry, 1972:148).

2.5 Major Issues/Problems of Tourism Development

Tourism has been seen by various observers as either a blessing or a curse for Third World countries (Belk, 1993). As well as the obvious benefits discussed above, tourism inevitably has its costs. For example, on the one hand, Third World countries promote tourism as a means of generating foreign exchange, increasing employment opportunities, attracting development capital and enhancing economic independence (Britton, 1982). Whilst on the other hand, excessive foreign dependency; low multiplier effects; the reinforcement of neo-colonial socio-economic patterns; environmental destruction; unequal distribution of the costs and benefits of tourism; and loss of cultural identity and social control are threatening the Third World tourism industry (Brohman, 1995:66).

One of the chief arguments used to promote tourism in the Third World is that tourism is a foreign exchange earner (O'Grady, 1980). In this respect, international financial institutions like the World Bank and others have given too much priority to tourism development programmes without adequate feasibility studies and with little planning to integrate tourism into national development (O'Grady, 1980; Crick, 1989). Consequently, Third World countries have been pressured to increase tourist numbers, with little or no attention paid to the social

and cultural considerations in investment and development (Jenkins, 1982). Moreover, techniques and approaches to planning are not well adapted particularly to the problems of small developing countries where physical and social constraints on development possibilities may be much more acute than in large economies (De Kadt, 1979:40).

Primarily, government tourism policy has been focused on increasing tourist numbers in Nepal. Thus, too much importance has been given to increasing tourist numbers in order to acquire economic benefits, and the negative consequences of tourism development have been overlooked. As a result, leakage of tourist expenditure; environmental and cultural impacts; over-exploitation of resources and inadequate infrastructure facilities and services are cumulative problems, to the extent that they now challenge overall tourism development in Nepal. For instance, by 1983, 70 per cent of tourist revenues in Nepal had been spent on imports (Richter, 1989). Similarly, the industry's own estimates show a 45-75 per cent leakage from tourism receipts (Ibid). Deforestation is another problem. Over the last two decades, large areas of virgin forest have been cut down to meet the needs of trekkers (Touche Ross and New Era, 1990; Richter, 1989; Nepal Watch, 1993; Belk, 1993). For example, in the Sagarmatha National Park, tourist demand is estimated to increase the local demand for wood by 85 per cent (Sharma, 1992). As well as undermining traditional cultures and values, drug abuse, prostitution and smuggling are on the increase (Nepal Watch, 1993; Belk, 1993; Sharma, 1995). These effects are of concern to the government, religious authorities and the overall population in Nepal (Hansen-Sturm, 1983, cited in Richter, 1989:173)

There are five main factors commonly held responsible for the above-stated issues and problems: First, tourism development in Nepal has always been viewed in terms of how to increase foreign earnings through growth in tourist numbers, with little or no attention paid to local needs and interests (Baskota and Sharma, 1995). Second, there is a lack of both control over tourism expansion, and local participation in planning and implementation of tourist activities (Belk, 1993). Third, tourism planning has often been enacted in isolation from conservation, natural resource management, horticulture and livestock concerns (Sharma, 1992; Baskota and Sharma, 1995). Fourth, government regulations are not effectively monitored (Sharma, 1992), and government is ill-equipped to deal with problems such as deforestation (Richter, 1989). Fifth, there is a lack of strong and effective coordination between the various sectors (public and private) for tourism development. For example, government line agencies

often narrowly conceive their area of jurisdiction and take care of only those problems which directly affect their sectoral interest (Baskota and Sharma, 1995).

The Environmental Protection Council (1994:44) concluded that 'how to develop the institutional capacity to monitor and regulate the environmental impacts of tourism' is a major policy issue for tourism development in Nepal. Similarly, the Eighth Five Year Plan (1992-97) also remarked that a lack of appropriate policy, administration, rules and regulations and their effective implementation is the major issue of tourism development in Nepal (NPC, 1992).

2.6 Summary

Nepal was virtually closed to foreigners until 1951, aside from religious pilgrims from India. Tourism development in Nepal was initiated primarily by international mountaineers and foreign diplomats. Subsequently, tourists from nearly 45 different countries visit Nepal, especially for holiday/pleasure and trekking reasons. The majority of tourists visiting Nepal are from Asia, principally Indians, followed by Western Europe and North America respectively.

Today, tourism has become an important sector of the national economy. It contributed around 4.4 percent of the Gross Domestic Product of the nation and 19.6 percent of total foreign exchange earnings in 1994. Estimates range as high as 30,430 people employed directly in the tourism sector. However, tourism development has not benefited the country as much as it was hoped. The main reason is that tourism has been developed with inappropriate public sector support. Little consideration to tourism planning and management has been given at the local level.

CHAPTER 3

TOURISM IN POKHARA: THE CONTEXT

3.0 Introduction

The preceding chapter has briefly outlined tourism in Nepal. The overall trend of tourism development in Nepal, its significance and major issues, provides the basis for looking at tourism development at the local level in Pokhara. It is the second most visited location of Nepal and serves as the gateway to the Annapurna Region. The main focus of this chapter, therefore, is on tourist arrivals, attractions and activities and on the major issues and problems relating to tourism development in Pokhara. This chapter also outlines the geographical setting, local people, economy, and infrastructure development of the Pokhara Valley.

3.1 Geographical Setting of Pokhara

Pokhara Valley occupies a central location in Nepal and is dominated by the Annapurna Himalayan range. The Tibetan border is 72 kilometres North and the Indian border is 78 kilometres South of Pokhara. The valley is situated on relatively flat land at an altitude of 900 metres above sea level and to the South of the Annapurna group (Raj, 1993). There is a gain of 6,000 metres in altitude to the Annapurna Range within the short distance of 29 kilometres (Department of Tourism (DOT), Tourist brochure , ‘Nepal ... a land for all seasons: Annapurna trek’).

The Pokhara Valley is 124 square kilometres in area (see map: Fig 2). Its length from Bhadure to Kotre in the South is 38.4 kilometres. Its maximum width is 6.4 kilometres (Thapa, 1991). Some of the well-known hills surrounding Pokhara are Begnas, Kahun, Kananidada, Arva and Sarangkot. The altitude of hills surrounding the valley ranges from 2500 metres to the North to less than 1200 metres to the East and South (Raj, 1993).

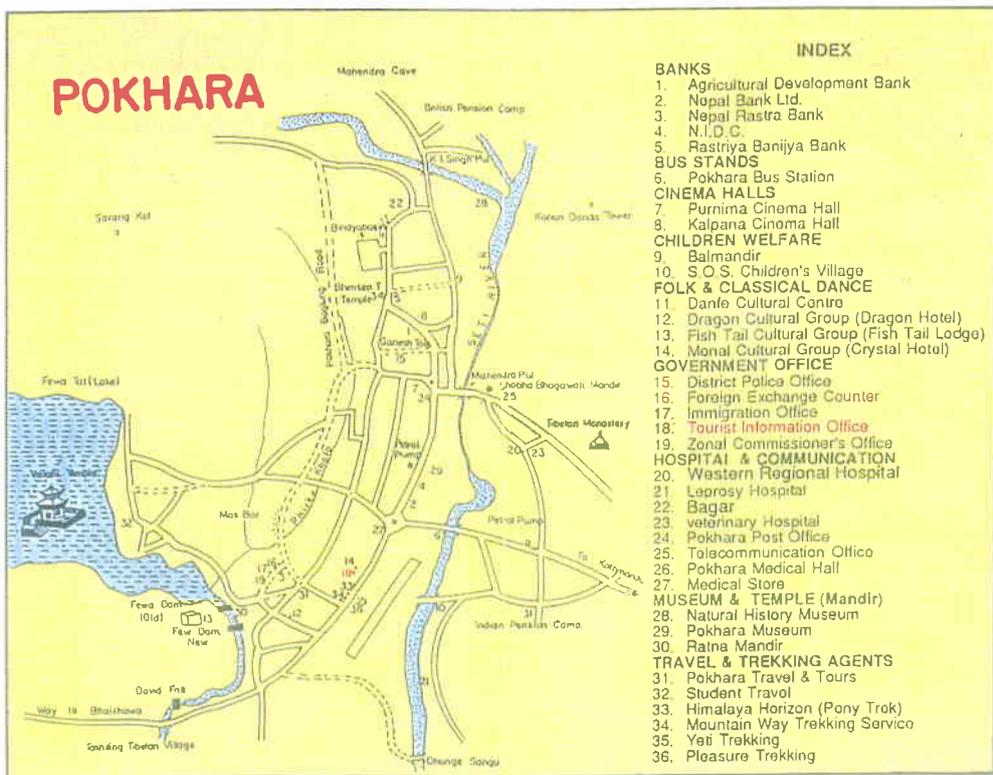


Figure 2: Map of Pokhara (Source: DOT, 1995b)

The climate of Pokhara is humid, sub-tropical characterised by hot summers and relatively mild winters with heavy rain during the summer. The temperature in Pokhara ranges from 30 degrees in summer to 6 degrees Celsius in winter (Raj, 1993). Pokhara gets the highest rainfall in Nepal. The average annual rainfall is 4160 mm, mainly during the monsoon season, which is from June to September. The soil is porous and rainwater seeps down, never accumulating on the surface and leaving it wet but clean (Thapa, 1991). The sky is clear with sunshine most of the year including the monsoon period. Foggy weather occurs during winter, but only in the morning.

Pokhara gravels are rich in calcium and many areas show moderate cementation. Geologists believe that the gravels are the result of a catastrophic event in historic time that suddenly buried the former Pokhara Valley and flooded its tributary valleys, creating several lakes (Science Application International Corporation (SAIC) and New Era, 1993). There are seven lakes in the valley, both large and small. They are: Phewa, Begnas, Rupa, Khaste, Dipang, Maudi and Kamal Pokhari. The Phewa and Begnas lakes are larger than the other lakes. The main rivers are Seti and Bijaypur.

3.2 The People of Pokhara

The population of the Pokhara Valley historically has not been dense, because the population numbers have been restricted by malaria and because the valley soil is largely derived from morainic debris (Pacific Asia Travel Association (PATA), 1976). The wide plain area had marginal value except for those with irrigation facilities. Over the last three decades, there has been a development boom in Pokhara that has brought about a rapid growth in human population (SAIC and New Era, 1993).

Pokhara had about 20,000 people in 1971 (Blaikie *et al.*, 1980, cited in SAIC and New Era, 1993). The 1981 census reported that the population of the city was 46,000, and 67,500 in the year 1987 (SAIC and New Era 1993). A more recent source reported that the population of the Kaski District where Pokhara is situated was 292,944, and the population of Pokhara City was 95,286 in 1991 with 20,273 households comprising of an average household size of 4.7 people. Today, Pokhara is the fourth largest city in Nepal after Kathmandu, Lalitpur and Biratnagar (Sharma and Subedy, 1994). Pokhara City continues to grow over seven per cent per year and its hinterland is also densely populated. The population of Pokhara is estimated to double in 13 years, and triple in 20 (SAIC and New Era, 1993).

The Pokhara valley has received all kinds of settlers, from the remote past through to the 15th century (Thapa, 1991). After the unification of Nepal (1768-1790), a small bazaar was first set up at the Pokhara valley by Newars who came from Bhaktapur, and several Magars and Gurungs also from the area migrated eastward. The population of the Pokhara valley consists largely of Bahuns, Chhetris, Newar, Gurung, Thakali and other occupational castes such as Damais, Kamis Gaines and Sarkis. It is estimated that 90 per cent of the population of the Pokhara valley speak Nepali as their first language (Raj, 1993). It is also estimated that 98 per cent of the people in the valley follow either Hinduism (the majority) or Buddhism. There is a small Muslim minority, very few Jains and Christianity has also gained some converts in recent years (Sharma and Subedy, 1994). Most of the Nepali festivals are religious in origin, either Hindu or Buddhist. The most important festivals, as elsewhere in Nepal are Bada Dasain and Tihar (Diwali). Maghesankrati and Mahashivratri are other important festivals in Pokhara.

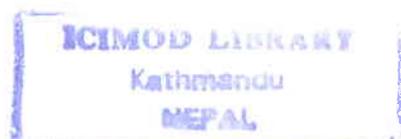
3.3 The Economy of Pokhara

Pokhara has always been a supply point and trading centre for the surrounding areas, although the economy of the Pokhara Valley is primarily based on agriculture as in other parts of Nepal (PATA, 1976). The 1971 census indicated that 92 per cent of the workforce in the district were involved in agriculture (Pagdin, 1995). The salaries and pension, brought in by Gurkha soldiers also play an important role in the local economy. Some local people in recent years have started going to the Gulf countries, Japan and some Southeast Asian countries in search for employment (Raj, 1993). In terms of non-agricultural employment, the 145 government offices in the city, together with the Indian and British armies, also provide a substantial proportion of the available jobs (Pagdin, 1995). Beside this, there is also an industrial estate established in 1974 (Thapa, 1991), containing some minor industries on a small scale, producing noodles, biscuits, concrete blocks, metalwork, hosiery, furniture, plastic, etc. A small group of Tibetan Refugees are also involved in carpet weaving and other handicrafts. There are 115 manufacturing enterprises, each employing more than 10 people and a total of 2,859 people are engaged (Sharma and Subedy, 1994). Pokhara's importance in the economy is much less than other cities like Kathmandu (Raj, 1993). It is therefore appropriate to summarise that Pokhara is still a land of small farmers, and the area is cultivated with the aid of primitive tools like wooden ploughs and bullocks (Thapa, 1991). PATA (1976) noted that the economic performance of the Pokhara Valley lags behind that of Kathmandu and the Tarai (plain land of Nepal).

Today, tourism has become one of the fastest growing industries in Pokhara, and it is an increasingly important sector of the local economy (Thapa, 1991; Raj, 1993; SAIC and New Era, 1993). Tourist accommodation has become a common form of economic activity since the 1960s, and tourism has made its major impact in Pokhara through the construction or renting of buildings for use as hotels (Blaikie *et al.*, 1980). Just over 10 per cent of Pokhara's income comes from tourist-related commerce (SAIC and New Era, 1993).

A survey study on the workforce in the tourism sector of Nepal conducted by the Centre for Economic Development and Administration (CEDA) (1991) found that a total of 1,533 people were employed in the tourism sector in 1991, with 1265 of those in hotels and guest houses and 268 in restaurants in Pokhara. A total of 457 outlets related to tourism, such as arts and

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craft stalls, bookshops, ticket agencies, snackbars and restaurants also provide full-time and seasonal employment (Pagdin, 1995).

3.4 Infrastructure Development

Pokhara has long been a centre of commerce and administration for the Western part of Nepal. Pokhara was declared the headquarters of the Kaski District and the Gandaki Zone in 1962 and the Western Development Region in 1972. The urban area of Pokhara was declared a municipality in the year 1960. It is now divided into 19 wards. As a result, the government began to give more attention to the development of Pokhara. The location of government offices and development activities helped to promote growth. The newer area of the city which lies closer to the lake was developed in the 1970s (SAIC and New Era, 1993). Today, growth continues and density is increasing in all parts of the city.

A drinking water project was completed in 1961 (Thapa, 1991). However, the city got its first piped drinking water supply system in 1920 (Raj, 1993) and electricity in 1968 (Thapa, 1991). Pokhara was first linked with Kathmandu by air service in 1951 long before it was connected by motorable road. The only way of visiting Pokhara before the 1950s was by walking. The first motorable road was completed in 1969, was linked to Sunauli (the Indian border), and another linked to Kathmandu in 1973 (Thapa, 1991). The total urban road network is 119 km long of which 50 km is tarsealed (Sharma and Subedy, 1994). Thus, the Pokhara valley was relatively isolated until 1972 when goods had to be carried in by porters. Once Pokhara was connected by road, especially to Kathmandu, the city began to experience rapid growth in all sectors including tourism (Balla *et al.*, 1991 cited in Subedi, 1994).

In 1974, a comprehensive Physical Development Plan for Pokhara City was produced by the Department of Housing and Physical Planning, and subsequently adopted by His Majesty's Government. The designated planning area covered approximately 180 square kilometres (Western Regional Directorate, 1989). A university, a hospital, an industrial estate and commercial areas were given considerable land to promote the expansion of the city. This plan also proposed creating the necessary base for accelerating the growth of the tourist industry in Pokhara as one means of accomplishing its long-term objectives (PATA, 1976). This plan however, negates major recommendations made by the Nepal Tourism Master Plan. For

instance, the Southern shores of the Phewa Tal (lake) which were recommended in the Nepal Tourism Master Plan for tourism development have been zoned for lakeside preservation, and an area between the Pardi and Seti River and immediately South of the existing Pokhara airport has been zoned for tourism development.

This 1974 Physical Development Plan, was revised in 1989 with particular focus upon the land use plan for Pokhara City. This revised land use plan proposed recreational and tourist areas. For instance, Baidam, Ward No. Six was designated as a special area for tourism, and the existing airport is to be designated and developed as a major public park after a proposed new airport is built (Western Regional Directorate, 1989). At present, Pokhara has one stadium, two small urban parks including one children's park, and one small museum run by Annapurna Conservation Area Project.

The development of tourism infrastructure, especially accommodation, transportation and other support services are largely around the lakeside of the Phewa Lake and the airport area. More than 80 registered tourist hotels and lodges as well as 16 travel and 10 trekking agencies are located at the lakeside and airport areas (Pokhara Tourist Office (PTO), unpublished data, 1995). Sarangkot and Begnas are other touristic areas adjacent to Pokhara City. According to the local people of Sarangkot, about 200 to 300 tourists visit Sarangkot each day in the tourist season from September to November. Sarangkot, located five kilometres Northwest from Pokhara City, commands an entire view of the Annapurna range to the North and Phewa Lake and Pokhara City to the South. Similarly, Begnas Lake lies at the foot of Begnas and Pachhbaiya Hills offering boating, swimming and fishing opportunities. Both areas lack basic infrastructure such as drinking water, telephone, banking, and reliable transport.

3.5 Tourist Accommodation

There were no Western type hotels in Pokhara until the 1960s. The most common type of hotel was *bhatti* (combined teashop, small restaurant, and often lodge), predominantly involved in small scale commodity production (i.e. using family labour only for production of goods and services). Because of the influx of foreign tourists and their increased demands, the nature of the *bhatti* has been changed into different types of enterprise, such as restaurants or small hotels (Blaikie, Cameron, and Seddon, 1980).

The Tribhuvan University and International Labour Organisation (ILO) (1991) survey found that there were a total of 3,992 bed spaces in tourist accommodation in Pokhara. Only 362 bed spaces were in one, two or three-star hotels, representing nine percent of the total (Pagdin, 1995). According to the Pokhara Tourist Office (PTO), there are 94 tourist hotels and lodges. The total rooms and beds available are 911 and 2,434 respectively (PTO, unpublished data, 1995). There are one three star, three two star, and one one star hotel and three new luxurious hotels with approximately 330 rooms also in planning. The differences between the above figures is primarily because the Pokhara Tourist Office only keep records of those hotels and lodges, 'registered' as being of tourist standard.

3.6 Tourists Arrivals

The first impact of foreigners was observed when a hospital was established by Westerners in 1951. There were only 119 tourists in 1957 (Raj, 1993), and 681 tourists from 24 countries visited Pokhara in 1962 (Thapa, 1991). By 1974, the Department of Tourism recorded 18,232 visitors to Pokhara. However, figures were not available for the month of January 1974, part of the best season, so it is estimated that the year's total was approximately 20,000 visitors (PATA, 1976). Numbers doubled in the next decade, by 1984, 35,062 tourists visited Pokhara. The Nepal Tourism Statistics (1994) shows that 59,201 (26.4 per cent) of non-Indian tourists visited Pokhara in 1994 and the annual growth rate was 4.8 per cent in comparison with 1993 (DOT, 1995a). The figure excludes Indian tourists.

Table 4: Tourist Arrivals in Pokhara (1984-1994)

Year	Country							Total
	USA	UK	Germany	France	Japan	Australia	Other	
1984	3818	4188	4044	3021	4145	3681	12165	35062
1985	4143	4160	4138	3407	3567	4074	13088	36577
1986	5092	5193	4101	3256	4080	3901	13816	39439
1987	5538	5519	5464	3649	7073	4958	18074	50275
1988	5848	6404	6040	4112	7510	5102	23096	58112
1989	6543	7332	5838	3882	8295	4389	28826	65105
1990	3470	5982	3895	2609	6102	3447	33983	59488
1991	4943	7778	5146	3281	7634	4112	29264	62138
1992	5534	9847	6789	4221	6363	3947	32348	69049
1993	5000	8096	5400	3290	5193	4408	25112	56499
1994	5117	6677	4378	3030	5378	3515	31106	59201

Source: DOT 1995a:58

Western European tourists were the major source of non-Indian tourist inflows to Pokhara. Japanese tourists are in second place followed by North Americans. Australian is also a significant source of tourists. In addition to overseas tourists, there is also an increasing number of Indian tourists visiting Pokhara. The main reason is that Pokhara has clearly developed as a popular venue over the years for Indians in March and April, escaping the great heat of the North Indian plain (PATA, 1976; PATA, 1988). It is difficult to figure out how many Indian tourists visited Pokhara, because the Department of Tourism records only Indian arrivals by air to Kathmandu and the open boarder between the two countries permits Indian tourist to enter Nepal from any border point without the need for a passport or a visa.

Visitation is heaviest from February to April in spring, and from September to November in the autumn season. Tourist arrivals are relatively low during the summer when Pokhara is hot, humid and wet. But during this period Indian tourist dominate arrivals.

The majority of non-Indian visitors arrive by road from Kathmandu, primarily by bus. The latest statistics show that 33,022 and 3,619 tourists arrived by land from Kathmandu and Bhairahawa respectively in 1994. In addition, 2,012 tourists arrived after trekking from Manang and Jomosom, and 20,548 tourists arrived by air from Kathmandu (PTO, unpublished data, 1995). Tourist arrivals by air accounted for 15.4 per cent in the year 1990, and increased by 34.7 per cent in 1994, because of the additional air capacity that was made available by private airlines. At present, three private airlines excluding the Royal Nepal Airline Corporation (RNAC) operate daily flights from Kathmandu to Pokhara.

The average length of stay of tourists in Pokhara itself is quite short at about one and a half days (PATA, 1976). But the SAIC and New Era conclusively stated that the average planned stay is more than a week, not the two days reported elsewhere (1993:7-31). However, planned stay does not always coincide with actual stay, although, the SAIC and New Era (1993) further stated that a number of tourists lengthened their stay from their original plan, and the average length of stay was between six and seven days. While the number of tourists to Pokhara City is high, the majority of tourists are low-paying. Average tourist expenditure per day is about US\$14 over all tourists, with Indian tourists the highest spending and shortest staying group (Ibid).

3.7. Major Tourist Attractions and Activities

Pokhara is one of the most popular tourist destinations of Nepal and offers a variety of attractions to international tourists. There are very few places in the world that have such a magnificent array of natural beauty within such a small area. A Japanese Buddhist scholar, Ekai Kawaguchi, who visited Pokhara in 1899, pictured the natural beauty of Pokhara as follows:

... in all my travels in the Himalayas I saw no scenery as enchanting as that which enraptured me at Pokhara (PTO, unpublished data, 1995).

A more analytical observation was made by Toni Hagen, a Swiss geologist who has done much to develop tourism in Nepal, and who travelled extensively in Nepal in the 1950s when Nepal was first opened to foreigners:

[The] Pokhara area shows the greatest contrast in landscape. Nowhere in the world can the highest mountains reaching an 8000 metre level be admired from such a small distance and from the tropical lowland without any intermediate mountain ranges. Pokhara is certainly one of the most extraordinary and beautiful places in the world (Hagen, 1961; cited in Raj, 1993:1).

Pokhara offers a variety of attractions to tourists to suit all kinds of tastes. It has magnificent natural beauty with spectacular views of the Annapurna Himalayan range with the Machhapuchhre peak standing very close by at a distance of only 29km. The Nepal Tourism Master Plan 1972 found three types of demand in Pokhara including: 1) sightseeing visitors along the proposed tour route; 2) vacation tourism from India; and 3) trekking tourism (Ministry of Commerce and Industry, 1972:187). PATA (1976) and Pagdin (1995) also found that the major activities of non-Indian tourists in Pokhara was mountain viewing and trekking in the Annapurna area. Beside the mountain views and trekking, local people, the town, rural scenery, lakes and the local climate are powerful reasons for tourists to stay in Pokhara (PATA, 1976). The picturesque villages, friendly people, temples, historical sites and the Seti River with its deep gorge are other attractions. The following section briefly outlines the major tourist attractions and activities of Pokhara.

2.7.1 Mountain Views

Nepal is famous all over the World as a land of high mountains. The Pokhara valley lies to the South of the Annapurna Range and offers a spectacular, uninterrupted view of Mts. Annapurna, Dhaulagiri, and Machhapuchhre. Machhapuchhre is the most dominating and has two summits which gives it the shape of a ‘fish-tail’.



Plate 1: Annapurna Himalayas from Pokhara

PATA (1976) stated that Pokhara is the one part of Nepal where the average tourist can approach fairly close to the snowcapped peaks of the highest mountains in the world without much effort. Similarly, the Tourism Master Plan 1972 also remarked on the proximity to the Annapurna and Dhaulagiri Himals, and the most beautiful ‘fish-tail’ peak with its bold pyramidal shape (Ministry of Commerce and Industry, 1972). Sarangkot and Nagdanda, respectively five kms and 18kms from Pokhara city, command views of the entire Annapurna range to the North, and Phewa Lake and Pokhara City to the South.

3.7.2 Trekking

The opening of the Himalayas of Nepal for sightseeing created a new demand for trekking. The intensive use of the Himalayas is the main focus, with the local culture and way of life being a secondary attraction. The Tourism Master Plan 1972, recognised the importance of trekking and also emphasised the development of Pokhara as its base (Ministry of Commerce and Industry, 1972). As mentioned above, PATA (1976) found trekking as the most prominent reason for visiting Pokhara. Trails in the area are comparatively easy for the amateur and food and shelter are often available. In 1975, the PATA (1976) expected the continued growth of trekking in Pokhara, and in 1988, it found that the number of 'independent' trekkers (i.e. not in an organised party) had greatly increased (PATA, 1988).

Commercial trekking from Pokhara to high mountains was started in 1965 for wealthy tourists (Pagdin, 1995). Pokhara has now emerged as the gateway to the Annapurna region (see map: Fig 3). For example, the Tourism Statistics (1994) show that there were 76,865 tourists who visited Nepal for trekking in 1994 and 58.2 per cent or 44,733 of those trekked in the Annapurna Area (DOT, 1995a). In 1994, a total of 15,510 trekking permits were issued from Pokhara (Pokhara Immigration Office, unpublished data, 1995), and 2,022 tourists visited Pokhara from Manang and Jomosom for trekking (PTO, unpublished data, 1995).

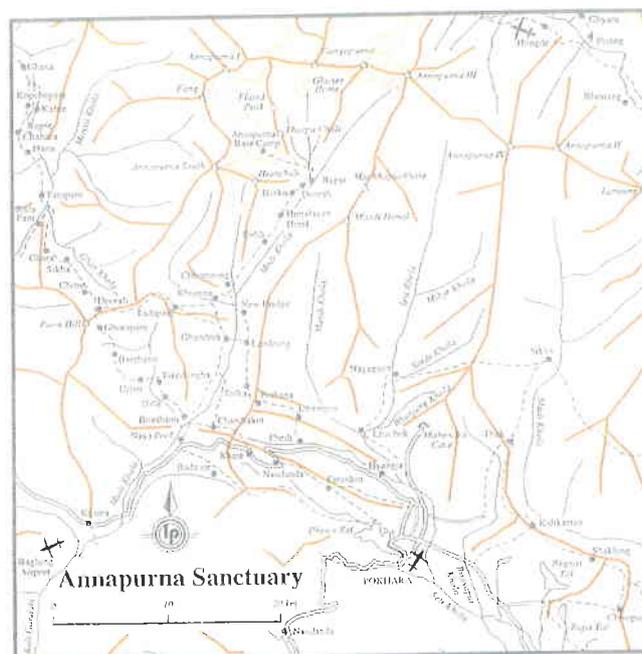


Figure 3: Map of Annapurna Region (Source: Armington, 1994:214)

The main trekking points along the Annapurna trekking routes starting from Pokhara are: Ghandrung, Ghorepani, Jomsom and Muktinath. Beside these, there are other trails for one day hikes as well as two day walks. Sarangkot, five kms North from the Phewa Lake; Kahun Danda, about 10km Northeast; and Phoksing Danda, about 10km South of the Pokhara airfield are suitable day hikes. Similarly, Nagdanda, 18km Northwest from the city, and Nuwakot, also 18km South of Pokhara, are examples of two day walks (DOT, 1995b).

2.7.3 Lakes of Pokhara

The Pokhara Valley is drained by the Seti River and is also studded with numerous lakes. Phewa Lake at the Western end of the valley and Begnas and Rupa to the East are prominent. Phewa Lake lies about one km Southwest of Pokhara City at an altitude of 793 metres *asl*. It extends about five kms Northwest to Southeast and it is about two kms at its widest and only 100 metres at its narrowest (National Planning Commission (NPC) and the World Conservation Union (IUCN), 1995). The surface area of the lake is about 443 hectares (SAIC and New Era, 1993). The Northeastern shore is developed for tourism while the Northwestern shore still remains rural and was only recently connected by gravel road.



Plate 2: Phewa Lake

The lakeside area of Phewa Lake became a favourite location for ‘hippy’ travellers who made extended stays here on their way around the world on very limited budgets in the 1970s (Pagdin, 1995). It is still popular as a resort for meeting travellers coming from Pokhara. The lake offers opportunities for boating, swimming, and fishing, and enhances the beauty of the scenery. It seems that Pokhara would not be a tourist centre without this lake. The Tourism Master Plan 1972 emphasised the importance of lakes. However, the PATA (1976) found this to be less significant compared with the Annapurna range in bringing tourists to Pokhara.

Begnas and Rupa, two other local lakes, are also tourist attractions. These two lakes are in the North-East of the Pokhara Valley about 15km away from the airport (DOT, 1995b). Begnas Lake lies at the foot of the Begnas and Pachhbhaiya Hills and is at an altitude of about 700 metres *asl* with an area of three square kilometres (see Plate 3). Similarly, Rupa Lake also lies at the foothills of the Rupakot and Pachhbhaiya Hills at the same altitude as Begnas with an area of two square kms (Thapa, 1991).

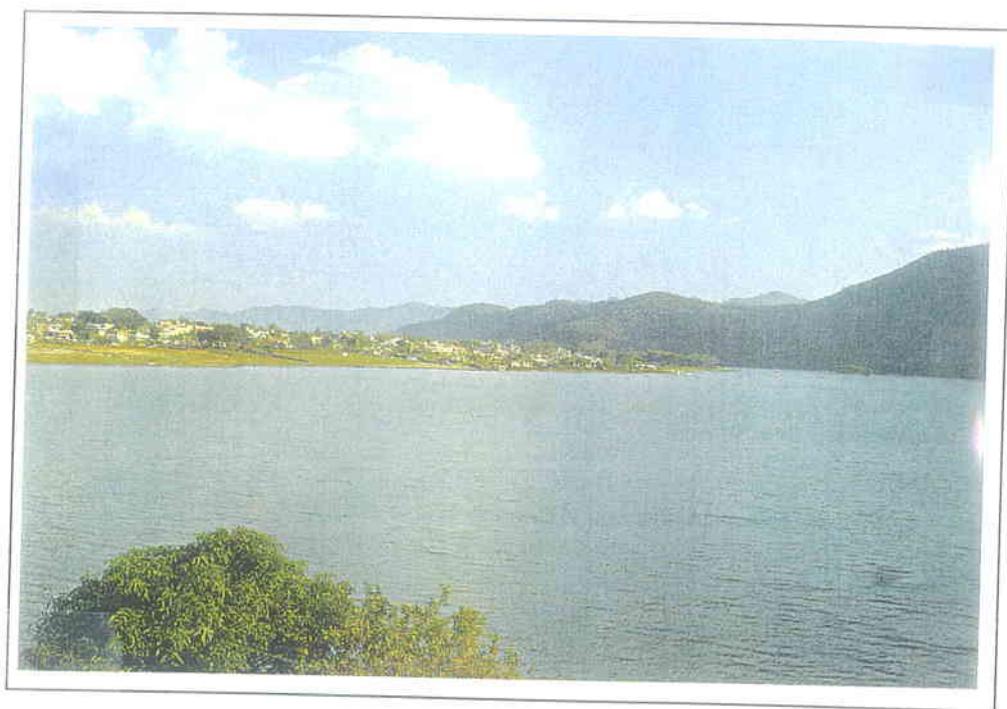


Plate 3: Begnas Lake

These lakes offer birdwatching, boating and fishing opportunities. A small hill called Pachhbhaiya separates lakes and also offers magnificent views of the twin lakes. The Nepal Tourism Master Plan 1972 observed that these three lakes near Pokhara, especially Phewa

3.7.6 Other Attractions

The attraction of the Pokhara Valley are not limited to the mountain views, trekking, lakes, the city, and river gorges. There are some other attractions including: the Tibetan Refugee Camp at Henga, the Mahendra Cave, the Bindyabasini Temple, the Buddha Gomba and the Pokhara Museum. However, since the major attraction of Pokhara is the mountain views, and its popularity as a destination is low in comparison with the Kathmandu Valley, the Tourism Master Plan of 1972 emphasised the need for the development of additional recreational facilities in Pokhara (Ministry of Commerce and Industry, 1972).

3.8 Major Issues/Problems of Tourism Development in Pokhara

PATA (1976) forecast that in the 1975-85 period, visitor arrivals could grow from 19,000 to 90,000. But except in 1982, there was an unforeseen slow growth in visitor arrivals and also failure to reach the projected figures even by 1994. PATA (1976) noted that its forecast would be dependent on the development of activities and attractions; marketing support from overseas and from Kathmandu travel agents; and adequate transportation and high class accommodation facilities. PATA (1976) made five main recommendations to meet its forecast. These were: 1) marketing of the area as Annapurna and as the gateway to the Himalayas rather than focusing on Pokhara or the Pokhara Valley; 2) creating a varied sightseeing programme oriented towards the mountains; 3) providing reliable transportation (air and road) facilities; 4) developing luxury class hotels incorporating local arts and culture; and 5) pursuing physical planning to cope with the growth of the local population and the visitors.

PATA carried out an assessment of its 1976 recommendations in 1988. It found that the progress in Pokhara tourism development since 1975 had not been as great as most people had hoped. The major reason was that many of the findings of the 1975 report had not been implemented. The PATA report of 1988 pointed out that in the majority of cases, its recommendations were found to be valid, and also advised that careful planning was necessary and action needed to be taken with respect to coordination of reliable transportation; a series of visitor facilities; standards of service; preservation of traditional buildings; conservation of lakes; community involvement; education and training; a wider range of activities; overseas promotion and marketing; and also developing high class hotels (PATA, 1988).

It was hoped that there would be strong commitment by the government sector and the enthusiastic involvement of the private sector to implement and coordinate the above recommendations. There has been a significant improvement in air services; little improvement in other infrastructure development and a Pokhara Tourism Development Committee and Pokhara Tourist Office have been established. However, many of the findings of the PATA report 1976 and 1988 have not been implemented and the problems are still there and are challenging the achievement of long-term tourism development. For instance, SAIC and New Era (1993) noted that many visitors to Pokhara did not find what they were seeking. Pokhara is now becoming less attractive to tourists because of increased density of population and buildings, poor sanitation practices, greater congestion, more noise, and more aggressive shop and stall owners. The population growth in Pokhara will contribute to a less satisfactory tourist experience unless the consequences of population growth are carefully managed and sanitation and solid waste control is improved. Pagdin (1995) also observed environmental degradation; over-supply of low quality accommodation; lack of additional activities; lack of training facilities at the local level; and that the majority of local people did not benefit from tourism.

The preceding studies have identified the major issues and problems inherent in tourism development for Pokhara, and also made some recommendations for achieving successful tourism development. However, who is responsible, what types of organisational and legal frameworks would be required, and how to establish coordination at the local level to implement the recommendations have not been identified. The major focus of this research is to examine the existing organisational structures and legal framework in relation to tourism development in Pokhara to overcome existing issues and problems.

3.9 Summary

Pokhara is the second most visited city in Nepal. The major reasons for the inflow of tourists to this place is primarily its natural beauty. Mountain views, trekking in the Annapurna area, lakes, city and the Seti River with its deep gorge are major tourist attractions and activities in Pokhara. There were 18,232 visitors to Pokhara in 1974. By 1992, the 1974 figure had tripled with 69,049 tourist visits to Pokhara. But this number dropped to 56,499 in 1993 and 59,201 in 1994. PATA (1976) forecast that in the 1975-85 period, visitor arrivals could grow from 19,000 to 90,000, an annual growth of 34 per cent. However, this projection was not

reached even by the year 1994. Hence, progress has not been as swift as most people hoped. Previous studies have observed a lack of marketing and promotion; environmental degradation; an over-supply of low grade accommodation; a lack of reliable transportation; a lack of additional attractions and activities; and a lack of training facilities as the main issues and problems for tourism development in Pokhara. These studies also advise that careful planning and coordination is necessary. However, who should be responsible for planning and coordination and what form of organisational structures and legal frameworks would be required, and how to establish coordination are not defined.

CHAPTER 4

THE ROLE OF GOVERNMENT IN TOURISM DEVELOPMENT

4.0 Introduction

Tourism development depends upon a range of facilities and services such as accessibility; attractions; activities; accommodation and transportation. Government is primarily involved in tourism planning and plays a coordinating role in the provision of the above items. Similarly, government is also involved in regulation to ensure the continuous supply of those items and to prevent the abuse of a monopoly in the market. To this end, governments form tourist organisations at destination areas, and pass and implement legislation. This chapter focuses on the above three areas and outlines tourism planning, tourist organisations and regulatory systems for the tourism sector of Nepal and their relationship to Pokhara.

4.1 Government Involvement in Tourism

Pearce (1989) and Collier (1994) remarked that the central concern of government involvement in tourism is for the welfare of its citizens and the nation, particularly, in the area of economic stability, employment, protection of natural resources, maintenance of quality of life, public health and national security. Mill and Morrison (1985) reported three main reasons why government should be involved in tourism: first, political reasons, because tourism by its nature involves travel across national boundaries; second, environmental reasons, because tourism sells such things as the scenery, history and cultural heritage of a region; and third, economic reasons, because tourism is an industry which provides economic advantages to the host country.

Tourism is a multi-faceted industry. Its development relies on a range of facilities and services such as electricity, roads, water supply, education and training. These items are part of the basic infrastructure required for tourism development, and are commonly shared by the host community. Often, these items provided for locals and tourists are too expensive to supply privately, or the private sector often has insufficient resources to fulfil the needs of tourism development (Richter and Richter, 1985; Hall, 1994). Hence, the government is involved with providing such items to the tourism industry and the host community.

Government involvement in tourism development can be seen as active, passive or somewhat intermediate (Inskeep, 1991). Active involvement is a deliberate action by the government, initiated to favour the tourism sector. Passive involvement occurs when government undertakes an action which may have implications for tourism, but this action is not specifically intended to favour or influence tourism development (Jenkins, 1991:64). The degree of involvement is decided by the political philosophy of the government, the importance of tourism in the national economy, the stage of development and the rate of growth (Richter and Richter, 1985; Holloway, 1986; Inskeep, 1991; Jenkins, 1991; Collier, 1991). The general practice is the greater the economic development of the region, the less the need for government involvement (Mill and Morrison, 1985). Government involvement in tourism in developing countries such as in South Asia (Richter, 1989) has been seen as a means of assisting a private sector that has insufficient resources, and to assure public control of the industry's future (Richter and Richter 1985).

Government involvement in tourism occurs at national, state or regional and local levels depending on the size, diversity and political philosophy of the country. For instance, in a federal political system, government involvement is found at national, state and local levels, whereas in a unitary political system, it is found at national and local levels (Pearce, 1992). In a federal system, the national government is primarily responsible for drawing up the overall development plan and undertaking major infrastructural works, and regional and local governments provide supplementary finance for regional works. However, provision of much of the infrastructure which may facilitate or hinder development will also often be the responsibility of regional and local government (Pearce, 1989). In many countries with unitary political systems, local authorities also intervene in tourism. However, tourism planning and promotion are controlled by the central government (Hall, 1994:25).

Mill and Morrison (1985) outlined five main areas of public [government] sector involvement in tourism including: planning; coordination; legislation and regulation; entrepreneurship; and stimulation. However, the type and amount of government functions will vary from country to country and also change over time according to conditions and circumstances, such as political philosophies of the government (social, cultural and environmental responsibility of government) and the degree of maturity of the destination (Mill and Morrison, 1985; Hall, 1992). Economic factors, such as increasing foreign exchange earnings, state revenues and

employment, economic diversification, regional development and the stimulation of non-tourism investment, also lead to governmental involvement in tourism (Pearce, 1992).

Government involvement in tourism changes over time, when a destination is first developing, governments are more involved with investing in the tourism industry. At 'maturation', governments have more limited regulatory and policy roles and the private sector provides most of the capital investment, and hence most of tourism-related goods (Krakover, 1985; cited in O' Fallon, 1994:115). Therefore, governments continues to be involved in tourism, but the type of involvement changes over time from investment to regulation.

To achieve successful tourism development, tourism planning is essential, and government must play a coordinating role in planning for the provision of tourist amenities and attractions as well as infrastructure, promotion and marketing. Similarly, because tourism is a multi-faceted product, government control may be required to facilitate integration and control the rate and style of development at the destination level. Thus, the most prominent roles of government for tourism are primarily planning, coordination and regulation (Simmons, 1996). They are discussed under the following headings.

4.2 Planning

Planning is about organising the future. Mill and Morrison noted that "all planning involves an analysis of the future" (1985:285). Collier (1994) stated that planning for tourism is not fundamentally different from planning in any other context. It applies the same basic concepts and approaches of general planning, but is adapted to the particular characteristics of the tourism system (Inskeep, 1991). Getz defined tourism planning as:

a process, based on research and evaluation, which seeks to optimise the potential contribution of tourism to human welfare and environmental quality (Getz, 1987:4).

Tourist development by its nature touches not only the tourists and developers but also other sectors of society, the economy in general and the environment as a whole (Pearce, 1989). Hence, planning for tourism development tends to reflect the economic, environmental and social goals of government at whichever level the planning process is being carried out (Hall, 1994:34). Gunn (1993:11) noted that "planning can provide betterment of tourism if directed

toward several major goals". He has identified four main goals for tourism planning. These include: to enhance visitor satisfaction; to improve economy and business success; to protect resource assets; and to integrate tourism into the social and economic life of communities and areas. Gunn's first two goals are distinctly business-oriented and, the third and fourth goals recognise the symbiotic relationship between a successful tourism industry, the protected environment and community integration.

Tourism planning is viewed as an integral process of tourism development. Simmons (1996:1) noted that "tourism planning is not about making more tourism ... but about making better tourism". The World Tourism Organisation (WTO) listed the important specific benefits of undertaking tourism planning at all levels. They are: establishing objectives and policies for tourism development; conserving natural and cultural resources for present and future use; establishing close linkages between tourism and other economic sectors; making it possible to coordinate all elements of the tourism sector; maximising the economic, environmental and social benefits and minimising possible problems of tourism; providing a physical structure to guide the location and types of attractions, facilities, services and infrastructure; providing the necessary organisational and other institutional framework for effective implementation of the tourism policy and plan; providing the framework for coordination of the public and private sector efforts and investment; and also providing a baseline for the continuous monitoring of the progress of tourism development and keeping it on track (1994:3-4).

Various writers have suggested that tourist areas undergo a cycle of evolution ending eventually in a decline. For instance, Butler (1980) described that tourist destinations tend to rise and fall through a sequence of six stages: exploration, involvement, development, consolidation, stagnation, and decline/rejuvenation. Similarly, Plog's (1973) concept of the destination area life cycle also appears to suggest that all destination areas eventually follow the same path ending in a decline stage (Plog, 1973, cited in Mill and Morrison, 1985). This experience of destination area life-cycles indicates that "the type of tourists and their attraction to a destination is likely to change over time" (Simmons and Leiper, 1993:216). Hence, one of the main functions of tourism planning is to supply the basic framework to enable the tourist destination to cope with change (Mill and Morrison, 1985).

In tourism, consumers must be physically present to consume the tourism products at the point of consumption - the destination area (English, 1986; Simmons, 1990). Such physical presence of tourists may affect the whole environment of the destination. Hence, the WTO (1994) noticed that places without tourism planning are often suffering from environmental and social problems. In recent years, greater attention has also been given by researchers to improving the planning process of tourism development and to reduce the negative social and physical impacts of tourism on host communities (Hall, 1994:167).

The common view of tourism planning in recent years, has been to use an integrated systems approach (Mill and Morrison, 1985; Inskip, 1991; Gunn, 1993; WTO, 1994; Pearce, 1995). Getz (1987:34) strongly advocated an integrative approach, that is:

GOAL-ORIENTED: with clear recognition of the role to be played by tourism in achieving broad, societal goals.

DEMOCRATIC: with full and meaningful citizen input from the community level up.

INTEGRATIVE: placing tourism planning issues into the mainstream of planning for parks, heritage, conservation, land use and the economy.

SYSTEMATIC: drawing on research to provide conceptual and predictive support for planners, and drawing on the evaluation of planning efforts to develop theory.

Gunn (1993:33) noted that tourism cannot be planned without understanding the interrelationships among the several parts of the supply side, especially as they relate to market demand. The WTO (1994) described the demand and supply factors as well as infrastructure and institutional elements that are needed to make the facilities and services usable. The demand factors are mainly the international and domestic tourist markets and local residents who also use tourist attractions, facilities and services. On the supply side, accommodation, transport, attractions and other tourist facilities and services are factors which collectively are called the tourism product. The attractions and image of a destination may include natural, cultural aspect and other features such as historical and religious monuments, museums, parks, zoos etc, and activities related to these attractions. Similarly, accommodation includes hotels, lodges, guest houses and other places where tourists normally stay overnight. Facilities and services include tour and travel operations, restaurants, shopping, banking, medical and postal services. To make these facilities and services usable, infrastructure elements such as various forms of public infrastructure (e.g roads, airports, water supply,

electricity, sewage and waste disposal) and communications are undoubtedly required. Similarly, institutional elements such as public and private organisations are also necessary to enhance and distribute the economic benefits of tourism, environmental protection measures, reduce adverse social impacts, and preserve the cultural heritage of people living in the tourist destination area.

For the purposes of planning in tourism, the supply side factors are described with different labels by different writers. For instance, Gunn (1993) described the supply side factors as; attractions, services, transportation, promotion and information. Similarly, Mill and Morrison (1985) combined attractions and services into a destination component; and Murphy (1985) also included accommodation, food service, transportation, travel agencies, recreation and entertainment. Gunn (1993) pointed out that no matter how supply factors are labelled, the fundamental thing is that planning in tourism should be aimed at interrelating development of all components of the supply side and also be aimed at a balance between demand and supply. In addition, Pearce (1989) also remarked that the growth of the tourist industry cannot be left to follow demand forces alone, because uncontrolled growth of tourism can irrevocably destroy the very resource base on which it is built.

Simmons (1996) has developed a framework (see Figure 4) to describe the three main stakeholders which need to be integrated in the process of tourism planning.

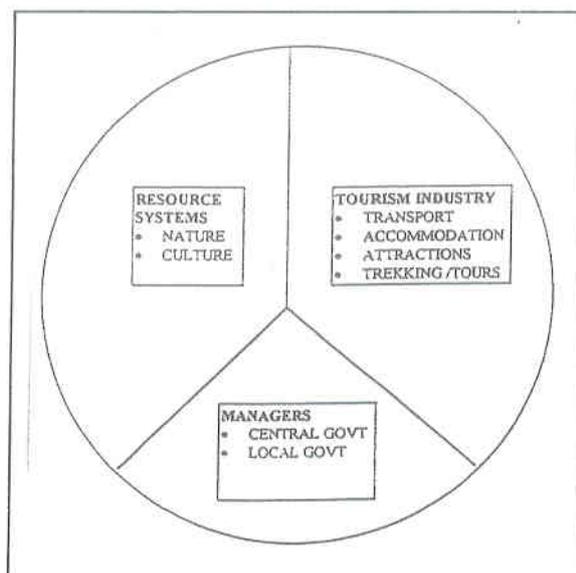


Figure 4: Stakeholders in Tourism Planning (Source: Simmons, 1996:1)

According to this framework, management of resource systems is one group of stakeholders in tourism systems. This includes all kinds of natural and cultural resources that attract tourists. Similarly, the tourism industry is another stakeholder. It contains all kinds of transport, accommodations, attractions and trekking/tours which are intended to serve the specific needs and wants of tourists. It also embodies the marketing that includes promotion, advertising, publicity and selling activities to make it easier for people to take decisions and arrangements about trips before they leave. All of these sub-elements are also linked according to their functional service.

Managers in central and local government organisations in tourism destinations are also stakeholders in tourism planning. They are necessary to coordinate the public and private sector to supply specific goods and services; as well as environmental protection and preservation of local culture. These components of a tourism system are interrelated and need to be considered in the process of tourism planning. Because of the range of externalities in tourism production, government agencies often find themselves central in facilitating the overall programme of tourism planning.

Planning for tourism has been carried out on a number of levels ranging from national to regional and local (Pearce, 1989). At the national level, tourism planning is concerned with: tourism development policy; tourist attractions, access, and transportation; type and quality of accommodation; organisational structure, legislation and investment policies; marketing and promotion; education and training; sociocultural, environmental and economic considerations and impact analyses; and implementation of tourism plans and programmes (Inskeep, 1991). Similarly, tourism planning at the regional or local level encompasses a region or province of a country where tourism planning is formulated within the framework of the national tourism policy and plan. Hence, all national level factors as noted above are also of concern on a regional or local scale. At this level, planning is more specific than at the national level. The degree of specificity at different levels depends on the size of the country or region (Ibid).

Pearce (1995) proposed an explicit multi-scale integrated approach to tourism planning for Sarawak, Malaysia (see Figure 5). This framework has three distinctive features (Pearce, 1995:232-240). A first feature is the comprehensiveness of the elements included and integrated. This involved identifying the functions undertaken by different organisations and

evaluating the marketing activities and resources. Second, the framework emphasises the notion of identification of recent and future trends and the implication of changes. It makes it possible to identify early stages of a destination and also to assist with developing the coordination of activities to exploit opportunities.

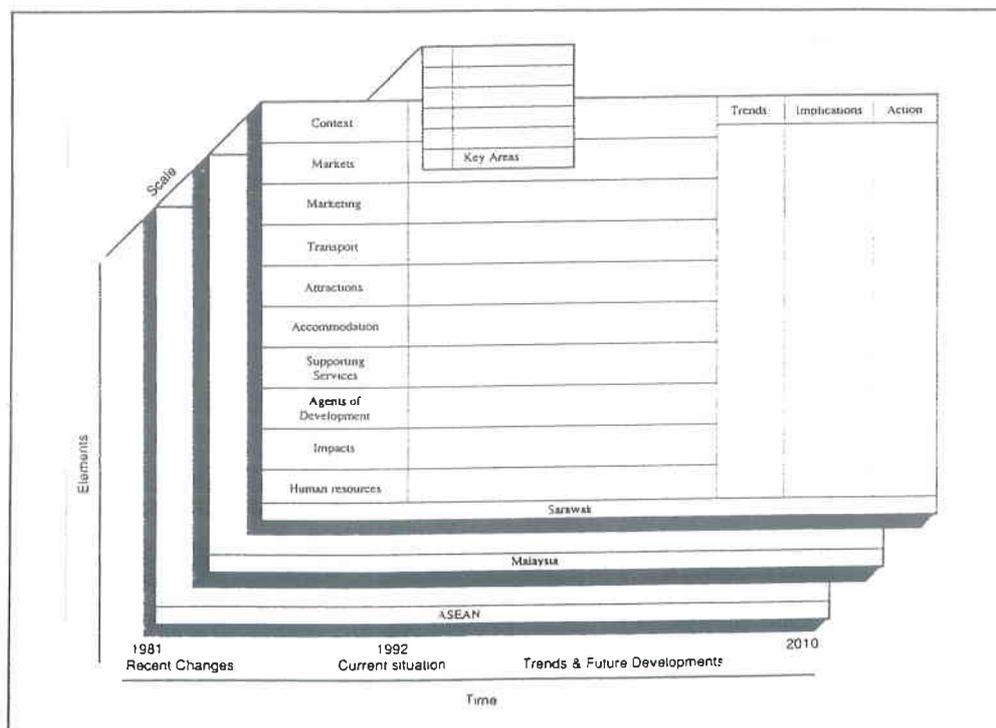


Figure 5: A Conceptual Framework for the Second Sarawak Tourism Masterplan (Source: Pearce, 1995:233)

A third feature of the framework is the weight given to the interrelationship of the elements at different scales. This framework is based on an integration of elements, time and scales. It suggests that tourism planners must broaden their approach, by increasing both the range of elements taken into account and the scales at which these are considered.

4.2.1 Tourism Planning in Nepal

Historically, tourism planning originated in Europe, and was swiftly adopted thereafter in several developing countries of Africa and Asia (Mill and Morrison, 1985). Nepal is no exception in that it has turned to tourism planning at different levels. However, the establishment of tourism planning has a very short history in Nepal. At the national level, the

first recognition of the importance of tourism planning was given in 1956 when the First Five Year National Plan outlined tourism as a means for economic development and made an attempt to increase tourist numbers and to improve tourist facilities such as hotel accommodation and travel agencies (National Planning Commission (NPC), 1956). The concept of the First Plan was also inherited in the Second (1962-1965) and Third Plan (1965-1970); however, the Second Plan placed more emphasis on developing tourist areas, and the Third Plan in developing air transportation.

The Fourth Plan (1970-1975) was more advanced in that its major objective was to prepare a separate 'Tourism Master Plan' to develop tourism in a planned way. This plan first encouraged private sector involvement to develop tourist attractions such as parks, lakes, hunting sites and playgrounds. This plan has also placed more emphasis on coordination as well as publicity, extension of information centres, training, and the development of tourist sites especially outside the Kathmandu valley (NPC, 1970).

In 1972, a ten year 'Tourism Master Plan' was prepared which articulated tourism policy for Nepal. The main objectives of the plan were: to increase foreign exchange earnings and to use tourism as an economic force in regional development. To achieve the above objectives, the plan provided for: developing tourist services (i.e roads, air-services, accommodation and resorts); publicity and advertising; developing tourist centres outside the Kathmandu Valley; training; and providing reasonable entertainment for tourists (Ministry of Commerce and Industry, 1972). The market segments considered in the 1972 plan were: organised sightseeing tourism; independent "Nepal-style" tourism; trekking; and pilgrimage.

Following the completion of the Tourism Master Plan, the government formulated periodic tourism plans as it continued the process under the framework of the master plan, for instance, the Fifth (1975-80), and then Sixth (1980-85) and Seventh (1985-90) Five Year Plans. All these plans gave priority to increasing tourist numbers. The Fifth and Sixth Plan placed more importance on establishing locally based tourist industries and in generating employment opportunities. Besides this, the Fifth Plan emphasised increasing the length of stay of tourists, and the Sixth Plan identified the need to revise the 'Tourism Master Plan' of 1972 (second phase). Therefore, the Nepal Tourism Master Plan 1972 was reviewed in 1984. This review considered that the private sector had responded well to the Tourism Master Plan 1972, but

that public sector efforts fell short of what had been envisaged (Steigenberger Consulting and Speerplan, 1984).

Tourism has been a feature of each Five-Year Plan, and the Eighth Plan (1992-97) is no exception. The Eighth Plan was prepared after the restoration of democracy which has led to the adoption of a more open policy. A task force of public and private sector interests in tourism has been formed to put forward policies for the Eighth Plan. The major planning objectives of this plan are: to encourage tourism, especially high-spending visitors; to encourage employment opportunities; to decentralise tourism away from Kathmandu and to reduce foreign exchange 'leakage', by reducing both the export of tourism-generated income and tourism-related imports (NPC, 1992).

The five year periodical tourism plans are formulated at the national level by the Ministry of Tourism and its department, with close links to the National Planning Commission (NPC). The NPC is responsible for inter-sectoral coordination in plan formulation and periodic monitoring and evaluation of plans and progress. Hence, the NPC also conducts regular meetings with the Tourism Ministry and representatives of the Ministry of Finance, on the matters of resource allocation, plan formulation, project appraisal, and monitoring and evaluation.

Physical infrastructure planning is normally designed by various sectoral ministries such as Public Works and Transport, Local Development, and Housing and Physical Planning and implemented by their local line agencies. Some specific projects related to infrastructure development are, however, also designed and implemented by the Department of Tourism. For instance, the Tourism Infrastructure Development Project for Kathmandu, Pokhara and Gorkha has been designed at the central level, and been implemented as an independent project under the Tourism Department. Besides this, tourism planning related to marketing and promotion is planned by the Department of Tourism and finalised by the ministry, and implemented either by the ministry or the department.

4.2.2 Tourism Planning at the Local Level in Pokhara

Tourism activity and its benefits are distributed across the regions. The level of support by the local authority for tourism development will depend on the perceived importance of tourism

to the local economy (Ministry of Tourism, 1993). As noted above, one of the main objectives of developing tourism in Nepal is to use tourism as an economic force in regional development. For instance, 59,201 non-Indian tourists visited Pokhara in 1994, which is 26.4 percent of the total non-Indian tourists coming to Nepal, in total over 10 percent of income to Pokhara comes from tourism-related commerce (SAIC and New Era, 1993).

The Pokhara Tourism Development Committee, and the Pokhara Tourist Office are two public sector organisations which should be responsible for providing tourism planning in Pokhara. Neither of these local organisations have clearly defined roles in tourism planning at the local level, because most tourism related programmes such as development, marketing, promotion and publicity are carried out at the central level. The Tourism Infrastructure Development Project for Pokhara was carried out at the central level in Kathmandu, and the Pokhara Tourism Development Committee and the Pokhara Tourist Office are involved to assist the above project in their implementation.

The Kaski District Development Committee and the Pokhara Municipality are other local agencies directly and indirectly involved in providing infrastructure for tourism in Pokhara. At present, the District Development Committee carries two types of local plans and programmes under the *District Development Committee Act, 1992*. According to this Act, the District Development Committee is involved in planning district level programmes funded by central government. For this purpose, the concerned local line agency has to present its physical plans and programmes to the District Development Committee for its approval before implementation. Following the consent of the District Development Committee, such plans and programmes are presented to the sectoral ministries for their consent and budget allocation, and finally, will be implemented with full support of the District Development Committee. Besides this, the District Development Committee itself does some planning of such programmes which are funded by the District Development Committee. These programmes are also directly implemented by the District Development Committee itself or by the Village Development Committee.

In addition, the *District Development Committee Regulations, 1993*, empower all District Development Committees to undertake the preservation, promotion and development of touristic sites at the local level. Similarly, the Pokhara Municipality is responsible for the

preservation, promotion and development of historical monuments, local arts and culture under the *Municipality Act, 1992*. The municipality also carries out city-level programmes such as the construction of parks, waste management and road building.

His Majesty's Government of Nepal has established a 'Tourism Development Fund' with a total sum of NRs. 30 million in the Fiscal Year 2052-53 (1995-96) under the Ministry of Tourism and Civil Aviation. The fund is for tourism promotion and service improvement at the local level. This amount would not be lapsed even if not used within the fiscal year, and anybody, Nepali or foreign individuals or organisations can provide grants to this 'Tourism Development Fund'. Necessary arrangements are underway to use this fund. However, identification of tourism related programmes and their implementation at the local level are to be carried out with the concurrence of the District Development Committee. In addition, such programmes need to be submitted by the District Development Committee to the Department of Tourism and will be decided upon by a central committee which is comprised of representatives from the Ministry of Tourism and Civil Aviation, the Department of Tourism, the National Planning Commission and the Ministry of Finance.

4.3 Coordination

Coordination in tourism is important because tourism is so fragmented. First, tourism products such as natural and cultural attractions, transportation and accommodation are in the hands of different agencies with different interests. Second, tourism development is affected by several public sector agencies with their responsibilities for foreign trade, external affairs, customs, immigration, civil aviation, regional development, resource management and so on (Pearce, 1992). Hence, a combined action and willingness is needed to support tourism development. Thus, the wider tourism sector needs coordination among government agencies and between the public and private sectors at different levels in order to avoid duplication of resources and effort, and also to develop effective tourism development strategies. Hall (1994) stated that successful implementation of other government roles will be dependent on the ability of government to coordinate and balance their various roles in the tourism development process. In order to take a coordinating function, an effective tourist organisation is essential. Pearce (1992:5) summarised the needs for tourist organisations as follow:

Interdependence, small size, market fragmentation and spatial separation are all factors which may lead to a desire for combined action, a willingness to unite to achieve common goals, a need to form tourist organizations.

The types of organisational structure may also change through time as situations change (WTO, 1994:39). Thus, the structure, roles and functions of tourist organisations may also vary from country to country (Pearce, 1992; Collier, 1991). Every country has some national body, such as a national tourist organisation (NTO), directly responsible for tourism. Such a national body may be formed with a single portfolio for tourism, or it may be a mixed portfolio, combining tourism with some other related functions (Inskeep, 1991; Pearce, 1992; WTO, 1994). This public organisational model also ranges from a greater to lesser degree of direct government involvement in tourism which can be classified as follows (Inskeep, 1991:413-4):

- (a) A separate government ministry with responsibility for every aspect of tourism management.*
- (b) A government ministry (or a cabinet level department) with a mixed portfolio, part of which is responsible for every aspect of tourism.*
- (c) A separate or mixed portfolio government ministry responsible for policy, planning, and also establishing and administering facility and service standards and licensing requirements and procedures.*
- (d) A non-statutory board appointed by the government that has no legal power and is therefore subordinate to a government department and is responsible for all or particular aspects of tourism.*
- (e) A statutory board established by law, comprises an autonomous legal entity, and is responsible for all or particular aspects of tourism.*
- (f) A tourism development corporation that is a separate legal entity funded by government or a combination of public and private sector funding. It is responsible for all tourism development and related matters or for development of particular tourism projects.*

Numerous writers suggest several functions of national tourist organisation/administration such as planning and development, statistics and research, human resources planning, marketing, coordination, regulation, and investment (Inskeep, 1991; Collier, 1991; Pearce, 1992; WTO, 1994). Collier (1994) grouped the standard functions of national tourist organisation under five main headings: planning; organising; development; promotion and control.

Tourist organisations are also formed at the state, regional and local levels. Most often regional organisations enact national directions, although their role is most important in terms of mobilising and coordinating local and regional interest. In addition, visitor servicing is the main function of local tourist organisations through the operation of visitor information centres (Pearce, 1992).

4.3.1 Tourist Organisations in Nepal

In Nepal, most of the tourism related activities for developing, servicing, and promotion of travel are operated by the private sector. To meet the increasing development tasks in the tourism sector, the structure of tourism administration has been altered several times in the past. For instance, coordination was established between public and private sector activities in tourism through the introduction of standing committees (Ministry of Commerce and Industry, 1972). A Tourist Office was first set up in the Department of Industry following the establishment of a 'Tourism Development Board' under the same Department in 1956 (Ministry of Commerce and Industry, 1972). In 1957, the Tourism Development Board was linked with the Ministry of Commerce and Industry, in order to develop tourism in the country, and late in 1958, the Board was transferred to the Ministry of Transport and Communications (Syatal, 1988). This 'Board' was found inadequate to develop tourism systematically, and as a result, in 1962 the Board was converted into a full department under the Ministry of Public Works, Transport and Communication (NPC, 1962). It was in 1967 that the Department of Tourism again transferred to a wing of the Ministry of Commerce and Industry (Syatal, 1988). Keeping the importance of tourism central in national development, a separate 'Ministry of Tourism and Civil Aviation' was first created in 1977, and the Department of Tourism (DOT) has become a unit of this ministry. Following is a description of the government organisations involved in the tourism sector, showing their functions and responsibilities at different levels.

4.3.2 Tourism Council

The Tourism Master Plan 1972 placed institutional emphasis on establishing an autonomous Nepal Tourism Promotion Board to fulfil the key coordinating role. After the restoration of democracy in 1990, a 'Tourism Council' was formed under the chairmanship of the Prime

Minister in 1991, with a view to developing tourism as a backbone of the national economy and to maintain coordination and harmony amongst various agencies related to tourism. The main responsibilities of the Tourism Council are basically solving problems facing the tourism sector and issuing policy guidelines to the executing agencies such as the Ministry of Tourism and Civil Aviation, the Department of Tourism, and the Tourism Development Board. In addition, the Tourism Council is also responsible for reviewing plans and programmes related to the tourism sector (Ministry of Tourism and Civil Aviation, 1995).

4.3.3 Ministry of Tourism and Civil Aviation

As a general rule, the greater the importance of tourism to a country's economy, the greater is the involvement of the public sector, to the point of having a government ministry with sole responsibility for tourism (Cooper, Fletcher, Gilbert and Wanhill, 1993:45). Inskip (1991:414) also noticed that a separate government ministry for tourism is justified when tourism has become (or is expected and desired to become) an important sector of the economy.

The Tourism Master Plan 1972 identified the need for a public sector body in Nepal for better coordination of responsibilities in tourism. The Plan also recommended the establishment of a separate ministry as a national tourist organisation. In 1977, a separate 'Ministry of Tourism and Civil Aviation', was established out of the former Department in the Ministry of Commerce and Industry with responsibility for all aspects of tourism development.

The broad objectives for establishing the ministry as Nepal's national tourist organisation (NTO) are: encouragement, promotion and development of tourism; encouragement, promotion and development of appropriate tourist facilities and services; and fulfilment of social and economic policies through the development of potential resources for tourism (Ministry of Commerce and Industry, 1972:229). Hence, the main responsibility of the Ministry is to frame tourism policies as well as to coordinate sectoral ministries regarding the above objectives. For instance, the ministry formulates tourism policy in accordance with the policy guidelines set by the Tourism Council, and plans and programmes are also formulated based on policies. Implementation of such plans and programmes is followed up and reviewed by the Ministry. Institutional arrangements and coordination of tourism development programmes, and acting

as a secretariat for the Tourism Council are the other responsibilities of the Ministry (Ministry of Tourism and Civil Aviation, 1995). In addition, the Ministry is also responsible for regulating the *Mountaineering Expedition Regulations, 1980* and also for hearing any appeals against the Department under the *Tourism Act, 1978* and its regulations.

4.3.4 Department of Tourism

As mentioned above, the Department of Tourism was established under the Ministry of Tourism and Civil Aviation after a long period of institutional and functional change and subsequent transference to various other government agencies. At present, the main functions and responsibilities of the Department of Tourism are to formulate and implement tourism development programmes in accordance with set policy guidelines and directives of the Tourism Council and Ministry. In doing so, the department is involved in identifying tourist sites, providing publicity to attract tourists as well as preparation of short and mid-term action programmes aimed at improving tourist attractions and activities (Ministry of Tourism and Civil Aviation, 1995). In addition, its responsibility also lies with coordinating among government agencies and between public and private sectors in the field of tourism, for example, advising the public and local authorities about the protection of historical and archaeological sites. Moreover, the Department of Tourism is also responsible for enforcing the *Tourism Act, 1978* and its regulations. Thus, there are a large number of regulatory and licensing functions handled by the Department of Tourism.

Touche Ross and New Era (1990) made suggestions to reorganise the present Department of Tourism in a more structured manner to professionalise the departmental staff and create a body to bring private sector advisory input into licensing and control measures and marketing. In so doing, the study further recommended that the Tourism Licensing Board and the Tourism Promotion Board comprising of public and private sectors should be created to deal with the regulatory area and the marketing and product development. The main reasons for this are that marketing and product development effort is needed for Nepal, and that the private sector has better experience to undertake this than many government employees. Realising the importance of private sector input into tourism, His Majesty's Government (HMG) of Nepal has made a policy decision to abolish the present department and hand over its responsibilities in the future to the Tourism Development Board comprised of public and

private sectors (Ministry of Tourism and Civil Aviation, 1995). In addition, registration, regulations and facilitation of the travel and tourism industries will be handed over to the Ministry of Tourism and Civil Aviation.

4.3.5 Tourism Development Board

The Tourism Development Board which was formed in 1991 under the Tourism Council is chaired by the Minister/State Minister for Tourism and Civil Aviation. However, at present, this board is not fully functioning. As noted above, His Majesty's Government has made a decision that the Department of Tourism will be abolished to avoid duplication of work when the Tourism Development Board is capable of assuming its full responsibilities. The present departmental responsibilities will be handed over to the Tourism Development Board, and the Board will be responsible for formulation and implementation of tourism development programmes in accordance with the policy guidelines and directives of the Tourism Council and Ministry of Tourism and Civil Aviation. In addition, the Board will also be accountable for tourism promotion, infrastructure development, extension of tourist service and facilities, human resource development and environmental conservation. This Board is an autonomous body comprised of members of the public and private sectors capable of carrying out all tourist-related activities.

At present, the Tourism Council, the Ministry of Tourism and Civil Aviation; and the Department of Tourism, are responsible at the central level for formulating long-term tourism policy, plans and programmes to promote tourism as well as to enforce the *Tourism Act, 1978*, and its regulations for licensing and control of the tourism industry. The Tourism Master Plan review in 1984 concentrated on examining the disparity between the aims and objectives of the Ministry and its Department. In doing so, it made almost no distinction between the Ministry and the Department other than to note that the department was under the Ministry and consisted of sections for control, planning, statistics, research and promotion (Steigenberger Consulting and Speerplan GmbH, 1984; Touche Ross and New Era, 1990). In addition, the establishment of a Ministry had not achieved one of the principal objectives set by the Tourism Master Plan 1972, that of expanding action on tourism development programmes. The Ministry had only superimposed one more layer of bureaucracy and hierarchy between the private sector and the decision-making policy levels of HMG

(Steigenberger Consulting and Speerplan GmbH, 1984; Touche Ross and New Era, 1990). In addition, the Ministry remained a strictly administrative agency with a ministerial cell structure of formal functions. The 1984 review further stated that the Ministry had no technical back-up staff or the machinery to carry out basic functions in planning and control, research and implementation, marketing and promotion. Hence, the 1984 review suggested institutional and administrative reforms within the ministry.

4.3.6 Pokhara Tourism Development Committee, and Pokhara Tourist Office

Tourism takes place in destination areas, and central level organisations alone cannot easily facilitate tourism development at the local level. Hence, each tourist destination must be specifically evaluated to determine their particular needs and objectives in developing tourism, and which would be the most effective organisational approach to satisfy the objectives within the context of the overall government structure (Inskeep, 1991). Similarly, coordination for tourism planning, development and marketing and product development are also needed at the local level if any progress is to be achieved. Hence, the coordinating function of the government is normally delegated to regional or local level tourist organisations through the national tourist office. For these reasons, the Pokhara Tourism Development Committee and the Pokhara Tourist Office have been established in Pokhara.

The Pokharas Tourism Development Committee was formed in 1977 under the chairmanship of the Gandaki Zone Commissioner basically for implementing the recommendations made by the Pacific Asia Travel Association (PATA) in 1976. After the restoration of democracy in 1990, the Zone Commission was dissolved by the government. In 1992, this Pokhara Tourism Development Committee was reformed under the Chief District Officer of the Kaski District, primarily to assist with implementing the Tourism Infrastructure Development Project funded by the Asian Development Bank. This Committee comprised of 14 people representing public and private sectors. At present, the main responsibility of this Committee is limited to coordinating local agencies and private sectors for implementing the Tourism Infrastructure Development Project in the areas of airport renovation, drainage and road construction from Pokhara to Sarangkot.

Similarly, the Pokhara Tourist Office was first established in 1961 as a tourist information centre to provide visitors with full details of the various activities available to them in the Pokhara area. However, it was closed for four years, in 1972, this information centre was reopened and then upgraded in 1981 as a regional tourist office with additional responsibilities to recommend for licensing the tourism industry in Pokhara. Other responsibilities are to collect and maintain up-to-date records of tourists arrivals; to recommend to the Department of tourism if the tourism industries violate the regulations and therefore need to suspend them; and to assist the Pokhara Tourism Development Committee and the Tourism Infrastructure Development Project of Pokhara.

4.3.6 Kaski District Development Committee and Pokhara Municipality

The District Development Committee is the main coordinating agency for the planning and implementation of district level development programmes. Hence, all development oriented district level line agencies are under its administrative control. As noted above, for the purpose of tourism, the *District Development Committee Regulations, 1993*, empowered the Kaski District Development Committee to undertake the preservation, promotion and development of touristic sites at the local level. Similarly, the Pokhara Municipality is responsible for undertaking city-level programmes, and coordinating and supervising such programmes under the *Municipality Act, 1992*.

4.4 Regulation

The nature of the tourism industry requires direct public sector involvement. The reason is that the private sector, does not have the interest or powers conferred on governments to legislate to protect the social and economic well-being of the individuals within society, and of consumers (tourists) (Cooper, Fletcher, Gilbert and Wanhill, 1993). In the latter case O'Fallon (1994:159) stated that governments frequently involve themselves in regulating, approving, or licensing various rival or congestible and/or excludable tourism products as a means of maintaining or assuring quality for tourists.

There are three main reasons why government has to regulate the tourism sector. First, government involvement is required to direct or control the externalities of the tourism

industry and to provide common goods and services for the collective benefit of the industry and host community (O'Fallon, 1994). In this respect, some specific regulations are necessary for local environmental protection, public health, sanitation, safety, transportation facilities, conservation of scenic areas, national parks, and archaeological and historic places (Mill and Morrison, 1985; Pearce, 1989; WTO, 1994). Second, tourism by its nature involves travel across national boundaries, and government involvement also ranges from policies on passports and visas, landing and pick-up rights of international carriers, custom and foreign capital investment (Pearce, 1989). Third, tourism is an industry predominantly driven by the private sector. The private sector is primarily responsible for the commercial development and operation of accommodation and most other tourist facilities and services, along with the marketing of these (WTO, 1994). Governments pass legislation to regulate the market conduct of firms in matters of competitive practices and also to limit the degree of ownership in particular sectors of the industry to prevent the abuse of monopoly power (Cooper, Fletcher, Gilbert and Wanhill, 1993:156).

Regulatory activities may take the form of legislation, standards, guidelines, requirements and so on (O'Fallon, 1994:145). Numerous Acts, rules and regulations at different levels influence the tourism sector directly or indirectly. Two methods are commonly used to classify tourism legislation and regulations in most destination areas (Mill and Morrison, 1985). One is to group functional areas, such as those related to the protection of the environment, economic development, frontier controls, and so on. Another is to group instruments on an industry sector basis that relate to airlines, hotels, travel agents, and so on. The first one may affect every industrial sector, whether tourism or non-tourism, and the second is specifically related to the tourism industry. However, both functional and industry sector legislation directly or indirectly affects the operation of tourism.

Mill and Morrison (1985) have identified two common methods of enforcing regulations, namely by establishing regulatory agencies and by utilising regulatory techniques. The regulatory agencies include a range of public organisations established by the government through specific legislation. Similarly, regulatory techniques used by governments include, establishing land-use controls, setting admission policies, and withholding government funds.

4.4.1 Regulation in the Tourism Sector in Nepal

As tourism increased rapidly in the 1960s, an administrative mechanism and legal framework were established for the airlines, hotels, travel sector. The *Tourism Industry Act, 1965 (2021)*, was the first legislation for the tourism industry sector which was replicated by the *Tourism Act, 1978*. This Act was amended again in 1985. The main objective of this Act is to make the necessary arrangements for the development of tourism for the economic welfare of the general public, and for the health, convenience, and interest of tourists visiting Nepal. In order to achieve the above objectives, government devised some specific regulations under the Act, for example, mountaineering is controlled by the *Mountaineering Expedition Regulations, 1980*; trekking and rafting by the *Trekking and River Rafting Regulations, 1985*; and hotel, lodge, bar and tourist guides by the *Hotel, Lodge, Bar and Tourist Guide Regulations, 1982*. In addition, the *Industrial Enterprises Act, 1992*, is another important piece of legislation that defines the tourism industries, and also assigns incentives and facilities to industry.

4.4.2 Regulation of the Tourism Sector at the Central Level

The Department of Tourism is primarily responsible for the regulatory functions of the industry sector such as registration, facilitation, supervision and control of all tourism activities as set out under the *Tourism Act, 1978*, and its regulations. Licensing and supervision of mountaineering and river rafting are directly controlled by the Ministry of Tourism and Civil Aviation and trekking permits are issued by the Department of Immigration.

At present, the Department of Tourism carries out the functions of licensing hotels, lodges, restaurants and bars which desire grading with formal tourist standards. They are also responsible for the licensing of the travel and trekking agencies, their supervision and control.

4.4.3 Regulation in the Tourism Sector at the Local Level in Pokhara

At present, some departmental responsibilities of the tourism industry sector such as licensing and controlling of tourism entrepreneurs have been delegated to the Pokhara Tourist Office. For instance, the Pokhara Tourist Office is responsible for recommending to the Department of Industry the licensing of tourist hotels, travel and trekking agents under the existing

Tourism Act, 1978, and its regulations. The Pokhara Tourist Office, however, cannot make any recommendations for licensing of more than 25 rooms or 50 beds, or if its fixed assets are more than 50 million NRs. In addition, this local office has to make its recommendation to the Department if any tourist facilities ask for additional customs facilities to import goods, or to classify a hotel higher than the two star standard.

As noted above, tourism is a multi-sectoral activity, and there are a large number of other types of legislation and regulations that may influence the development of tourism at different levels. For example, there may be a need for basic planning legislation or zoning regulations, to plan accommodation, other tourist facilities, and land use control. Similarly, building construction regulations may be necessary to make the facilities suitable for tourists or environmental protection legislation may be needed to ensure that environmental quality standards are fully maintained. Hence, at the local level these functional areas are administered by different organisations under specific legislation often different spatial levels.

Local bodies/authorities such as the District Development Committee and the Municipality and Village Development Committee also have legislation and regulations which directly or indirectly affect tourism. Of particular significance here are the *Local Development Committee Act, 1992*; the *Town Development Act, 1988*, and the *Municipality Act, 1992*. Therefore, a significant tourism development issue remains, as to how these other agencies implement tourism-related legislation and regulations in order to achieve integrated and balanced tourism development.

4.5 Summary

Tourism touches every part of society. With the growth of tourism nationally and internationally, tourism development has become increasingly important to governments from an economic, social, cultural and political perspective. Because of this, Governments throughout the World are involved in tourism development in a variety of ways. For instance, governments provide infrastructure such as roads, water supply, sanitation, electricity, education. Governments also provide resource preservation and access to natural resources for the collective benefit of the host community and the tourism industry, both of which require planning at the local level.

These items are managed by different public and private sector organisations, each with different interests and responsibilities, which may directly or indirectly affect tourism development. Such organisations in the public sector may include national tourism organisations (NTO), the Department of Civil Aviation, the Department of Public Transportation, and various other local bodies. As far as the private sector is concerned, those involved include; individual tourist operators and associations, airlines, resort enterprises and different traders in the hospitality industry are involved. Hence, a key government responsibility is to coordinate public and the private sector organisations, to bring them together for combined action to achieve common goals for tourism development.

Government passes legislation to facilitate or deploy use of natural and cultural resources, and to protect the environment. Government also regulates the market to control unnecessary competition; to prevent the abuse of monopoly; and to protect consumers. In addition, Government also regulates civil aviation, immigration, and customs. Thus, another main responsibility of the government is to regulate the tourism sector.

Government involvement in tourism in Nepal exists primarily for the reasons stated above. The Ministry of Tourism and Civil Aviation, and the Department of Tourism are involved in tourism planning, coordination and regulation at a central level. The Tourism Council and the Tourism Board are other central bodies involved in policy formulation and coordination. At the local level in Pokhara, the Pokhara Tourism Development Committee and the Pokhara Tourist Office should be responsible for tourism planning and coordination. However, they are only involved in coordination for the implementation of tourism programmes which are directly formulated and implemented by central organisations. The Pokhara Tourist Office is responsible for regulating the tourism industry within Pokhara Valley.

The Kaski District Development Committee is the main coordinating agency responsible for planning and coordination of district-level programmes. Similarly, the Pokhara Municipality in many areas is directly or indirectly involved with the tourism development in Pokhara.

CHAPTER 5

RESEARCH METHODS

5.0 Introduction

The previous chapters have outlined tourism development and issues in Nepal and Pokhara specifically. The preceding chapter described government sector involvement in tourism development, highlighting special needs in the area of tourism planning, coordination and regulation. The research methods used in this study aimed to identify the major issues and problems of tourism development at the local level in Pokhara. This chapter discusses and provides a rationale for the two research methods used, the nominal group technique (NGT), and in-depth interviewing methods applied in this study. The research method as applied in the field, and the methods of data analysis are described, the limitations are also presented.

5.1 Research Methods

The quality of research effort will be judged by the appropriateness of the data collection methods employed. First, the researcher must know what question to investigate in order to secure relevant data; and second, a measurement procedure must be employed to judge the validity and reliability of data collection. Reliability is a process of measurement, describing how accurate the measures are, and validity is primarily concerned with *what* is being measured (Katzner, Cook and Crouch, 1991). Both reliability and validity were considered at all stages of the research process in this study.

Social scientists have suggested several research methods. Each one has strengths and weaknesses, each has its limitations yet each is appropriate in certain circumstances. No single method is 'the best one' for all conditions and situations. It is therefore suggested that "... the best study design is one that uses more than one research method, taking advantage of their different strengths" (Babbie, 1989:96). Thus, to obtain valid and reliable data, the 'nominal group technique' (NGT) and 'in-depth interviewing' were adopted and applied as formal methods to accomplish the research objectives in Pokhara. Observation was also utilised in this study. This triangulation of methods provides a series of cross checks, one device against the other.

5.2 Rationale for Using Nominal Group Technique

The NGT research methods used in this study were basically derived from previous studies in tourism, particularly those undertaken by Ritchie (1985) and Simmons (1989). Ritchie (1985) applied NGT in 1983 to identify priority issues and problems relating to consensus planning by the Tourism Industry Association of Alberta (TIAALTA). He found NGT to be useful and recommended its application in tourism research, planning and management. Similarly, Simmons (1989) also used the NGT to secure 'Community Participation in Tourism Planning' in Huron County, Ontario, Canada. In this case, participants were first given the opportunity to interpret and review the results from the postal survey through 'focus groups' of residents. Specific tourism development options were developed and ranked by using NGT. Simmons (1989:177) found that the focus groups and nominal group technique produced satisfactory outcomes for his research, and also suggested that other participation methods, in combination with the NGT should be assessed for their potential contribution to tourism planning. Based on the above studies, the NGT method in combination with 'in-depth interviewing' was used in this study, and was based on the following points:

- (i) Tourism is a comparatively recent phenomenon in Nepal, and many local people may have comparatively few ideas about tourism development. Moreover, only about 21 per cent of the total population of Nepal is literate. A questionnaire survey could therefore be inappropriate for identifying the issues and problems of tourism development at the research site.
- (ii) The research topic is related to organisational structures and legal frameworks of the tourism sector. People who are not involved in tourism may not be familiar with the government's tourism policies, organizations, rules and regulations. The aim of NGT in this study was primarily to bring together small groups of residents such as the arts and craft sector, business people, tourist experts, political leaders to identify the existing issues and problems of tourism development in Pokhara. These people basically act as 'gatekeepers' at the local level, and are more familiar with local issues and problems. Their views and experiences were assumed to most supportive and helpful in facilitating the research goals.
- (iii) The researcher must have a qualitative understanding of the major parameters of the issues and problems. The NGT can be used to explore the emotional and expressive

dimensions of a problem (Van de Ven and Delbecq, 1971; cited in Delbecq, *et al.*, 1975).

(iv) Researchers need to adopt and apply such methods which are reliable, cost effective, timely, and also provide rich and valid information. The time period allocated for this study was about three months, with a fixed budget. It would be difficult to cover a large number of residents and to use probability sampling in a sub-metropolitan city. NGT is relatively less time-consuming at low cost in identifying the problems (Delbeq *et al.*, 1975; Ewert, 1990). Of the many brainstorming techniques, NGT is easy to apply and efficient in generating high-quality results (Ewert, 1990).

5.3 The NGT and its Process

The NGT is based on a structured group meeting which was originally developed in 1968 as a participation technique for social planning situations (Delbecq, Van De Ven and Gustafson, 1975). Simmons (1989:90) stated that "NGT is a group meeting technique designed to assist small groups in reaching consensus and in focusing discussion". In addition, Lankford and DeGraaf (1992) found NGT to be a powerful exploratory research technique for generating a list of options and narrowing them down. The developer of the technique indicated that NGT is a useful technique to deal with exploratory research which can be used to:

- 1) *Identify and enrich the researcher's understanding of a problem by providing judgemental item identification, refined by priority ranking and voting.*
- 2) *Arrive at a set of hypotheses concerning the meaning and effects of determinate aspects of the problem area.*
- 3) *Focus attention on the major areas of inquiry, defined by target groups in their own jargon, which may be pursued in greater detail later by means of interview or questionnaire instruments (Delbecq, *et al.*, 1975:112).*

The NGT process is based on a systematic approach designed to provide two specific types of output. First, it provides a list of ideas relevant to the topic in question. Second, the technique provides quantified individual and aggregate measures of the relative desirability of the ideas raised in the session (Ritchie, 1985:83; Simmons, 1989:92). In this process, participants may not even meet. Even when they do meet, they do not interact directly with one another, at least in the early stages of the meeting (Ritchie, 1985). In addition, the NGT

gives each person a maximum opportunity to participate, provides a high volume of ideas, avoids long and emotional arguments as well as eliminating premature ideas. Ideas from participants tend to become anonymous and depersonalised and the visual focus makes it possible to handle many more ideas, and the loss of good ideas in the majority verdict process is avoided (Fagence, 1977).

The NGT process is normally implemented in six stages:

- 1) Silent generation of ideas in writing
- 2) Round-robin recording of ideas
- 3) Serial discussion for clarification
- 4) Preliminary vote on item importance
- 5) Discussion of the preliminary vote
- 6) Revoting or final vote

At the first step, participants are presented by the session moderator with an initial statement of the topic area to be discussed. The NGT process, rules and questions are then clarified. Once clear, participants are asked individually to write key responses to the problem statement, silently and independently. The second step involves a recording of the ideas of group members on a flip chart visible to the group. The main objective of this step is equal participation in the presentation of ideas. A random starting points was chosen and issues were discussed sequentially from there. Recording continues until all individually generated ideas are listed for public viewing.

The third step of the NGT process involves a serial discussion 'for clarification' of the items or ideas identified by individuals. At this stage, the session moderator reviews the responses recorded on the flip charts to eliminate duplications, and to ensure that all responses are clearly understood by participants. The purpose of this step is to 'clarify the meaning' of each point, not to decide whether or not the point is important. Through the serial discussion in step three, group members may come to understand the meaning of an item, the logic behind the item, and arguments for and against the importance of individual items. At this time, each member of the group is then requested to assess and write the five most important items, on a separate sheet of paper for a preliminary vote (step four). An inverse ranking order assigns

a 'value' (score) of five points (votes) to the most important item chosen by each individual, and a value of one to the least important item. Scores are publicly recorded on a score sheet and then summed up to provide an overall rank and score for each item.

In many situations, an NGT meeting will end with step four. In other instances, where increased accuracy is desired, two additional steps can be added. These are: discussion of the preliminary vote, and revoting or a final vote (Delbecq *et al.*, 1975).

The major objectives of the discussion of the preliminary vote are that some members of the group may have background information or experience which is different from other members. Similarly, some members may understand the meaning of the item differently from other members. Thus, this discussion provides further clarification on the preliminary vote to clarify key items. In addition, it may also help to examine any inconsistency in voting patterns and to provide an opportunity to rediscuss items which are perceived as receiving too many or too few votes. Step six involves 're-voting' following such a discussion. The voting procedures applied are the same as in step four.

Thus, the NGT represents a simple group technique which produces both an overall list of 'issues' and a rank order and weighting of major issues. The process itself has important procedural consequences in that; ideas are subtly separated from those who propose them (important in highly politicalized situation); all individuals are given an equal opportunity to participate (step 2) over coming barriers of status and experience; and finally implementation strategy can focus on the item with the highest score brought about by the numerical consensus and ensuing discussion. Thus, the NGT is seen as a highly effective group decision making model (Simmons, 1996).

5.3.1 Application of NGT in the Research Field

The major methodological challenges of the NGT for problem exploration are: the identification of the appropriate participants or target groups for nominal groups sessions, (group members differ in the degree of skill with which individual members generate, present and defend their views); to determine the group size and how many sessions are required with different target groups; what specific questions are to be used in the NGT session for

gathering data from target groups; and transformation of the raw data. The following approaches were therefore employed in the field to conduct the nominal group sessions in this study.

(i) A most important part of this research was to identify the best people, and also to develop a range of groups for a series of nominal group sessions to address the research objectives. Therefore, informal consultation was conducted, especially with the Mayor of the Pokhara Municipality, the Chief of the Pokhara Tourist Office, and Presidents of the Hotel Association of Nepal in Pokhara, the Chamber of Commerce and local tourist experts. A 'snowballing' approach was applied to identify a group of participants. Finally, all potential participants were listed, and approached. A decision was made about whether they wanted to be involved or not in the nominal group sessions on the basis of their level of understanding and professional background.

(ii) There is also no definite cut off point for the group size for an NGT session. The number of participants for an NGT session is generally determined by the number of respondents required to constitute a representative pooling of judgements for each target group, and by the information-processing capability of the design and monitoring team (Delbecq, *et al.*, 1975:26). For instance, in the case of tourism research and planning in Alberta, Canada, the group size ranged from a minimum of six to a maximum of 19 with the average number of participants per session being between nine and ten (Ritchie, 1995). Similarly, Simmons (1989) also used a group size ranging between eight and 12 in the case of Huron County, Ontario, Canada. Sinclair (1986) stated that a small group has the advantage of allowing people to relax and express their views. But a large group allows more people the opportunity to demonstrate a strong degree of support for a particular position. Group sizes in this study ranged from seven to 12 people.

(iii) It is clear that the nominal group technique is essentially a process for generating qualitative insight regarding dimensions of critical problems. This should be emphasised for a comprehensive assessment of the problem area to emerge. Hence, it is suggested that several NGT sessions are needed with different target groups; and information must be required from each target group in terms of their unique area of insight (Delbecq *et al.*, 1975). To identify the issues and problems of tourism development in Pokhara, five different NGT sessions were

conducted with different groups of stakeholders. In addition, two supporting sessions were also carried out to elaborate on specific issues/problems.

(iv) Researchers have shown that a high degree of homogeneity leads to accuracy in message transmission, whereas a high degree of heterogeneity leads to inaccuracy or misunderstanding and conflict (Rogers and Bhowmik, 1972, cited in Brillhart, 1982:54). Delbecq *et al.*, (1975) noted that there is value in using heterogeneous groups if their detrimental effects can be controlled. One heterogeneous and four homogeneous groups were employed in this study. In addition, two additional heterogeneous sessions were also conducted to support the validity of research findings.

(v) People interpret the same question according to widely different frames of reference. The average person's knowledge of commonly used words varies and, therefore, the interpretation of questions differs (Thorndike and Gallup 1944; cited in Delbecq *et al.*, 1975). The 'question' for nominal group sessions in this study was designed in a simple form that the average person can easily understand. The question was "What are the most significant issues/problems (facilities, services, planning, organisation and law) currently facing tourism development in Pokhara"?

(vii) Finally, an attempt was also made to test the NGT process, the key question, and subsequent transformation of raw items. For this, a heterogeneous group of eight people comprising local residents, craft and souvenir shop owner, travel agent, hotelier, tourism expert and planners was called. A nominal group session was conducted by myself, with observation throughout by my co-supervisor. The session confirmed four important aspects: First, group members had no difficulty in understanding the question designed for the NGT sessions. Second, the raw item statements generated by the NGT groups required insight and objective assessment to refine the items before ranking them. Third, interpretation of NGT group discussion was significantly enhanced by tape recording for later analysis. Fourth, a feeling of relaxation among the participants was required before entering into the session.

The main goals of NGT in this study were to encourage local residents such as political leaders, business people and planners to think systematically about the issues/problems of tourism development and to identify possible solutions. To obtain the above aims and

objectives in this context, the first NGT session was conducted in December, 1995, with a heterogeneous group comprised of: local representatives from professional associations from Hotel, Travel and Trekking agencies and the Chamber of Commerce; the Save the Phewa Lake Campaign; political leaders such as the Chairman of the Kaski District Development Committee, the Mayor of the Pokhara Municipality and the Chairman of Ward No. 17 of the Pokhara Municipality; local planners such as the Regional Director of Housing and Urban Planning, and the Chief of the Pokhara Tourist Office; experts from the Annapurna Conservation Area Project (ACAP) and the Institute of Forestry. A total of 12 people participated in this session and 21 issues/problems associated with tourism development of Pokhara were identified.

The other four nominal group sessions were carried out with homogeneous groups such as trekking agents; hoteliers; travel agents; and craft and souvenir shop owners between December, 1995 and January, 1996. The nominal group sessions undertaken with the trekking agents, hoteliers and travel agents consisted of seven individuals and with the craft and souvenir shop owners included eight people. The nominal group of the trekking agents identified 18 issues/problems whereas hoteliers, travel agents and craft and souvenir shop owners identified 16, 15, and 19 issues/problems respectively.

Besides this, two additional sessions which supported the validity of the research approach were also conducted with the Begnas and Sarangkot Village Development Committee adjacent to the Pokhara Municipality in January 1996. These two sessions were conducted with the Village Development Committee president, the Ward Chairman, local hoteliers, and local people of the related Village Development Committees. The main reason for conducting these two supporting sessions was that the previous NGT sessions, especially travel agents and craft and souvenir shop owners, had identified as a main issue that these two potential rural destinations adjacent to the Pokhara Municipality lacked infrastructure and facilities for tourism development. Besides this, three other group sessions had also identified this issue. These two areas not only have potential for tourism development but their development is also seen as necessary to sustain the tourism development of Pokhara as a whole. Each of these additional groups comprised of 10 participants.

5.3.2 From 'Issues/Problems' to 'Solutions'

Following the ranking order of issues/problems in every NGT session, the top five most important issues/problems were rewritten on new flip chart paper, group members were then invited to identify their main causes, and to suggest possible solutions. In addition, a group discussion was also carried out on issues/problems at the end of the research process. All group sessions were tape-recorded and they ranged in length from two to three and a half hours.

5.3.2 Problems of Using NGT in the Field

The knowledge and skills of the researcher as well as the participants are important aspect of this research technique. Participants were identified on the basis of their level of understanding and professional background. However, the following difficulties were observed using the NGT in the research field in this study:

(i) Some participants raised issues/problems which were not only vague and ambiguous, but also not relevant to tourism development in Pokhara. It was therefore difficult to finalise the related issues/problems of tourism development of Pokhara; and an unnecessary/irrelevant discussion took place during the sessions.

(ii) It was also observed that some participants had identified issues/problems, but had difficulty in explaining these clearly to the wider group. In addition, some participants had combined many issues together. Thus, some issues/problems were initially presented in a broad context, leading to overlap with other more specific problems.

(iii) Participants were not familiar with the research method employed in this study. Their knowledge of research methods was primarily of quantitative methods based on closed and open-ended surveys. It was necessary to explain the research technique.

(iv) Following the identification of issues/problems, it was not difficult to rank the most important issues/problems. However, some participants argued that all the issues/problems were equally important and that there was no need to rank them.

(v) After the ranking procedure, it was initially difficult to generate discussion as very few participants entered into the discussion. Reasons for this are difficult to define, however, age, sex, social class, ethnic group, working background and personality all play a significant role in group discussions. This latter point, however, lends credence to the use of the NGT in generating a comprehensive list of issues.

5.4 In-depth Interviews

In-depth interviewing involves asking open-ended questions, listening to and recording the answers, and then following up with additional relevant questions. The data from in-depth or open-ended interviews consists of direct quotations from people about their experiences, opinions, feelings, and knowledge (Patton, 1987). Silverman (1985) stated that in-depth interviews offer a rich source of data which provides access to how people account for both their troubles and good fortune.

There are three basic approaches to collecting data through in-depth, open-ended interviews (Patton, 1987). These three approaches involve different types of preparation, conceptualisation and instrumentation. Each approach has its strengths and weaknesses, and each serves a somewhat different purpose. The three choices are: (1) the informal conversational interview, (2) the general interview guide approach, and (3) the standardised open-ended interview.

The 'general interview guide approach' was applied in this study. A 'general interview' guide approach is a list of questions or issues that are to be explored in the course of the interview. In addition, preparations are made to ensure that essentially the same information is obtained from a number of people by covering the same material (Patton, 1987). Moreover, an interview guide provides topic or subject areas which the interviewer is free to explore, probe, and ask questions about that will elucidate and illuminate that particular subject. This approach also serves as a basic checklist during the interview to make sure that all relevant topics are covered. The interviewer remains free to build a conversation within a particular subject area, and to establish a conversational style, but with the focus on a particular predetermined subject.

There are some other advantages of an interview guide approach. First, it ensures the interviewer has carefully decided how best to use the limited time available in an interview situation. Second, this approach helps make interviewing different people more systematic and comprehensive by limiting the issues to be discussed in the interview. Third, it also provides a framework within which the interviewer can develop questions, sequence those questions, and make decisions about which information to pursue in greater depth (Ibid).

The main objectives of in-depth interviews in this research were to elaborate the 'issues/problems' identified by five different NGT sessions and to explore their possible solutions. In-depth interviews were undertaken with the key community actors, especially people from the following areas: 1) local residents; 2) local planners; 3) local political leaders; 4) business people; 5) local and national tourism experts; 6) Government personnel from the Ministry of Tourism and Civil Aviation and the Department of Tourism; 7) representatives from professional organisations such as, the Pacific Asia Travel Association (PATA), the Hotel Association of Nepal (HAN), the Trekking Agents Association of Nepal (TAAN) and the Nepal Association of Travel Agents (NATA). Participants were chosen on the basis of their experience and working background related to this study, by using the 'snowballing technique' outlined in Lofland and Lofland (1984). Overall, 37 individuals were approached for interviews, and a total of 32 individuals were involved. Those who refused to be interviewed indicated a lack of time and interest.

Interviews ranged in length from 30 minutes to one and a half hours with most lasting 45 minutes to one hour. In every case, interviewees were asked if it was acceptable to record the conversation on tape. A total of 25 interviewees allowed me to record, but seven did not give consent. Hence, these interviews were carefully noted in my research diary. In every case, each participant was introduced to the main issues and problems of tourism development as identified by different nominal group sessions and they were left to express their personal responses. At the second stage, participants were asked to elaborate possible solutions regarding the issues and problems.

5.6 Field Observation

Field observation was used as a complement to NGT and in-depth interviews. The main objectives of field observation in this study were to consolidate information gathered from NGT sessions and interviews, and also to provide a final source of quality data. Field observation was undertaken in a range of settings throughout the research period, during which the researcher resided for 10 weeks at the research site and paid numerous informal visits to specific tourist areas such as Phewa Lake, Baidam, Batulechour, Begnas and Sarangkot. Attention was paid to transportation, accommodation, sanitation and the local environment. Key facility areas: the airport, buspark and taxi stands were frequently visited and closely observed. During this study period, several informal contacts were also made with local residents, political leaders, planners, hoteliers, travel and trekking agents and visitors.

5.7 Data Analysis

The data obtained from five nominal group sessions are central to this study. Analysis of data obtained from the NGT process involved a combination of qualitative and quantitative techniques (Ritchie, 1985). This study employed the following procedures: First, following the identification of issue/problem statements by each nominal group session, a point system (as mentioned in the NGT) was used for identifying the most important items. In doing so, a ranking order assigned a value of five to the most important item and a value of one to the least important item. Consequently, the most important items received the most points. Second, a final ranking order of all issues/problems identified by five different nominal groups was determined according to the ranking order of each statement by the nominal groups. To do this, all issues/problems were assigned according to the following session ranking scale which was employed by Ritchie (1985:88):

Session rank of	1 - 4	5 points
	5 - 7	3 points
	8 -10	2 points
	11 or more	1 point

Finally, all those issues/problems identified by the nominal groups were classified into three main categories based on their level of support in the NGT exercise. They were as follow: most important issues/problems, important issues/problems and least important issues/problems. Similarly, data obtained from in-depth interviews was manually coded according to issues/problems as identified by different nominal group sessions. Interviews undertaken in this study were all in the Nepali language. Some interviews were directly transcribed from Nepali to English and some were first transcribed in Nepali and then translated into English.

5.8 Study Limitations

As noted above, the main objectives of this study are to identify the issues/problems, and to examine the organisational structure and legal framework, in relation to tourism development in the case study area. To achieve the above objectives, an NGT method in combination with 'in-depth interviews' was used.

The NGT is designed as a powerful research technique to explore both the objective and subjective (emotional) dimensions of a problem (Delbecq *et al.*, 1975). Nominal group sessions conducted in this study were not just a haphazard discussion among people who happened to be available. Session were well planned, and with identified sets of individuals. While the number of individuals involved in nominal group sessions was small, key community actors representing populations of interest were involved throughout. Thus, individuals who were involved in the nominal group sessions were fully able and willing to provide the desired information. The NGT has encouraged the target groups of local residents, political leaders, business people, experts and planners to identify critical issues/problems and priorities concerns in a short time period, at low cost, in the case study area.

The NGT methods are not, however seen as a substitute for structured survey methods. The major strengths of structured survey methods, their ability to cover a large number and range of items and the use of probability sampling are not available with NGT (Ritchie, 1985). Although, seeking wide representation, the technique of 'snowballing' as used in this study was not on such a scale that it always reached the 'best' participants, or all sectors of the community.

Interviewees involved in this study were also selected on the basis of their level of knowledge, professional background and experiences. They were interviewed in detail with particular focus on data already provided by NGT sessions. Field observation was also utilised to secure quality data. This triangulation of research methods increased the validity and reliability of the results. While this study was conducted between the 14th of November, 1995 and the 12th of February, 1996, it may be possible that different issues might rank as important to the participants if the research was completed during a different time period.

Notwithstanding these concerns, it is held that the combination of methods with the structure of the NGT in particular, have led to the emergence of the most significance issues facing tourism development in Pokhara.

5.9 Summary

Research seeks to employ methods which are reliable, cost effective, timely, and can also provide rich, reliable and valid information. Validity and reliability are important criteria for judging the quality of research, and should always be considered in research design. The use of multiple research methods increases the validity and reliability of the research study, because the weaknesses of one method are balanced by the strengths of another (Hall and Hall, 1996). In keeping with this, the NGT method was employed in combination with 'in-depth interviews' in this study. Field observation was also utilised, to increase the validity and reliability of this study.

The NGT consists of a systematic and sequential process that enables the researcher to investigate issues/problems of a particular area of research in social science. The main goals of the NGT in this study were to encourage local residents, business people, political leaders, tourism experts and planners to think systematically through the issues/problems of tourism development, and to then identify their possible solutions in the case study area. The NGT was found innovative in identifying current issues/problems of tourism development. 'In-depth interviews' and field observations also enabled the elaboration and exploration of the issues/problems identified by nominal group sessions.

The NGT can be implemented at low cost over a short period of time for several different target groups. However, selection of a target group for problem exploration; the group size; the specification of the question to be used in the NGT session for gathering data from target groups; and transformation of raw data are major methodological difficulties often encountered in using the NGT (Deldecq *et al.*, 1975). To address the above difficulties the researcher conducted several consultations with key community actors, and also tested NGT question and processes in the field. However, the selection of participants for problem exploration, and the management and analysis of raw data, remain as major methodological difficulties in using the NGT. The following chapter presents the findings of this study.

CHAPTER 6

RESULTS AND DISCUSSION

6.0 Introduction

The following chapter outlines and discusses the results of the research. The implications of the results for organisational strengthening and legal review are also examined. While the results are discussed within each of the problem themes, a summary is provided in the conclusion.

As noted in the previous chapter, data obtained from nominal group sessions is central to this study. A total of 28 issues/problems associated with the tourism development of Pokhara were identified by five different nominal groups. Table Five presents the issues/problems identified by different nominal groups.

Based on the rank order of the issues/problems as rated by each nominal group (see appendix A for a full list), all issues/problems presented in Table Five are classified into three main categories for data analysis: most important issues (priority one); important issues (priority two); and least important issues (priority three).

Of all the issues/problems, nine were found to be the most important. These issues/problems were ranked as the top five most important by at least one nominal group session. Similarly, five issues/problems were found to be issues for all nominal groups, but they were not ranked within the top five most important. However, they have a significant bearing on the process of tourism development in Pokhara. The other 14 issues/problems were perceived to be issues/problems, but they were not recognised by all nominal groups.

Finally, data obtained from in-depth interviews is integrated into the above framework. The main focus of the analysis is on the issues/problems which were ranked as the top five most important by at least one nominal group session. However, attention is also given to other issues/problems.

Table 5: Issues/Problems Identified by Five Nominal Groups

S.N	Issues/Problems	Rank by Nominal Groups (n=5)					Overall Ranking ²	
		LPP	TKA	HT	TRA	CSO		
i	Inadequate conservation and lack of tourism development strategies for Phewa Lake	2	4*	4	3	3	1	M O S T I M P O R T A N T
ii	Lack of additional attractions, events and activities for recreation	8	1	3	2	1	2	
iii	Poor professionalism in the tourism industry	4	2	1	1	13*	3	
iv	Poor waste management	5	6	5	4	2	4	
v	Poor coordination in the process of tourism planning and implementation	1	4	8	12	10	5	
vi	Haphazard urbanisation	16	3	6	7	5	5*	
vii	Poor implementation of existing rules and regulations in the tourism industry sector	3	7	10*	9*	6	5*	
viii	Lack of marketing, promotion and publicity of Pokhara in the international market	11	9	2	6	6*	8	
ix	Inadequate infrastructure and additional incentives in the rural areas adjacent to the Pokhara Municipality (e.g. Begnas and Sarangkot)	6	15	12*	5	4	9	
x	Poor condition of road network connecting Pokhara to Kathmandu, Bhairahawa, and unreliable public transportation including city bus system and taxis	9	8	7	8	16	10	I M P O R T A N T
xi	Lack of effective tourist organisations to manage tourism development at the local level	7	10	12	11	9	11	
xii	Lack of an international airport in Pokhara	12	11*	8*	9	18	12	
xiii	Lack of public participation in tourism planning	12*	15*	10	12*	11*	13	
xiv	Lack of public awareness about tourism and the environment	10	11*	15	14	13*	13*	
xv	Lack of appropriate crafts and souvenirs market based on local arts and culture	-	-	-	-	8	15	L E A S T I M P O R T A N T
xvi	Local people do not benefit from tourism to the maximum	18	-	-	-	11	15*	
xvii	Inadequate preservation and promotion of local arts and culture	12*	-	-	-	13	15*	
xviii	Poor distribution of tourist information	-	11	-	-	19	15*	
xix	National and international competition in the tourism market	19	13	-	-	-	15*	
xx	Lack of 'one stop' (one window) policy for issuing visa, trekking and national park permits	16*	-	15*	-	-	15*	
xxi	Lack of support (positive attitude) for the tourism industry from line agencies at the local level	-	-	14	-	-	21	
xxii	Tourists are hassled by craft sellers and street vendors	-	-	-	15	-	21*	
xxiii	Local organisations are unable to persuade the local people of the benefits of tourism	15	-	-	-	-	21*	
xiv	Tax money is not 'ploughed back' into tourism development	-	-	-	-	16*	21*	
xv	Tourism business is centralised within limited areas	-	17	-	-	-	21*	
xvi	Poor tourist security on trekking routes	-	17*	-	-	-	21*	
xvii	Political instability	19*	-	-	-	-	21*	
xviii	Seasonality	19*	-	-	-	-	21*	

Local Political Leaders and Planners = (LPP), Trekking Agents = (TKA), Hoteliers = (HT), Travel Agents = (TRA), Craft and Souvenir Shop Owners = (CSO)

² A final Ranking order (following Ritchie, 1985:88) was determined according to the session ranking scale of each issue/problem: 1-4 = 5 points; 5-7 = 3 points; 8-10 = 2 points; and 11 or more 1 point.

6.1 Most Important Issues/Problems (Priority 1)

Of all the issues/problems, inadequate conservation and a lack of tourism development strategies for the Phewa Lake; a lack of additional attractions, events and activities for recreation; poor professionalism in the tourism industry; poor waste management; poor coordination in the process of tourism planning and implementation; haphazard urbanisation; poor implementation of existing rules and regulation in the tourism industry sector; and inadequate infrastructure and additional incentives in the rural areas adjacent to the Pokhara municipal areas (e.g. Begnas and Sarangkot) were found to be critical issues/problems of tourism development in Pokhara.

Table 6: Most Important Issues/Problems

S.N	Issues/Problems	Rank by Nominal Groups (n=5)					Overall Ranking
		LPP	TKA	HT	TRA	CSO	
i	Inadequate conservation and lack of tourism development strategies for Phewa Lake	2	4 ⁽⁼⁾	4	3	3	1
ii	Lack of additional attractions, events and activities for recreation	8	1	3	2	1	2
iii	Poor Professionalism in the tourism industry	4	2	1	1	13 ⁽⁼⁾	3
iv	Poor waste management	5	6	5	4	2	4
v	Poor coordination in the process of tourism planning and implementation	1	4	8	12	10	5
vi	Haphazard urbanisation	16	3	6	7	5	5 ⁽⁼⁾
vii	Poor implementation of existing rules and regulations in the tourism industry sector	3	7	10 ⁽⁼⁾	9 ⁽⁼⁾	6	5 ⁽⁼⁾
viii	Lack of marketing, promotion and publicity of Pokhara in the international market	11	9	2	6	6 ⁽⁼⁾	8
ix	Inadequate infrastructure and additional incentives in the rural areas adjacent to the Pokhara Municipality (e.g. Begnas and Sarangkot)	6	15	12 ⁽⁼⁾	5	4	9

Local Political Leaders and Planners = (LPP), Trekking Agents = (TKA), Hoteliers = (HT),

Travel Agents = (TRA), Craft and Souvenir Shop Owners = (CSO)

The ranking order of these issues/problems varies from one nominal group to another (see Table 6) but all were ranked within the top five most important by at least one group. They are elaborated below.

6.2.1 Inadequate Conservation and Lack of Tourism Development Strategies for Phewa Lake

Inadequate conservation and a lack of tourism development strategies for the Phewa Lake was identified as the major issue for all nominal groups. This issue was found to be the second most important concern for local political leaders and planners, and the third most important for the travel agents and craft and souvenirs shops owners. When results are analysed over all groups, it is the single most important issue for tourism development in Pokhara.

Phewa Lake lies about one kilometre Southwest of Pokhara at an elevation of about 793 metres. The lake level varies seasonally depending on the extent of power and irrigation withdrawals and water inflows. The surface lake area is about 443 hectares and its reservoir storage capacity is 46 million m³ (Science Applications International Corporation (SAIC) and New Era, 1993). The Harpan Khola and the Phirke Khola (streams) and the constructed Seti Canal are the main sources of water inflow to the lake. The Harpan Khola is at the Southwest of the lake and meanders widely in an area of extensive wetland, most of which is cultivated. Similarly, the Phirke Khola enters from the Southeast of the lake and drains the major urban areas of Pokhara City. In addition to rainwater and natural springs, Phirke Khola receives considerable household wastewater and excess irrigation flows from the Seti Canal. The Seti Canal enters the lake from the North. A number of smaller streams, as well as rainwater and waste water from the lakeside households, also enter the lake. The drainage of the major urban areas of Pokhara City also enters the lake from the North, a few hundreds meters from the dam. The major outflow from Phewa Lake occurs Pardi Dam. There are two canals which divert water for the irrigation of 320 hectares of farmland and for power generation. Some of the lake water also simply passes downstream over the spillway. Release from the dam occurs throughout the wet seasons, but in the dry season, it is closed to maintain lake water levels, with the minor canals transporting lake water on a year-round basis.

The Phewa Lake watershed has been occupied by different people over the last three centuries. Primary activities have been agriculture, including taking wood from the forest for fuel and building. Animal husbandry has traditionally been primitive, and cattle have been allowed to graze wherever they could find food without jeopardizing food crops.

Today, a large percent of the population of the watershed is concentrated in Pokhara at the lake's Northeastern shore. The Southeastern part of the watershed near the lake is primarily forested and a designated nature reserve. This forest blends into an agricultural area that is now starting to be developed with hotels and resorts. Further West into the watershed, land remains more agricultural, with a greater proportion of forest cover. Small villages are common throughout the watershed, although this general pattern is interspersed with pockets of intense human activity. The greatest proportion of the non-forested land is used for agriculture or grazing (SAIC and New Era, 1993).

The Northeastern side of the lake that is now incorporated as part of Pokhara City is known as Baidam or 'lakeside'. This was formally an area consisting of huts of poor occupational castes. In the 1970s there was a rush for land by investors especially from Kathmandu. The major reasons for this were: first, Pokhara was developing as a popular venue for tourists and, second, it has been also declared as the regional centre for the Western Development Region in 1972. In addition, Pokhara was linked with Kathmandu in 1973.

An overwhelming number of tourists visiting Pokhara stay at the lakeside. With increasing tourism, the lakeside area, particularly Pardhi to Khahare, has become economically important. Population growth and continuing immigration from the watershed, Tibet, and Indian-Kashmir are continuing to place large demands on the weak urban infrastructure. Today, new buildings are increasingly occupying the remaining areas of lakeside, including many small and tawdry shops springing up at every available location. The pattern of growth appears to be extending along the lakeside in both directions, with new hotels, lodges, restaurants, and shops appearing on the lakeside strip almost monthly. On the other hand, the infrastructure, facilities and management necessary for tourism at the lakeside have not been significantly developed. Growing urbanisation, the outflow and inflow of people, materials, and waste products are all major concerns for lake conservation.

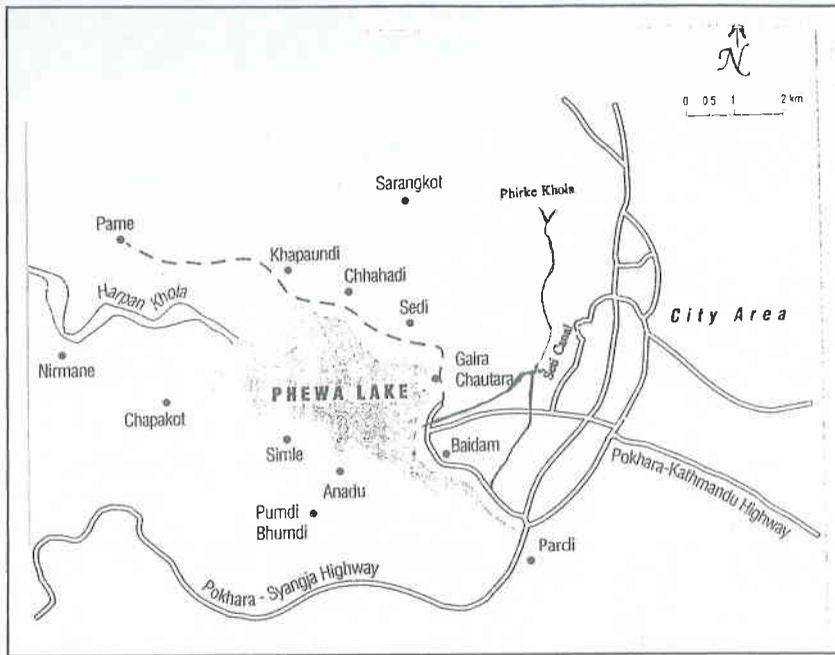


Figure 6: Phewa Lake Area (Source: NPC/IUCN, 1995)

According to the local people, from the early 1970s to the early 1980s people routinely swam in the lake and drank the water. Now, people are fearful of swimming in the lake, let alone using it as a source of drinking water. Tourists and long term residents complain of itching soon after swimming. Lake waters do not look clear and blue as they once did. Some attribute this change to recent rapid development and the influx of people to the lakeside area, others, to nutrients from agriculture (SAIC and New Era, 1993).

There was a consensus among the nominal groups that uncontrolled waste disposal including animal waste, hotel and lodge drainage into the lake, washing and laundry facilities and a lack of standards for operating hotels, lodges, restaurants and other businesses around the lake area are main causes of the lake pollution. SAIC and New Era (1993) noted that at that time there were about 125 small and large hotels and lodges in the lakeside area as well as more than 400 different kinds of shops and stalls. Most of the houses are poorly constructed and consequently, during the monsoons, highly pathogenic liquid from septic tanks flows freely into drains, streams and, ultimately, Phewa Lake. In addition, flood waters of the rainy season deposit the waste of urban areas (paper, plastic, oil) into the lake. Moreover, the area along the Phirke Khola has been extensively used for building construction. Government buildings, such as the Armed Police, the Municipality Guest House and squatter settlements are located

near the Phirke Khola.

Hence, in course of discussion the nominal group members suggested a strict enforcement of septic tank and soak pit provisions, particularly within close proximity of the lake. They also suggested the preparation and enforcement of a code of conduct for those involved in the tourism trade; to provide an alternative site for washing and laundry facilities for locals; and to expand the present arrangement³ between the Pokhara Municipality and the local hoteliers for collecting waste from the lakeside.

Haphazard urbanisation and inconsistent land use in the urban area of the lake (to be described below) are adding to the above problems. However, political leaders and planners did not agree with this. A land use map for the Pokhara Valley was first developed in 1974. This plan designated the land near by the lake shore as a green belt and housing construction was strictly prohibited. However, a new plan permitted the building of one-story houses along a 45ft (foot) corridor West (on the lake side) of the road between the Varahi Chowk and Khahare in 1981. This decision was suspended in 1984 and reinstated again in 1987. The height of building on the East side of the lake road was limited to 24ft, and the roof shape of the building should be designed in line with local tradition. In addition, building construction is also restricted to a distance of 30ft from the centre of the road. In spite of these restrictions on urban growth in the area between the road linking Baidam with Khahare and the lakeside, uncontrolled construction has increased since the 1989 Movement for Democracy. Therefore, redevelopment of a land use plan for the lakeside area with strict enforcement of building construction legislation is also recommended by group members and those interviewed.

Inadequate watershed management to control soil erosion, lake sedimentation, and poor attention paid to conservation of the biodiversity of the lake and its watershed are additional problems. The Harpan Khola (stream) feeds the lake with about 142,000 metric tons of silt every year and if this process continues unabated, the lake will disappear after 150 to 200 years (His Majesty's Government of Nepal/FINIDA, 1992). Throughout the watershed there are 17 different types of native fish and four exotic fish, six species of amphibians, 14 species

³Hoteliers at the lakeside have formed a local committee for solid waste management. The committee has raised funds of Rs. 400,000, and the Pokhara Municipality also provided a similar amount. The committee has purchased two tractors for collecting solid waste from the lakeside area and hauling it to the municipal dumping site.

of reptiles, 104 species of birds and 34 species of mammals (National Planning Commission (NPC)/International Union for the Conservation of nature (IUCN), 1995). At present, increasing human activity is threatening the aquatic life and other natural resources in the lake area and its vicinity. Hence, the nominal group members especially local hoteliers, political leaders and planners suggested encouraging the conservation of native species of birds, fish and mammals and to undertake an effective lake conservation programme. This conservation program would include improving the course of the Horpan Khola by providing embankments and reduction of sediment flow by constructing check dams in the upper reaches of the Stream. Further, the provision of a plantation in the watershed area was recommended to control sediment loss and soil erosion. The members also suggested encouraging local Village Development Committees participation in the above programmes.

Phewa Lake is one of Nepal's major attractions. The lake is used in some way by almost all tourists. The major activities are walking along the lake shore, taking photographs, swimming, boating, and fishing. It presents a range of opportunities for sports and recreational activities, but few coordinated efforts have yet been made. The development of a planning strategy for recreational activities, such as walking routes in the Phewa Watershed, a wildlife reserve and botanical gardens were recommended by participants.

The nominal groups in particular also noted an inconsistent and overlapping legal dilemma. The lake watershed area is not delineated legally and lake ownership and management responsibilities are not defined. For instance, water resource utilisation provisions are made in the *Water Resource Act, 1992* which empowers the Ministry of Water Resources. Similarly, the lake boundary touches six Village Development Committee areas, apart from the Pokhara Municipality. Hence, to some extent the lake is subject to management by the Pokhara Municipality and six other Village Development Committees according to the *Municipality Act, 1992*, and the *Village Development Committee Act, 1992*, respectively. The District Development Committee is the main coordinating agency for all Village Development Committees, and the Kaski District Development Committee also has authority over the lake derived from the *District Development Committee Act, 1992*. The Phewa Watershed is also subject to the *Aquatic Life Act, 1961*, the *Soil and Water Conservation Act 1983*, and the *Forest Act, 1993*.

At present, each agency is operating under their own legal mandate, and consequently, incompatible infrastructure development is also occurring. For instance, the Kaski District Development Committee, with assistance from a large user group has constructed a gravel road linking Pokhara to Pame. This five km rough road begins in Khahare, on the Northern edge of Pokhara, and skirts the banks of the lake and later Harpan Khola before reaching the small village of Pame. The Pame rough road is creating soil erosion and the Seti Canals and City Drain are depositing limestone and city waste in the lake. Many separate agencies are contributing more or less to lake impacts through their activities. Thus, the cumulative impacts on the lake are a major issue of lake conservation. Hence, the nominal group participants suggested declaring the Phewa Lake Watershed as a protected area, demarcating boundaries, reviewing incompatible infrastructures, rationalising legal instruments, and handing over management responsibilities to the Pokhara Municipality. Participants noted that part of the lake is within the boundary of the Pokhara Municipality and in a real sense the lake is an integral part of the Pokhara City and unplanned urbanisation and uncontrolled waste disposal from the municipality are the major source of lake pollution. Moreover, the Pokhara Municipality is the most appropriate local agency in that it potentially has the resource base to bring about change.

Many interviewees agreed with the major causes and solutions identified by different nominal groups. Two local residents, two tour operators, one tourist expert, one member of the Pokhara Tourism Development Committee and one local planner remarked that the uncontrolled waste disposal from hotel and lodge drainage into the lake was the major single cause of lake pollution. One local planner said that ‘businessmen of the lakeside area wanted to be rich overnight but they never thought of the future of the lake’. Similarly, another local resident stated that ‘lake conservation is the first responsibility of those who are using the lake directly or indirectly’. Those interviewees claimed that local hoteliers and lodge owners should have to bear the cost of the lake pollution. For instance, a tourist expert said:

Neither the government nor the local people of other areas have polluted the lake. The lake has been polluted by the local hoteliers and restaurants. It is therefore their duty to pay the cost. The local hoteliers have to contribute at least a nominal percentage of their profits to the lake conservation but the private sector from the lakeside are slaughtering their milk cow and criticising the government.

Similarly, a conservationist who has also been involved in the tourism business for a long time held a somewhat similar opinion:

... the first question is who polluted the Phewa Lake? If it is from tourism then the cost should be borne by the tourism sector ... the social cost also has to be borne by tourism not by the local community ... one thing is very important and that is how many tourists visit Pokhara each year and how much revenue is collected from tourism and how much money the government ploughs back into lake conservation.

Most of the hotels and lodge owners from the lakeside acknowledged that if there was no lake, there would not be tourism. They accepted that uncontrolled waste disposal and hotel and lodge drainage into the lake are major causes of lake pollution. However, they claimed that cattle farms (pigs and ducks) at the lake shore, a lack of a sewerage system and of regular waste collection, and the Phirke Khola and the Seti Canal depositing the waste of the city into the lake are more serious causes of lake pollution. They argued that if hotels, lodges and restaurants are the only causes of lake pollution, the Pokhara Municipality should develop standard norms for their operation at the lakeside. Thus, they suggested that the Municipality has to provide more waste disposal facilities and a sewerage system for the lakeside areas.

Local users were found to be very anxious about the lake pollution and ready to work for lake conservation but they have no technical know how, resources or legal mandate. They further noted that if the management responsibility is to be handed over to them, they can conserve the lake more effectively. A local hotelier gives the reasons:

If the management responsibility is handed over to user groups, it could be more effective in conserving the lake because we [users] know which hotel, lodge and restaurant drainage is connected to the lake, and who disposes waste into the lake at midnight.

Local interviewees from the private sector remarked that Phewa Lake is increasingly important for Pokhara's tourism. However, no significant efforts have been made by the public sector. They condemned local authorities like the Kaski District Development Committee, the Pokhara Municipality and government agencies for not giving attention to lake conservation. But interviewees from the Kaski District Development Committee, the Pokhara Municipality and the Ministry of Tourism have different opinions. A local planner from the Kaski District Development Committee said:

We did afforestation and soil conservation through the local agencies. The District Development committee alone cannot do everything. We do not have resources and no clear mandate. It is the responsibility of the municipality to control waste disposal and uncontrolled urban growth at the lakeside.

There is no question that waste management is the sole responsibility of the Pokhara Municipality. A political leader from the Pokhara Municipality agreed with the local planner, but also remarked:

The lake is not solely responsibility of the Pokhara Municipality and waste disposal and urban growth are not the only causes of lake pollution.

Another interviewee from the Ministry of Tourism and Civil Aviation said:

The first question that arises in this issue is who is responsible for filling the Phewa Lake? Has the government ever dumped garbage in it? If the Phewa Lake is being filled up, then it is because of the lack of attention and care of the inhabitants of Pokhara. If it is getting polluted, then it is because of the garbage dumped by the local inhabitants. The local people who have built houses alongside the Phewa Lake have even led their sewerage pipes into the Phewa Lake. Therefore, there is no point in blaming His Majesty's Government that it has been unable to conserve the beauty of the Phewa Lake.

If the local inhabitants of Pokhara are really worried about the pollution of the Phewa Lake and its conservation, then they should give proper attention to it. Issues like forest conservation and soil conservation of that area are secondary matters. The main problem behind the deteriorating condition of the Phewa Lake is because of the locals of Pokhara who shed crocodile tears.

Two interviewees, from the Hotel Association of Nepal and the Pacific Asia Travel Association of Nepal remarked that the lakes' conservation is a common responsibility of both the public and the private sectors. They said that government has no clearcut policy for planning, and that the private sector is not aware of the future of the lake. Hence, the government has to initiate a lake conservation strategy and the private sector has to follow the rules and regulations. If the private sector goes against the rules and regulations, government has to take action.

There was consensus among the nominal groups and interviewees that Phewa Lake watershed areas require effective conservation efforts due to the fragile nature of its aquatic resources, scenic and touristic importance. The call for a management plan under the jurisdiction of the

Pokhara Municipality remains the most important recommendation. A single agency is required to provide the necessary leadership, awareness, rules, regulations and subsequent enforcement for the management of this common resource for long term benefits (health, safety and amenity) of both locals and tourists.

6.1.2 Lack of Additional Attractions, Events and Activities for Recreation

The lack of additional attractions, events and activities for recreation has been identified as a major issue in tourism development for all groups, but ranked within the top five most important by the trekking agents, hoteliers, travel agents, and craft and souvenir shop owners. The local political leaders and planners did not recognise it as the most important issue. This concern was ranked as the second most important issue in the overall scale.

The nominal group members except local political leaders and planners, remarked that the Pokhara Valley is rich in natural and cultural resources for developing additional attractions, events and activities but that these are currently not well exploited. They also remarked that if these potential resources are developed properly for recreation, they offer diverse opportunities which can increase the length of stay and expenditure of tourists. They further noted that the main causes for failing to develop additional attractions, events and activities are a lack of government incentives and technical back up support for the private sector to attract the necessary capital investment, as the private sector lacks resources and technical knowhow.

As noted in Chapter Two, the major reasons for arrivals of non-Indian tourists in Pokhara is for the mountain views and trekking in the Annapurna Region. Similarly, the local people, the town, the rural scene, the lakes and the local climate are powerful reasons for tourists staying in Pokhara. At present, Phewa Lake is a central attraction for tourists and it offers a range of recreational opportunities such as swimming, sunbathing and boating. Other opportunities available for sightseeing are the Seti River Gorge, Devi's Fall and Mahendra Cave. A short walk in the small hills around the Pokhara Valley is another outdoor recreation activity. Some local hotels also provide cultural programmes to entertain tourists.

The nominal groups also noted that Pokhara has become an increasingly popular destination for Indian and non-Indian tourists during the last two decades. Today, it has also become a venue for Nepali domestic tourists. But Pokhara currently does not provide recreational opportunities to suit all kinds of visitors. In addition, local interviewees reported that most of the Indian tourists visit Pokhara for a pleasure holiday but that there are no additional events and activities to suit them. For instance, a local hotelier suggested:

At present, the flow of Indian tourists is rapidly increasing in Pokhara but we are not able to fulfil their demands. For example, they ask for city tours, sightseeing, cultural programmes, and indoor events etc. But we have not developed such activities and events for recreation.

Another local interviewee said:

If a non-Indian tourist comes to Pokhara, he/she is likely to want to go trekking. But in the case of Indian tourists, they do not prefer to go trekking and seek alternative activities for recreation which are completely lacking in Pokhara.

In exploring this issue, a supplementary question to nominal group members mainly hoteliers, craft and souvenirs shop owners, travel and trekking agents (who ranked this issue within the top five most important) and interviewees was ‘who is responsible for developing additional attractions, events and activities’. There was consensus among the above nominal group members and eight interviewees that it is the sole responsibility of the private sector, although, if the events and activities are quite large and expensive, the private sector alone cannot develop them and it would be the responsibility of the public sector to support the private sector by providing incentives such as interest free loans, and technical backup support such as research, planning, education and training. Two interviewees stated that the government has not taken any action in this regard. An interviewee from the Pacific Asia Travel Association of Nepal said:

We have an attitude that tourists will come themselves without any effort. At present, many countries spend a huge amount of money on developing additional attractions, activities, events and facilities. They also give much attention to developing their products to satisfy visitors. These two things are distinctly lacking in Nepal.

Another interviewee (conservationist) stated that:

Our government just talks too much about tourism but has not taken any action for 20 years. The private sector also has limitations due to resource constraints. Because of that, we have not developed additional facilities, events and activities in Pokhara.

In addition, three interviewees felt that the private sector should be more creative. For instance, a tourist expert said:

In the case of Pokhara, the private sector is not creative and does not invest in new fields and every one started to establish hotels and lodges. Similarly, the government sector is also not responsible for conducting a market study for developing additional attraction, events and activities. They both [government and private sector] should look at the demand of tourists.

An interviewee from the Hotel Association of Nepal said:

Most of the people of Pokhara have a concept that to establish a tourism business means only to open a hotel, lodge, restaurant or a travel and trekking agency. No-one aspires to invest in other areas of tourism business or into recreation. The main things are a lack of knowledge and limited resources.

Two other interviewees, one from the Ministry of Tourism and another from the Department of Tourism remarked that developing additional events, activities or facilities for recreation is the sole responsibility of the private sector. They also questioned that if the government develops each and every thing and the income goes to the private sector, then what is the benefit for the government? The government sector is involved in those areas the private sector cannot afford. An interviewee from the Ministry of Tourism gave an example:

Since most of the tourists are here to see the natural beauty, we have concentrated our efforts in that area. For instance, almost all of the trekking routes have been built by the government. In the case of Pokhara, the government built the dam in the Begnas Lake in order to stop the water flowing in the fields. Before, it was called a muddy pond (Hile Pokhari), but now the government has developed it into a lake. The private sector can easily develop recreational activities like boating and fishing in this lake. Likewise, the towers in Kaudanda and Sarangkot were built by the government and handed over to the local people. But now, proper preservation and maintenance of these towers is not done. Therefore, what I would like to stress is that the government has provided what it can. It is the people who have not shown adequate interest.

Although there were different opinions among the interviewees and the nominal groups, they all agreed that government has to provide an incentive such as a soft loan and/or tax free profits and technical support to the private sector for developing additional attractions and activities. The nominal groups and local interviewees proposed the following activities and events to be developed in Pokhara and its hinterland:

(a) The local lakes of Pokhara are the main source of recreation. Tourist use of Phewa Lake is high, but this use is not managed. The use of the other two lakes, Begnas and Rupa, is low, and apart from boating, they lack recreational facilities. The nominal groups and interviewees remarked that more events and activities could be developed if these lakes were properly managed. Hence, they suggested the development of a recreation strategy for these three lakes.

(b) Pokhara has emerged as a gateway to the Annapurna trek. Its surrounding hills are also increasingly popular for short walks. Most of the short tracks are not properly maintained and additional tracks have not been developed. The track from Phewa Lake to Sarangkot and Pumdhi Bhumndi are not well maintained. It is suggested firstly that the Kaski District Development Committee maintain the existing tracks. More short tracks for walking and pony trekking around the Pokhara Valley could be developed once the existing tracks reach prescribed standards.

(c) The Basundhara Park is the first urban park in Pokhara City. This park was developed in 1990 adjacent to the tourist area by Phewa Lake. From the opening of this park, it has not been well maintained and lacks basic facilities and services. Despite this lack of facilities the park enhances the beauty of Pokhara. The nominal group members and local interviewees suggested improvements to the Basundhara Park by developing additional facilities as well as establishing an additional urban park in another part of the city.

(d) Organising fairs, exhibitions and cultural programmes provides additional entertainment for tourists. Recently, the Pokhara Municipality organised the "Pokhara Mahotsav (fair)" which was highly successful but according to the nominal group members and local interviewees there is currently no ongoing organisation of such fairs and exhibitions.

(e) Sightseeing is one of the major activities for tourists. The Department of Tourism has publicised the Seti River Gorge and Ramkrishna Tole (old market) in their brochures as the two main attractions for sightseeing in Pokhara. But the Seti River Gorge is now used as a dumping site and the Ramkrishna Tole is not well preserved. The nominal group members and local interviewees alike reported that neither the Department of Tourism nor the Pokhara Municipality are taking any steps to manage these areas. They suggested handing over management responsibility of the Seti River Gorge to the Pokhara Municipality for its beautification and that the larger Pokhara Municipality should renovate the Ramkrishna Tole. Other suggested for sightseeing activities were the operation of regular mountain flights, the organisation of city tours, and the extension of the local Pokhara Museum.

(f) Developing different types of indoor and outdoor recreation and sports to suit all kinds of tourists is one of the major parts of tourism development. A golf course was first proposed in the Second Five Year Plan in 1961. However, that proposal has not yet been implemented. Hence, research participants suggested constructing a golf course, and developing additional indoor and outdoor games like squash, snooker, swimming, gliding and ballooning, but these would need to be based on full market and project feasibility studies.

In many respects tourism has developed very strongly in Pokhara, and local activities have been expanded greatly to provide the services visitors require. However, other additional events and activities which could also benefit tourism have not developed significantly in Pokhara. Presently a call for the development of additional attractions, events and activities is proposed to increase the length of stay and expenditure of visitors in Pokhara.

6.1.3 Poor Professionalism in the Tourism Industry

Poor professionalism in the tourism industry was also found to be a major issue. This issue was ranked within the top five most important by four different nominal groups. The hotelier and travel agents ranked it as the first most important issue, whereas trekking agents and local political leaders and planners ranked it the second and fourth important respectively. The craft and souvenir shop owners did not recognise it as a most important issue. It was ranked in the overall scale as the third most important issue.

An oversupply of hotel accommodation is seen as the main cause of poor professionalism in the tourism industry. As noted in Chapter Three, there were a total of 3,992 bed spaces in tourist accommodation in Pokhara (Centre for Economic Development and Administration (CEDA, 1991). However, according to the Pokhara Tourist Office, there are 94 tourist hotels and lodges, and the total number of rooms and beds available are 911 and 2,434 respectively. In 1995, three new luxury hotels with approximately 330 rooms were being built. The differences between the above figures is that the Pokhara Tourist Office only keeps records of those hotels and lodges which are registered as tourist hotels.

The above supply of accommodation is greater than demand. For instance, 59,201 non-Indian tourists visited Pokhara in 1994, and the annual growth rate was 4.78 percent above 1993 figures. The PATA (1976) reported the length of stay of tourist as about one and a half days in Pokhara. But the SAIC and New Era (1993) found that the average planned stay is more than a week. Based on the PATA report, present beds can accommodate about 592,273 tourists per year in Pokhara in those hotels and lodges registered as of tourist standard. But according to the SAIC and New Era estimation, Pokhara can provide accommodation for 126,568 tourists. It shows that there is clearly an oversupply of accommodation.

Nominal group members, especially hoteliers, and travel and trekking agents mentioned that because of an oversupply of accommodation, local hoteliers are only competing on the basis of price rather than quality. Hence, there is a need to conduct a market study before building any more accommodation. Likewise, three local hoteliers also remarked that the hotel industry in Pokhara has grown up like a 'mushroom in the monsoon' and that no one authority is serious about monitoring the situation. A local hotelier explained the present situation in Pokhara:

If one piece of land is sold in Baidam (the Phewa lakeside area), it is used immediately for building construction. When the building, construction is completed, that building goes for hotel purposes. Hence, the number of hotels is increasing rapidly in Pokhara but the tourist number is constant.

The main reasons behinds this oversupply of hotel accommodation was a major question put to interviewees. Interviewees expressed somewhat different opinions. For instance, three interviewees noticed that the government has adopted an open market policy, without future plans and consequently, many hotels have been built quickly. A market study is currently

essential before issuing licences to build hotels or lodge. An interviewee remarked:

Government should be aware of the current growth of tourist arrivals in Pokhara as well as the catering capacity. If the arrival rate is extremely low, government should stop the issuing of new licences to build accommodation.

Two interviewees, one from the Ministry of Tourism and another from the Department of Tourism noted that 20-25 years ago there was a lack of tourist hotels, and consequently, the first thought in the tourism sector was to provide more incentives to the hotel industry. The provision of soft loans (low interest) up to 80 per cent was introduced for the hotel industry. As a result, there was a huge investment in the hotel. Two other interviewees, including one expert, agreed with the above remark, although they also observed that the private sector is not ready to be involved in other areas of tourism business. One of them remarked:

The private sector is only involved in those areas where they can make more profits such as hotels and lodges. As a result, there are numerous hotels, lodges and restaurants that have appeared overnight in Pokhara.

Nominal group members in particular, hoteliers and travel agents noted that overlapping legal provisions are also complicating the issue. For example, the Department of Tourism is responsible for recommending the issuing of licences for travel agencies as well as hotel establishment under the *Industrial Enterprises Act, 1992*. The local Village Development Committee and the Municipality can also issue licences for similar occupations within the village and municipal areas according to the *Village Development Act, 1992*, and the *Municipality Act, 1992*, respectively.

Many hotels and lodges registered under these two Acts in Pokhara do not meet the criteria for tourist hotels. They lack an acceptable standard of facilities and services, for example, in terms of like kitchens, beds, and toilets. But such hotels and lodges are openly selling their rooms and beds to tourists at a cheap price. Their price is very cheap because they do not provide quality services. As a result, quality is degraded and an unhealthy competition and a price war among the hoteliers is clearly developing. This is also observed in the travel and trekking sectors, although it is not as critical as in the accommodation sector. Thus, hoteliers and travel agents suggested the need to adopt a 'one stop' (one window) policy specially for hotel and lodge registration within the Pokhara Valley.

Regarding the above comments, an interviewee from the Department of Tourism explained that hotels, lodges and restaurants are opened both for tourists and local people. Those hotels, lodges and restaurants which fulfil the criteria of the department are listed in information brochures and recommended to tourists. If there are any grievances concerning those hotels, lodges or restaurants, the department takes action against them. He also noted that they legally cannot say to any tourist that they should not have meals in those restaurants or should not stay in that hotel or lodge which is not listed in the tourist brochure. Tourists have the choice and if tourists wants to take a risk, they cannot do anything. He opposed a 'one stop' policy and also explained the major reasons:

How is it possible? Our life is so integrated and we have different standards in our society. Thus, if someone wants to open a simple tea shop why should we stop him or her. If we stop them, it would be difficult for certain people of our society. We cannot force him or her to open a high standard hotel and restaurant. We have to leave it as it is. We have to look at local people as well as at the tourists's interest. We cannot make uniform decisions. So how can we have a one stop policy. It would be more confusing if we started a one stop policy for hotel registration.

Every hotel, lodge, restaurant or bar registered under the *Tourism Act, 1978* has to forward a notice of its rates or prices to the Department of Tourism, and also publicise them in the manner prescribed by the department, although no hotel or lodge is charging the actual price they indicated to the department. All nominal groups noted that many hoteliers and lodge owners have no idea about quality of service and how much they have to charge for their hotel rooms and beds. A local hotelier elaborated on the present situation in Pokhara:

People at the lakeside first construct their buildings for residential purposes. While completing the building, it goes as a hotel. The building was not exactly constructed as a hotel, and the owner cannot judge his/her investment in the building and does not know what quality of service has to be provided and how much tariff has to be charged. The owner just seeks to fill the rooms and secure the house rent.

Similarly, a local resident also specified similar problems:

Our hoteliers are oriented towards filling the rooms. They never thought of how much money they invested in their hotels and how much tariff they should charge to adequately return their investment and also to maintain the quality. As a result, quality of services may deteriorate and the tariff rate may also drop.

Regarding this problem, nominal group members and six interviewees from the private sector suggested the need to fix a tariff rate according to the level of facilities and services. They remarked that when levels of profitability are sufficient to support maintenance and servicing requirements, physical facilities and service standards can be maintained. An interviewee from the Pacific Asia Travel Association Nepal also suggested the idea of fixing the tariff rate including for trekking agencies:

First, the government has to fix the tariff rate. When it is fixed, no-one can go below that rate, and government also has to collect tax according to the fixed rate rather than based on the sale rate. For example, if trekking agencies have conducted trekking, that agency should pay a fixed amount of tax per tourist to the government.

Another interviewee suggested:

The government has to develop a pricing policy. For example, if five star hotels sold their rooms for \$30, the government has to enquire how and why that hotel has sold out its rooms at that cheap price.

Inadequate legal provision for quality control and consumer protection are also highlighting the issue. Nominal group members (hoteliers, travel and trekking agents, and political leaders and planners) explained that poor quality in one component of the experience can reduce tourist satisfaction with the overall tour. Hence, they suggested the need to contain such legal provision in the *Tourism Act, 1978*. In keeping with this problem, an interviewee from the Ministry of Tourism also agreed with the above remarks and said:

... there is no legal provision with regard to the type and quality of foods in the hotel, and what legal treatments are required for offenders. There is also no legal provision for compensation to the tourists.

A hotelier who is an executive member of the Hotel Association of Nepal remarks on this problems and suggested:

We have such a system that once you get a licence for a five star hotel, it is for life which is not right. Thus, the Hotel Association of Nepal has offered to review the quality of each hotel and lodge at least every five years. Similarly, the criteria for hotels and lodges was developed 15 years back and is not valid any more for the present situation. It should be reexamined from time to time.

Similarly, in the case of consumer protection, two interviewees said that Nepal is a hard or difficult destination. All tourist industries do not have the same ethics and norms. Many tourists are found to have been treated badly from time to time in many places by local hoteliers, travel and trekking agents. The main reason is a lack of consumer protection legislation. A local staff member of an airline summarised the issue:

There are some travel agents who do not carry out their jobs according to norms. Sometimes they issue air tickets without confirming the flight. A number of cases have been found where the tourists have even been off-loaded from the aircraft. Therefore, it is necessary for the Tourism Office to punish such travel agents and give compensation to tourists who have been treated badly.

A lack of knowledge, trained people and technical support to the private sector are also responsible for poor professionalism. The majority of the tourism industry in Pokhara is run by owners with untrained and unskilled staff. Members of the nominal groups especially hoteliers, travel and trekking agents, and some interviewees remarked that the tourism business is a technical job. To run this, businessmen have to have an understanding of tourists and the tourism business. In addition, it needs skilled and trained people to acquire the professionalism which is lacking. An interviewee explained the problem:

The tourism business is a technical job. If a person starts a tourism business without knowledge, how can we expect that he/she can handle tourists properly. If we do not handle tourists properly or if the tourists are not satisfied with our services, what impression will they take away about Nepal and the Nepali?

Two interviewees suggested that government personnel have a lack of knowledge about tourism. If they are not trained, how can the private sector expect technical support from them? Training is an important requirement to ensure high levels of service and attention to quality. Hence, the private and public sectors have to provide training to their employees.

Poor implementation of existing rules and regulations was also mentioned as another cause for the lack of professionalism. All nominal groups and three local hoteliers reported a lack of inspection of hotels, lodges, restaurants, bars and the foodstuffs and beverages used therein under the *Tourism Act, 1978*. Hence, participants recommended regular inspections to encourage them to follow the rules and regulations. Poor implementation of rules and regulations in the industry sector has also been addressed in detail as a major public sector issue in the first section of this chapter.

Lack of understanding, cooperation and mutual trust among private sector organisations was one example of poor professionalism. Participants of all nominal groups explained that private sector organisations are unable to develop understanding and cooperation in matters of service and quality. In addition, there is a lack of commitment among private sector organisations to developing quality service. They are also unable to communicate the desired standards to all individuals involved in providing the service or product. A few local interviewees from the private sector also identified similar problems. For instance, a local hotelier said:

While I was Chairman of the Hotel Association of Nepal, Pokhara Chapter, I gave my best effort. But some of my own friends did not support me and they did not take it very seriously. It has happened because of the individualistic nature of the local hoteliers in Pokhara.

Another local interviewee further elaborated:

At present, there are two Hotel Associations in Pokhara. It means there is no coordination, cooperation or mutual trust and respect among the hoteliers.

Members of the nominal groups (except hoteliers) remarked that the tourism businesses in Pokhara is inappropriately controlled by hoteliers. They noted that many local hoteliers are undertaking ticketing and also operating trekking activities without licence or adequate professionalism. Travel agents said that they have reported this problem many times to the Pokhara Tourist Office but that office has not taken any action.

Other causes are found to be a lack of clearly defined expectations of the level of service and product quality as well as the lack of monitoring systems to ensure quality standards do not fall. Two local interviewees reported that neither the public nor private sector organisations are serious in wanting to develop quality service in Pokhara.

The call for professionalism in the tourism industry is primarily to provide quality services and experiences for the tourists. Without uniform standards (services, facilities and prices) incorporated in the law, education and training, the level of professionalism in tourism industry will not be improved.

6.1.4 Poor Waste Management

Poor waste management was recognised as another important issue for tourism development in Pokhara. This issue was ranked within the top five most important by all nominal groups except trekking agents. According to the overall ranking scale, this issue was found to be the fourth most important issue.

In the recent past, there was only household waste in Pokhara which was composted and used by the farmers. Because of industrial development, today, waste contains a high proportion of plastic, glass and chemicals, which makes it difficult if not impossible to compost. Those farmers who formerly used compost are now using more chemical fertilisers (International Consultants and Technocrats (ICT) and Science and Applications International Corporation (SAIC), (1995). It was estimated that daily, a total of 43 metric tonnes (MT) of solid wastes are generated in Pokhara. Of this daily total, plastic comprises 0.4 MT; paper 2.1 MT; and other (food waste, glass, metals, etc.) 40.2 MT. Pokhara residents burn a significant proportion of their paper wastes at their residences. Similarly, they use food wastes as animal feed or manure. Thus, the daily total volume of waste to be disposed of at a public facility is only 11.5 MT (plastic 0.4 MT; paper 1.1 MT; and other 10.0 MT).

Solid waste management is one of the main responsibilities of the Pokhara Municipality under the *Municipality Act, 1992*. For instance, the *Municipality Act, 1992*, Section 15, empowers and directs the Pokhara Municipality to maintain sanitary conditions throughout their area of jurisdiction. In addition, it can charge environmental service fees to residents and business people for environmental management, including solid waste collection and disposal.

At present, there is a 'sanitation subsection' under a Social Welfare Section in the Pokhara Municipality. The provisions of this section for solid waste, collection and disposal are undertaken in Pokhara. It has more than 100 staff including six drivers, 17 loaders and 80 sweepers whose primary function is the collection and disposal of solid wastes. In 1995 the Municipality placed 250 dustbins at locations throughout the city.

Municipal revenue sources include government grants, taxes and levies. In the fiscal year 1994-95 (2051-52), total revenues of the Pokhara Municipality were Nepali Rupees (NRs)

41,915,229 and total expenditures were NRs. 36,579,818. Of the total expenditure, NRs. 3,101,500 was spent on waste management in the same period. Of this amount, about NRs. 1.3 million was spent in salaries and wages (Pokhara Municipality, unpublished data, 1995).

Community participation is necessary for reducing the cost of waste management and for making the operation sustainable. Recently, the hoteliers of the Baidam (lakeside area) have collected some NRs. 400,000 from businesses there. Similarly, the Pokhara Municipality has also contributed an equal share. This money was used for purchasing of tractors and trailers in 1994. Those tractors and trailers are now being used for collecting non bio-degradable solid waste such as unused food, cans and plastics in Baidam two to three times a week.

The nominal groups (Craft and souvenir shop owners, travel agents, hoteliers, and political leaders and planners) who ranked this issue within the top five most important noted that an inadequate waste collection and disposal system is one of the main causes of poor waste management in Pokhara. For instance, there is the lack of dumping sites for solid waste disposal, waste collection points are not well set up and equipped and they perceived a lack of regular collection of waste, especially from urban areas. Hence, waste is found all around the city - in streets, public places and on river banks. For instance, the nominal group members and many local interviewees indicated that the Department of Tourism has published in its brochure that the Seti River Gorge is a main feature for tourist sightseeing in Pokhara. This river gorge is now used as a dumping site by local hoteliers and others. A local political leader from the Pokhara Municipality remarked:

This has happened because of the crisis of not finding dumping sites. Now we have stopped that area [Seti River Gorge] from dumping solid waste.

The airport and the bus park, the main areas where there is a high inflow and outflow of tourists, are very untidy and dirty. Local interviewees reported that the Pokhara Municipality is not addressing its responsibility adequately. Regarding the issue, a local political leader from the Pokhara Municipality remarked:

The bus park has become very congested as it is too small to accommodate incoming and outgoing buses comfortably. We have a limited budget to do all these things. The government line agencies have to take some responsibilities to manage bus park and the airport.

Many local interviewees and the nominal group members, except local political leaders and planners reported that the Pokhara Municipality is 'just looking at' rather than solving the problems. Its services are poor, unreliable and/or unavailable. Its Ward Committees are also inactive and unable to coordinate with the local people. There is a lack of technical human resources for waste management. Municipality resources are seen to be misused. A local political leader from the Pokhara Municipality disagreed with the above charges and said:

The Pokhara Municipality is fully responsible for handling the waste problem. We are providing services to the local people. For instance, more than 250 cement containers are placed around the city and households are expected to put their garbage in these containers. Waste is collected from the containers and hauled to the dumping sites by four tractors with trailers. We always want to provide better services and we also expect local support. The major problem is our cultural habits that many local people dispose of waste in open places even if there is a container near to their house. The other problem is that we have to do everything within a limited budget. Many people do not know the reality and blame us offhand.

In keeping with this issue, both the nominal group members and local interviewees suggested establishing more waste collection points with a full supply of containers, and to give priority for regular collection. They also suggested notifying the collection hours, to establish final disposal sites and to ensure that the site selection will not cause subsequent environmental problems in the future. They also suggested the formulation of user committees of local people in each Ward to undertake the coordination of waste collection and to provide appropriate training to the Pokhara Municipality personnel concerned with waste management. Other suggestions were to provide public sewerage facilities in urban areas; to encourage waste minimisation, re-use and recycling; and to set up a small waste trading businesses and marketing.

A lack of public awareness about waste disposal was found to be another major problem. Pokhara is a recently developed city and residents are rural in nature and for them proper disposal and collection of solid waste is not very important. Many people dispose of their refuse outside their house or inside their courtyard, with no idea of how it will be removed. People also dump refuse either along the river bank or into the drains and canals in the hope that it will be washed away. Livestock slaughtering and throwing animal carcasses in the rivers and canals, and the bathing of large livestock are very common practices. Thus, all

nominal groups recommended the use of mass media and educational campaigns to create public awareness about community and personal hygiene. A local political leader from the Pokhara Municipality also restated the main problem and suggested future programmes:

A major cause of waste problems is that the past local authority did not involve the local people in waste management and also did not pay attention to educating the local people about sanitation. I think not involving the local people from the very beginning will limit the success of any programme. If the local people are not educated and trained in sanitary issues, they will not use the facilities or keep them clean. We are now conducting sanitation education programmes with local people and involving them and the private sector in waste collection.

Poor sanitation practices have resulted in other problems. There is a lack of private and public toilets and people are using open space for defecation. In addition, rivers and canals are also used heavily for bathing, and for washing clothes and vegetables. The fact is that poor people in the urban area have no money to build private toilets, and in city centres buildings do not always provide space for toilets, inside or outside. Often public toilets when provided are not functioning. The nominal groups members suggested that the Pokhara Municipality encourage local people to provide their own private toilets, and to ensure sanitary facilities of an acceptable standards are included in the house plan when issuing new building permits. Assessment of compliance will also be needed. In addition, it is also suggested that the Municipality provides adequate public toilets and ensures their regular maintenance.

Uncontrolled street vendors, operating automobile workshops, stocking construction materials and placing private signboards along the roadside are also worsening the solid waste management problem. The main reasons are improper management of market areas for street vendors and poor implementation of rules and regulations. This problem is also observed by local interviewees. For instance, a local souvenir shop owner remarked that:

Due to poor implementation of rules and regulations, people are stocking construction material, placing automobile workshops and other shops along the roadside and throwing garbage anywhere. It seems to me that we don't have any rules and regulations, and we are allowed to do anything we want to do in Pokhara.

The *Municipality Act, 1992*, Section 64(4) empowers the Pokhara Municipality to levy fines for improper disposal of solid waste. Both nominal group members and local interviewees suggested strict enforcement of the Municipality Act.

Haphazard urbanisation including slum areas is seen as another associated problem. At present, private land in urban areas is haphazardly subdivided for residential purposes and newly opened streets are too narrow and difficult for containers to be installed for the collection of waste. A local political leader and a planner also agreed with the above statement. However, they said that there are no clear rules to control private land subdivision, although the municipality looked at access and width of the street while issuing the new building permits.

People who benefit from sanitary facilities but do not contribute money or labour will develop the habit of depending on others. As noted above, the local hoteliers in the lakeside areas have supported a 50 percent cost for purchasing tractors. Those tractors are used for collecting solid waste from the lakeside area. Hoteliers, travel agents, craft and souvenir shop owners and local political leaders and planners suggested expanding such actions to the city itself and collecting tariffs from local users. But two local interviewees disagreed with charging fees for undertaking waste collection and disposal services. Their views are: first, very few local people are able to pay fees; second, manufacturing industries, hotels, lodges, restaurants and shops produce more waste; and third, industrial waste contains a high proportion of plastic, glass and chemical which is costly to dispose it. Therefore, those who produces more waste should also have to bear the cost of disposal.

Some local hoteliers from tourist areas also suggested giving first priority for waste collection to tourist areas such as Baidam, the lakeside, the bus park and the airport. But two local residents did not agree with the above suggestion. They believe that local hotels and lodges and restaurants are the main cause of waste problems in those areas, so they should have to bear the additional cost.

To summaries with this issue, the conclusion is that Pokhara will be less attractive to tourists unless sanitation and solid waste disposal is improved. Better control under littering and solid waste disposal may help to reduce the sanitation fears of visitors. This is very important for the future growth of visitors to Pokhara.

6.1.5 Poor Coordination in the Process of Tourism Planning and Implementation

Poor coordination in the process of tourism planning and implementation was also found to be a most important issue. However, it was not found to be as important to the hoteliers, travel agents and craft and souvenir shop owners as to the local political leaders and planners, and trekking agents. It was found to be the fifth most important issue of the overall ranking scale.

As noted in Chapter Four, the Pokhara Tourism Development Committee is comprised of 14 people representing public and private sectors and together with the Pokhara Tourist Office, these two local tourist organisations are responsible for coordinating tourism planning and implementation. The Pokhara Tourism Development Committee is a non-statutory organisation formed by the Ministry of Tourism and Civil Aviation, and the Pokhara Tourist Office is a local-level office of the Department of Tourism.

In discussions among nominal groups it was apparent that the Pokhara Tourist Office lacks technical and financial support for carrying out its tourism planning and coordinating function with local agencies. It has no budget and programmes. The Department of Tourism has delegated responsibility to the Chief of the Pokhara Tourist Office to take the position of member secretary of the Pokhara Tourism Development Committee and to establish coordination to assist the Tourism Infrastructure Development Project, Pokhara 1991-96. Thus, the Pokhara Tourist Office has no role in the process of tourism planning at the local level.

Similarly, the Pokhara Tourism Development Committee was also originally formed to assist the Tourism Infrastructure Development Project, and it has no further legally defined role to carry out coordinating functions with the public and private sector. Moreover, the Chief District Officer, who is designated as a chairman of the Pokhara Tourism Development Committee, either coordinates, or is chairman, of more than 10 committees, including essential tasks such as maintaining law and order.

Recognising the limited roles of local tourist organisations, nominal group members (local political leaders and planners, and trekking agents who ranked this issue within the top five most important) suggested either to restructure and empower the present Pokhara Tourism

Development Committee, or to establish a new organisation comprising of public and private sector representation to carry out a coordinating function in tourism planning and other related activities. There was consensus among the political leaders, planners, travel agents and craft and souvenir shop owners for giving the leadership role of such an organisation to a local leader. Their belief was that if there is local leadership it would be easier to coordinate the public and private sectors and to generate local support.

Regarding the above summary, interviewees, from the Department of Tourism and the Pokhara Tourism Development Committee, and two from the Ministry of Tourism agreed that the formation of the Pokhara Tourism Development Committee was primarily to assist the Tourism Infrastructure Development Project and the Pokhara Tourist Office is not competent to undertake a coordinating function for tourism development in Pokhara. Two interviewees suggested the need to form a strong tourism organisation in Pokhara to undertake a coordinating function in tourism planning. For instance, an interviewee from the Department of Tourism said:

This organisation should be empowered to coordinate with other local line agencies and the private sector. The final decision of each activity for Pokhara should be decided by this organisation.

Similarly, another interviewee from the Ministry of Tourism said:

At the central level, the Tourism Council exists for inter-ministerial coordination but such an organisation is lacking for local level coordination. It is very urgent but it has not materialised.

However, an interviewee from the Ministry of Tourism put it somewhat differently:

If the government is to take the approach of development of Pokhara as a tourist-city, then a separate organisation needs to be constituted in which all the concerned bodies/agencies should be properly represented. Therefore, all projects and programmes should be given a new direction so that it will supplement tourism activities in Pokhara. But the question arises to what extent this type of step would be appropriate because once Pokhara is declared as a tourist-city, certain restrictions would be necessary and modifications would be needed at the present pace of development and growth. Even though this would be good for the Ministry of Tourism, the decision to carry out such a plan will have to be made at the highest level of government. But so far as coordination and organisation of such a plan is concerned, it should not be done by the District Development Committee. It should be done at a higher level in which the District Development

Committee and the Village Development Committees should be members only. Therefore, if an organisation is to be set up to oversee tourism activities in Pokhara, it should be organised at a higher level than the District Development Committee. If it is organised at the level of the District Development Committee, it will not be able to function effectively.

Even though it [establishing a new organisation] is a good idea, I do not see to what extent it will be practicable in the context of Nepal. I am not optimistic about it because even sectoral ministries and projects are coordinated by the centre. Moreover, there are cases where the Ministry of Finance has not been able to provide funds to the projects that have been approved by the National Planning Commission. This makes it doubtful whether the projects approved that organisations like the Pokhara Tourism Development Committee will ever be provided with funds for implementation.

On the other hand, it is difficult to carry out the "community approach" in urban areas. Therefore, the project or the package of projects should be coordinated by the coordinator designated for such projects. If not, the local organisation, governmental organisation or corporation which has been given the responsibility to implement such projects will carry out the coordination.

The Lack of coordination between local agencies was found to be another main cause of poor coordination of tourism development in Pokhara. The Kaski District Development Committee is the main coordinating agency for the planning and implementation of district level programmes. All development oriented functional agencies in Pokhara are under its administrative control and each local programmes is presented to the Committee for their approval. On the other hand, the *Municipality Act, 1992*, empowers the Pokhara Municipality to undertake city-level programmes, and to coordinate and supervise such programmes. In addition, the Regional Office of the National Planning Commission is responsible for providing technical support to local agencies in formulating local plans and in their monitoring and evaluation.

Members of the nominal groups, mainly political leaders and planners remarked that local functional agencies do not consult with the local bodies in the process of planning and implementation of local programmes. They also stated that the District Development Committee and the Pokhara Municipality lack clearcut policy guidelines with regard to their in supporting the provision of tourism development. Regarding this issue, a local planner from the Kaski District Development Committee noted that his office is doing its best, although it is not effective in coordinating with functional agencies. He stated the main reasons:

First, there is a lack of a one door policy of development at the local level. Several plans and programmes are formulated and also implemented at different levels. For instance, the Tourism Infrastructure Development Project was formulated and implemented at the central level. Similarly, Pokhara is the headquarters of the Western Region and there are some regional offices who carried out their programmes at the local level without any consultation with the District Development Committee. For instance, the Pokhara Tourist Office is a regional office and not obliged to consult with the District Development Committee.

Second, according to the District Development Committee Act and its regulations, the District Development Committee is responsible for district level programmes. Each local programme is therefore present to the District Development Committee for their approval. On the other hand, local line agencies also forward the same programmes to their sectoral ministry/department for consent. This system makes it a little confusing as to who is responsible among the local agencies. It therefore needs to be clear who is responsible to whom at what level and in which circumstances.

Third, the District Development Committee has five subcommittees to look at the local development plans and also to coordinate with local line agencies where the coordinators are the District Development Committee members. All local plans are first presented to that subcommittee and these subcommittees are responsible for coordinating with the related line agencies. The problem is that these subcommittees hardly have one meeting once a year to fulfil the formality as well as to endorse the local plans rather than taking an active role of coordination. Thus, the coordinator of the subcommittee should be active if we really want coordination in the planning process.

Similarly, another interviewee from the Pokhara Municipality stated that city-level programmes undertaken by the municipality are coordinated by the municipality. The main problem is that local functional agencies do their job without coordinating with the municipality. He said:

Line agencies have their own programmes and activities to carry out annually. There is no provision in the government policy to inform or involve municipality when carrying out development activities. Hence, the concerned line agencies do their job without coordinating with the municipality.

In a similar vein, an interviewee from the Regional Office of the National Planning Commission remarked that his office is responsible for providing technical support to local agencies in formulating local plans and monitoring and evaluating their implementation. However, this office was not involved in tourism planning and neither did the local tourist organisation request technical support. The main reasons for non-involvement in tourism

planning are: a lack of policy guidelines and a lack of technical experts at the local level.

Lack of decentralisation in tourism planning and implementation was identified as another cause of poor coordination. Local political leaders, planners, travel agents and local interviewees remarked that most tourism development programmes are defined and funded from the central level. There is a lack of local input in planning and implementation and a lack of local involvement in the monitoring and inspection of such plans. Consequently, local line agencies are unable to persuade locals of the benefits of tourism. For instance, the Tourism Infrastructure Development Project was carried out at the central level and was difficult to implement in the beginning. An interviewee from the Ministry of Tourism disagreed with the above remarks and justified the carrying out of tourism programmes at the central level:

In the case of urban areas of Pokhara, matters concerning the enhancement of tourism products, development and promotion are undoubtedly a part of development projects regardless of size. Whether it be renovation of temples or improvement of roads, it is a part of development projects. However, these should not only be seen from the point of view of tourism, but also from the point of view of its effect on Pokhara's local inhabitants. The local communities will not be able to properly utilise the funds made available for such purposes either by His Majesty's Government or by other countries. Hence, for such activities, it is necessary for the Government to carry out different programmes in the form of development projects. Nevertheless, if Pokhara is to be promoted, publicised or marketed, coordination is necessary. For this, coordination is successfully being carried out with the private sector at the local level in developing marketing plans, conducting seminars and developing programmes to give Pokhara a foreign exposure.

In keeping with this problem, political leaders and local planners, and most of local interviewees suggested empowering local bodies such as the District Development Committee or the Municipality to carry out local-level programmes including tourism development. A tourist expert said:

In the case of Pokhara, the responsibility for tourism development should be assigned to the District Development Committee and Municipality. It is their responsibility to make decisions about selecting programmes for tourism development in Pokhara. We are always fearful of empowering local institutions. Now, the local people and leaders have to ask government personnel for development in Nepal which is entirely the opposite thought of decentralisation. Thus, local political institutions should be empowered first.

But an interviewee from the Ministry of Tourism put forward a different opinion:

Development works like buildings, bridges and roads are mostly for home consumption and are built to be used by local inhabitants. In these works it would be appropriate to carry out such activities under the District Development Committees. But tourism does not totally depend on the above-mentioned development works, ... therefore, the issue arises as to how and to what extent all the District Development Committees should be given the responsibility to develop infrastructure for tourism purposes. To what extent the concept of decentralisation accommodates such issues needs proper consideration.

Lack of policy guidelines for the local functional agencies (departments) in regard to tourism development was found to be another significant cause of poor coordination. Nominal group members noted that local functional agencies are not directed towards tourism development and consequently, they often take care of only those issues and problems that directly affect their sectoral interest. They therefore highlighted the need to frame integrated policy guidelines to direct local line agencies to give priority to tourism development. In doing so, a long term plan (master plan) was also suggested for tourism in Pokhara. Many interviewees, including tourist experts agreed with the above remarks. For instance, a local hotelier said:

Pokhara has been dominated as a tourist destination for several years by national and international visitors but government plans and programmes are not aimed at tourism development. Each plan and programme of local line agencies should be oriented towards tourism development.

Similarly, a tourist expert said:

If Pokhara is focused on tourism development, the whole development programme also should be oriented towards tourism development. It is lacking in Pokhara. For example, the local line agencies such as Water Supply, Agriculture, Forestry, Roads etc. never talk about tourism development of Pokhara. Thus, the local line agencies should be directed by their sectoral ministries and departments to be involved in tourism development of Pokhara.

In addition, a local planner from the District Development Committee said:

If we want to develop Pokhara as a tourist destination, first of all we have to give our priority to tourism, and all local line agencies should be directed and also oriented towards tourism development. We have not received any guidelines and directions from the central level.

An interviewee from the Ministry of Tourism also agreed with the above statement and said:

If the programmes of the line agencies are not tourism-oriented, tourism development would not be tuned. At present, if we could not do other things, some instruction could be given to the District Development Committee in Pokhara, through the Ministry of Local Development, for the formulation of tourism-oriented plans and their coordination. But this has not materialised.

But another interviewee from the Department of Tourism puts forward a different opinion:

This is a demand of people who are with the tourism sector. But we have to look at the macro level planning. Which sector is contributing to GDP by what percentage? We should not look at the tourism sector only. How many people are involved in farming? If the majority of people are farmers, then the major focus will be centred towards that sector. If there is a benefit in obtaining tractors for farming, then that would be encouraged. But the tourism sector will not be happy because tractors would emit pollution. So, here is a major potential conflict.

However, he further added:

Although, if local institutions have included a tourism component in their programmes, they would be more successful to perform tourism development activities. First, there will be belongingness of local people, and they may think this is our programme. Second, it would be more easy to implement. Third, there would be more local participation.

Other problems regarding poor coordination were found to be too much red tape, *ad-hoc* planning and a lack of technical and financial assistance. The nominal groups and local interviewees hence suggested the need to develop a systematic planning approach and to provide adequate technical and financial support to local organisations to formulate tourism plans. There is also a need to develop transparency in the process of planning and implementation.

The issue of coordination is an important one for tourism planning and development. The natural, cultural and historical attractions of Pokhara are in the hands of various government departments. In addition, local authorities also have a large impact on the provision, supply and operation of tourist facilities. Because of this, and the fragmented nature of the tourist industry itself, a harmonised and coordinated effort is suggested for tourism planning and development in Pokhara.

6.1.6 Haphazard Urbanisation

Haphazard urbanisation was found to be one of the most important issues associated with tourism development in Pokhara. This issue was ranked third and fifth most important by the trekking agents and craft and souvenir shop owners respectively. The local political leaders and planners who are primarily responsible for urban development did not recognise it as a most important issue. It was also ranked in the fifth most important issue at the overall scale.

As noted in Chapter Three, the urban growth of Pokhara has been rapid and exceptional. Over the last two decades, the population has grown more than five times (NPC/IUCN, 1995). This growth is attributed to three main reasons: First, Pokhara was declared the headquarters of the Western Development Regional in 1972, and several governmental and non-governmental regional offices were opened in Pokhara. As a result, there was a scarcity of buildings and consequently, several buildings were constructed immediately for official use. Second, as a result of Pokhara being declared a regional headquarter, it received considerable additional infrastructure like hospitals, a university and roads, and consequently, the flow of migration to Pokhara increased significantly. Third, Pokhara is known as a tourist destination, and consequently, several hotels, lodges and restaurants were also constructed. Fourth, Pokhara was linked by roads with Kathmandu and Bhairahawa.

The first Physical Development Plan for Pokhara was prepared and approved by the government in 1974. This plan consisted of a land use strategy which designated different areas of the Pokhara Valley for different purposes and also developed a framework for future growth. This plan emphasised developing Pokhara as a regional centre for the Western Development Region and marketing Pokhara as a green garden for the tourism industry. Hence, during the development of the land use plan, attention was paid to the entire valley including conservation of Phewa and other smaller lakes. The Pokhara Town Development Committee was also formed under the *Town Plan Implementation Act, 1972*, for implementing the plan.

In the absence of an official land use classification, the 1974 plan devised its own land use categories consisting as follows: residential, rural settlement, mixed use (residential/commercial), industrial, institutional, transportation and airport, education, health

service, recreational, preservation, controlled tourist development and restricted areas. In 1988, the Ministry of Housing and Physical Planning (MHPP) and the Urban Development through Local Efforts (UDLE) Project developed a new land use classification consisting of primary and secondary land use categories. Most of the categories were the same or similar. However, the new system contained four new categories: public utilities, military, agriculture and water bodies (Western Regional Directorate, 1989).

Urban development is the sole responsibility of the Pokhara Municipality. However, there are other local agencies who are directly or indirectly involved. For instance, the Pokhara Town Development Committee is primarily responsible for framing policy guidelines as well as the Western Regional Directorate of the Department of Housing and Urban Development being responsible for providing technical assistance.

The nominal group members who identified haphazard urbanisation as an issue remarked that poor implementation of rules and regulations for building location and construction was the main cause of haphazard urbanisation. They also noted that due to a lack of regular inspection and monitoring of building construction, several buildings have been constructed either without following the regulations or without permits. On the other hand, public land has also been encroached on by private building construction. The nominal group members therefore again suggested more strict enforcement of existing rules and regulations. But the key actors (interviewees) responsible for urban development disagreed with the above remarks. They perceived the political change of 1989-90 and the imperfect legal system to be the main causes of the issue. A city engineer said:

In the transitional period [1990] of democracy, all local political bodies were dissolved and local government agencies were seen as loyal servants of the past government. As a result, local agencies were unable to maintain law and order. If we lose control, it will be difficult to control next time.

A local political leader from the Pokhara Municipality noted that there are no grounds to say there is poor implementation of rules and regulations. While in the process of building plan approval, the municipality checks and confirms whether the design is according to rules or not. If the design does not match the rules even after the approval of the building design-map, they do not distribute certificates allowing the proponent to proceed with construction. He suggested that an imperfect legal system is the main cause of the issue. He said:

We have been able to dismantle a couple of buildings that were being constructed in contrary to the rules. As far as houses at Baidam are concerned, while we were trying to dismantle the two buildings, the owners filed a petition to the Appeal Court seeking an order not to allow the municipality to dismantle their houses which were not matching the standard norms. So, the Court has ordered us [municipality] to cease the dismantling activities until the final decision of the Court. Thus, I think the existing legal system regarding the building construction is imperfect.

A lack of clearcut jurisdiction and overlapping legal frameworks are also accountable for haphazard urbanisation. For instance, in the past, building plans were accepted by the municipality on the recommendation of the Implementing Committee of the Pokhara Town Development Committee. That implementing committee of the Pokhara Town Development Committee was dissolved in August 1995 and its legal authority under the *Town Development Act, 1988*, was handed over to the Pokhara Municipality. There is now a question about whether that legal authority can be transferred or not. Thus, the municipality is now following its own regulations rather than following the *Town Development Act, 1988*.

The Pokhara Town Development Committee can be penalised through the use of Rs.100,000 fines and/or a one year sentence for the breaking of the *Town Development Act, 1988*. At present, the *Town Development Act, 1988* is not effective, and the Municipality only has legal authority to penalise up to Rs.10,000. Hence, if someone breaks the rules regarding building construction, a minimal fine only is imposed. According to the *Town Development Act, 1988*, there should be an Appeal Committee for a hearing against the Pokhara Town Development Committee's decision. But the Appeal Committee has not yet been formed by the government.

Nominal group members explained that an *ad hoc* planning system; poor coordination among local agencies; and a lack of community input in urban planning are also responsible for haphazard urbanisation and incompatible infrastructure. For instance, roads are expanded without any future plan and private land is also plotted in the same manner. Local agencies such as Electricity and Water Supply are extending their services without any strategy or coordination. In addition, development plans such as the Tourism Infrastructure Development Project are designed at the national level and there is no local input. The nominal group members also mentioned that a diversion of the city drainage into the Phewa Lake and construction of the Khahare to Pame road along the lake shore, are two examples of incompatible infrastructure reducing the aesthetic appeal of Pokhara. To prevent such *ad hoc*

developments, the nominal group members highlighted the need to establish coordination among local agencies, to involve local people and to frame infrastructure development plans at the local level, to review incompatible development programmes, to plan for minimising adverse impacts, and to develop a city plan to direct land use.

A major reason for the poor coordination in urban development was found to be the recent reform of the Implementing Committee of the Pokhara Tourism Development Committee and Western Regional directorate of the Department of Housing and Urban Development. An interviewee from the Western Regional Directorate remarked that in the past, the member secretary of the Pokhara Town Development Committee was designated from the Western Regional Directorate who was also in charge of the Implementing Committee of the Pokhara Town Development Committee. This Implementing Committee merged with the Western Regional Directorate in February 1994. Following this new arrangement, all employees of the past Implementing Committee of the Pokhara Town Development Committee appeared under the umbrella of the Western Regional Directorate and only the member secretary was designated from the Western Regional Directorate to support the Pokhara Town Development Committee. Consequently, all employees of the Western Regional Directorate felt that they were not responsible to the Pokhara Town Development Committee. On the other hand, there is also the lack of a single agency for coordinating between the Western Regional Directorate, Pokhara Town Development Committee, the Pokhara Municipality and other local agencies involved in implementing the Pokhara Town Development Committee's decisions.

Two interviewees, one from the local municipality and another from the Western Regional Directorate remarked that the Pokhara Town Development Committee is now weak and ineffective in implementing its decision due to uncertainty in its leadership. For instance, the Pokhara Town Development Committee was first formed under the chairmanship of the Zone Commissioner of the Gandaki Zone. After the restoration of democracy in 1990, it was reformed under the chairmanship of the Chief District Officer, and later under the Chairman of the District Development Committee. After the defeat of the Nepali Congress Party in the mid-term general election in 1994, the committee was again dissolved and formed under the Chairmanship of the District Party Secretary of the United Marxist and Leninist Party. It was again formed under the Chairmanship of the Mayor of Pokhara City in 1996.

Finally, other suggestions regarding the future development of urban Pokhara included the need to: give priority to the beautification of Pokhara in urban development; to empower the Pokhara Municipality to select infrastructure development programmes for Pokhara; and to encourage local residents to adopt local arts and culture in building construction.

Uncontrolled urban development is leading to overall degradation of the land environment of Pokhara. There is an urgent need to control increased building density, congestion and noise to ensure that the general appeal of Pokhara is not reduced.

6.1.7 Poor Implementation of Existing Rules and Regulations in the Tourism Industry Sector

Poor implementation of existing rules and regulations in the tourism industry sector was found to be an issue for all nominal groups. But it was only found to be one of the most important issues for the political leaders and local planners who ranked it as their third most important issue. It was also found to be the fifth most important issue on the overall ranking scale.

The *Tourism Industry Act, 2021 (1965)* was the first piece of national legislation specifically related to tourism. This Act was replicated by the *Tourism Act, 2035* in 1978, and was also amended in 1985. The Act's preamble recognised the need to make necessary arrangements for the development of tourism for the economic welfare of the general public, and for the health, convenience, and interest of tourists visiting Nepal. To meet the aims and objectives of the Act, the government manifested some regulations, such as that mountaineering is controlled by the *Mountaineering Expedition Regulations, 1980*, trekking by the *Trekking and River Rafting Regulations, 1985*, and hotel, lodge, bar and tourist guides by the *Hotel, Lodge, Bar and Tourist Guide Regulations, 1982*.

The Pokhara Tourist Office is a local-level office of the Department of Tourism. The Department of Tourism handles a large number of regulatory functions in addition to tourism planning and management at the central level, but the Pokhara Tourist Office lacks those functions. At present, the following responsibilities are delegated to the Pokhara Tourist Office to regulate the tourism sector in Pokhara (Pokhara Tourism Office, unpublished report, 1995):

- (a) to collect and maintain up-to-date records of tourists arrivals;*
- (b) to take the position of member secretary of the Pokhara Tourism Development Committee and to establish coordination to assist the Tourism Infrastructure Development Project;*
- (c) to recommended for licensing hotels, lodges, and resorts which have up to 25 rooms or 50 beds, or fixed assets up to Rs.50 million under the recommendation of authorised environmental institutions within the Gandaki and Dhaulagiri zones and to report to the department;*
- (d) to recommend to the department for licensing if the capacity of hotels, lodges and resorts is as above mentioned in section (c);*
- (e) to recommend to the department to provide any kind of facilities such as import and custom facilities to any type of hotel and lodge;*
- (f) to collect and maintain up-to-date records of all registered hotels, lodges, resorts, travel and trekking agencies;*
- (g) to make classification of hotels up to two star and make recommendations to the department for above this category;*
- (h) to recommend for the registration of travel and trekking agencies to the Office of Industry, Pokhara and issuing the license after registration;*
- (i) to recommend to the department if the hotel, lodge, resort and travel and trekking agencies violate the regulations and therefore need to suspend them;*
- (j) to provide necessary information to tourists and to try to resolve their problems immediately;*
- (k) to advise the department on the matter of tourism in the Gandaki and Dhaulagiri Regions.*

The overall implications of the above responsibilities are primarily to serve the Department of Tourism in implementing the Infrastructure Development Project, to collect local-level information and to send these to the central organisations and administration of the tourism industry at the local level in Pokhara.

The nominal group members noted that the Pokhara Tourist Office is unable to implement existing rules and regulations. For instance, the *Tourism Act, 1978*, Section 14, restricts hotel, lodges and restaurants or bars which are not registered under Section 10 to perform any of the

following functions: (a) use any word or symbol in its sign-board, advertisement, or business creating the impression that the hotel, lodge, restaurants or bar is of tourist standards, or (b) maintain direct contacts with any tourist or travel agency, or issue advertisements for boarding and lodging arrangements for tourists. However, many hotels, lodges and restaurants are catering to tourists without registration under the *Tourism Act, 1978*, Section 10. A local hotelier illustrates the present situation:

There are several hotels and lodges which are not registered but their sign boards are bigger than Hotel Crystal [a two star hotel] and they freely provide services to tourists. It means poor implementation of existing rules and regulations.

In addition, many people are also operating travel and trekking businesses without registration under the *Tourism Act, 1978*, Section 3. On the other hand, there is a lack of inspection of the travel and trekking agencies, hotels, lodges, restaurants or bars which are registered under the Act. The major reasons are: first, the Pokhara Tourist Office lacks adequate power; it is ill-equipped to undertake action against those breaking the rules; and there is a lack of coordination, cooperation, mutual trust and respect between the public and the private sector.

Most of the local interviewees also offered similar opinions. For instance, an interviewee from the Pokhara Tourism Development Committee observed a lack of coordination between the Pokhara Tourist Office and the private sector as a major cause of poor implementation of rules and regulations. But many other local interviewees observed that the Pokhara Tourist office is ill-equipped in terms of power and facilities. For instance, a local hotelier who was a member of the Pokhara Tourism Development Committee said:

The Pokhara Tourist Office has neither any plan nor any facilities, budget or authority. Tourism rules and regulations are not decentralised, even for a small piece of work one needs to go to the centre [Department of Tourism and/or Ministry of Tourism]. The tourism administration should not be as it is now.

Regarding this issue, an interviewee from the Ministry of Tourism and Civil Aviation said:

Maybe the need has not arisen so far to carry out such activities [offenses]. However, it can be carried out by creating legal provisions and giving the legal authority of the department to the tourism office in Pokhara. It is the duty of every person to obey the law. But, from a legal point of view, the authority of Pokhara can also enforce the law by reporting such matters [offenses] that have gone against the law to the department. Anyhow, authority can be delegated and

accommodated within the existing legal options. But if there had been no law or no provision within the law then it would be a different matter. Hence, once the law has been formulated, either the authority can be delegated or necessary provisions can be made within the law.

There was consensus among the nominal group members and local interviewees to equip the Pokhara Tourist Office by providing technical and financial support and to delegate legal authority (by law) to take necessary actions against regulations infringement by the private sector. They also suggested that the Pokhara Tourism Development Committee should undertake a coordinating function with the private sector, for implementing rules and regulations.

Imperfect legal provisions were found to be another cause for the poor implementation of rules and regulations. The nominal group members noted that existing legal provision regarding specific tourism industry sectors and the present tourism policy do not match with the existing legal framework. For instance, the *Industrial Enterprises Act, 1992*, defined industries such as gliding and ballooning, as related to the tourism business, but there is no clear provision for their registration, guidelines about legally instituted conditions or what conditions are to be instituted legally, and what minimum requirements are to be fulfilled by the industry. The policy states its intention to encourage such industries, but does not provide clearly outlined provisions and criteria.

Similarly, the river rafting rules are also inadequate. For example, those facilities, such as sales tax rebate, customs duty rebates and foreign exchange are provided for travel and trekking but are not provided to river rafters. Interviewees noted that in terms of capital investment, the river rafting companies have to invest more than the travel and trekking companies. But there are no legal provisions to formalise the links between government and the rafting companies regarding government facilities. Likewise there are no legal provisions to control quality or safety standards of the services and facilities provided for their clients. For instance, how many boating experts are required for a rafting expedition and what qualifications should they hold. An interviewee from the Ministry of Tourism and Civil Aviation also observed this problem:

His Majesty's Government (HMG) enunciated the tourism policy but did not enact the Act and its rules. The policy does not tally with the Act. The policy seems modern while the Act and its rules are conservative. HMG could amend the rules

but the Act could be amended only by parliament. I see difficulty with implementing the policy from the central to the local level.

The nominal group members especially local planners noted that the disregard of rules and regulations by the private sector and the unnecessary intervention by their professional associations (such as protecting their members from legal action from the public sector) are additional problems facing the implementation of rules and regulations. But interviewees from the hoteliers and travel and trekking agents who are also members of their professional associations disagreed with the above remark and pointed out that the government itself does not follow the rules and regulations and government organisations are also ill-equipped to implement rules and regulations. So how can it be expected that the private sector should respect the government rules and regulations? Hence, there is no point blaming professional associations. But an interviewee who is a member of the Hotel Association of Nepal puts forward a different opinion:

It should be noted that doing each and every thing from the government side is not possible. Thus, everybody who is involved in the tourism business also should follow the rules and regulations laid down by the government, and if one does not follow, he/she should be punished. The professional associations have more responsibility to implement the rules and regulations, otherwise the tourism industry will be in disorder.

Another interviewee from the Pacific Asia Travel Association Nepal agreed with the problem:

Your five fingers are not of the same size so how can we expect that all the tourism industry and professional associations have the same morals and ethics. Hence, a regulating system of government is needed. To do this, government needs to develop transparency and should be committed to enforce rules and regulations. Similarly, the private sector has to honour and follow the rules and regulations.

Four interviewees remarked that government is primarily expected to implement rules and regulations in the tourism sector, however, government cannot implement rules and regulations without the full support of the private sector. Thus, the private sector is equally responsible for following the rules and regulations. A trekking agent commented on this issue:

It is a weak criticism of weak people. There are rules and regulations which we are responsible for following. If I know someone is breaking the rules, it is my duty to report it to the concerned authority. People themselves break the rules and condemn the government. Government cannot implement the rules and regulations

without the support of local people. Thus, it would be better to say that we people did not support the government for implementing the rules and regulation rather than blaming the government.

Government plays an important role in controlling, supervising and facilitating the tourism industry. An effective legal framework and its enforcement is required in order to establish a suitable climate for investment, to control unnecessary competition and to protect consumers (tourists). In addition, regular inspection and monitoring of the industry is also important to maintain quality of service. All the above aspects are seen to be very important for the future growth of tourism in Pokhara.

6.1.8 Lack of Marketing, Promotion and Publicity of Pokhara

Lack of marketing and promotion of Pokhara in the international market was found to be another major issue for all nominal groups. This issue was identified by all nominal groups, but ranked within the top five most important issues only by the hoteliers. According to the overall ranking scale, this issue was found to be the eighth most important issue.

Nepal does benefit from a lot of free publicity because of the incomparable Himalayan mountains, but whilst such publicity makes Nepal known all over the world, it does not necessarily convey the promotional messages which the Nepalese tourism industry needs for its target markets (Touche Ross and New Era, 1990). The Nepal Master Plan 1972 identified four main markets - the United States, France, Germany and the United Kingdom; and three secondary markets - Japan, Scandinavia and Australia in which to concentrate marketing activities (Ministry of Commerce and Industry, 1972). In addition, the Master Plan 1972 also suggested short and long term actions which involve: producing travel agent manuals, sightseeing brochures, trekking guides, short films, and inviting travel writers to Nepal. In the short term, it was envisaged that the Nepalese Embassies would distribute tourist material amongst the source markets. Similarly, in the long term, a 'tourist bureau' would be set up abroad in the tourist markets. So far, the Nepalese Government has not been able to mount any substantive promotional programmes in the tourist source markets in the last two decades, even though it is widely recognised that there is a need for such promotion (Touche Ross and New Era, 1990).

The Department of Tourism undertakes with modest resources, a variety of promotional work that includes: production of publications, audio-visual material and various promotional material; attendance at leading tourism fairs in different source markets; a specific promotional tour each year to a particular market; a very modest level of media advertising; and various other initiatives such as inviting travel journalists. Similarly, the other major groups involved in promoting Nepal in source markets are the airlines, including the Royal Nepal Airline, Nepalese travel agents and overseas tour operators; and the hoteliers (Ibid). However, while there is no separate marketing and promotion strategy for Pokhara, the Department of Tourism has produced numerous publications about Pokhara and its hinterland. Emphasis has generally been placed on Pokhara as a gateway to the Annapurna Himalayas.

Nominal group members, especially hoteliers reported that neither the local tourist organisations such as the Pokhara Tourism Development Committee, the Pokhara Tourist Office nor the local authorities such as the Kaski District Development Committee and the Pokhara Municipality are involved in the marketing and promotion of Pokhara. Similarly, private sector organisations are not involved in this respect.

The nominal group members further reported that marketing, promotion and publicity of the destination is the joint responsibility of the public and private sectors. However, the first responsibility goes to the Pokhara Tourism Development Committee and the Pokhara Tourism Office, although local organisations like the Kaski District Development Committee and the Pokhara Municipality as well as the private sector organisations should also be involved.

In relation to this issue, most of the interviewees reported similar opinions to those of the nominal group members. For instance, an interviewee (hotelier) who is also an executive member of the Hotel Association of Nepal said:

Tourism is now more competitive among the developed and developing countries. We no longer think that we have Mt. Everest and that therefore tourists will come to Nepal without any marketing and promotion. Hence, marketing and promotion of the destination should be taken as an investment not as unnecessary expenditure by the government. Similarly, businessmen should not think that they are created by God and that God himself has to feed them all the time. There is always competition in the tourism business and the businessmen have to do a lot to be successful. Hence, the government and the private sector jointly have to do marketing and promotion of our tourist destinations.

Another interviewee from the Ministry of Tourism added:

Tourism will not flourish if only nature promotion is done or if only promotion of services is done. In order to make promotion effective, nature promotion and service promotion should go hand in hand. Therefore, the private sector should also see it as their responsibility. The private sector considers every penny spent as an investment and they should not expect that the government has to do everything.

Two local interviewees remarked that local authorities like the Pokhara Municipality and the Kaski District Development Committee should be involved in the marketing, promotion and publicity of Pokhara. But a local planner from the Kaski District Development Committee disagreed, and stated that marketing, promotion and publicity are the sole responsibility of the local tourist organisations, not of the District Development Committee. The District Development Committee can only support the developing infrastructure. But a local political leader from the Pokhara Municipality said:

Keeping in view that tourism is part and parcel of the urban lifestyle and the economic activities in Pokhara, the municipality has, as a matter of fact, an indirect but deep relationship with tourism development. Whatever we have done would support the tourism industry. The construction of parks, plantations, clean up activities, roads and drainage facilities are the things that we have done and these activities contribute to the development of the tourism industry. Likewise, we have organised the "Pokhara Mahotsav" (fair) recently with the cooperation of other social organisations in order to expose Pokhara as a tourist destination.

Interviewees from the public and private sector observed that a lack of material and trained human resources are major constraints in marketing and promotion. For instance, an interviewee from the Department of Tourism said:

First, we have resource constraints. Another problem is a lack of experts. We are just trying to maintain the network for tourism development.

A lack of studies that identify the most prominent international markets for Pokhara as well as a lack of the existence of marketing agents in the tourist generating regions have seen major problems for marketing of Pokhara. An interviewee from the Department of Tourism elaborated:

... our market is very limited within a few countries. For example, Western Europe and North America are our main markets. Yet, there is a lack of presence of our marketing in these regions. For example, all tour operating agencies such as travel and trekking agencies are centred in Nepal, and there is a lack of such agencies in those tourist generating regions. If customers are concentrated in that region, I think the shop (travel and trekking agencies) should be opened accordingly in the same region. The private sector is still unable to enter into that region for marketing.

Similarly, a tourist expert also commented on this issue and said:

At present, all tourism businesses are concentrated within the limited areas of Nepal. But our tourist market is outside of Nepal. Thus, the private sector should enter into areas where the tourists come into this country. If there are increases of tourist numbers, there would be more benefits to the private sector.

There is general consensus over the need to conduct market research with joint support from the public and private sectors. In addition, while identifying the tourist generating regions, the public and private sectors have to place their marketing agents in those regions.

It was also noted that the public sector develops all marketing and promotional programmes at the central level and that there is no local input. The nominal group members consider most of the publications as inferior and their distribution to be poor. They suggested a need to equip the Pokhara Tourism Office for the development of marketing and promotional programmes. Interviewees from the Ministry of Tourism and the Department of Tourism accepted that marketing and promotional programmes are developed at the central level but they disagreed with the charges of inferior publications and poor distribution.

Other local problems regarding marketing, promotion and publicity indicate that Pokhara is not adequately covered by the local and national media, and that public and private signboards are poor and placed haphazardly. Attention to these issues is also required to maintain and reinforce the image of Pokhara.

Pokhara is not a well-known name internationally. The public and private sectors are clearly unable to mount marketing and promotional programmes in the international market. The present need for the marketing and promotion of Pokhara is to present this area as a destination with 'must see' attractions that can not be seen anywhere else. This is very

important for the future growth of visitors to Pokhara.

6.1.9 Inadequate Infrastructure and Additional Incentives in the Rural Areas (Begnas and Sarangkot)

Inadequate infrastructure and incentives in the rural areas (Begnas and Sarangkot) was identified by all five nominal groups, although the ranking order varied from one group to another. The travel agents, and craft and souvenir shop owners ranked this issue within the top five most important, whereas it was ranked as the sixth, thirteenth and sixteenth important issue by the local political leaders and planners, hoteliers, and trekking agents respectively. According to the overall ranking scale, this issue was found to rank as the ninth most important issue for tourism development in Pokhara.

Begnas and Sarangkot are two main rural areas adjacent to Pokhara City with potential for tourism development. As noted in Chapter Three, Begnas and Rupa are two smaller lakes to the North-East of the Pokhara Valley about 15km away from the airport which provide opportunities for fishing, canoeing and birdwatching for tourists. A small hill called Pachbhaiya separates these two lakes and offers a magnificent views of the twin lakes. Similarly, Sarangkot is a local viewpoint at an elevation of 1,600 meters which is about five km away from Pokhara City. It commands a complete view of the Annapurna range to the North and views of the Phewa Lake and Pokhara City to the South. It is one part of Pokhara where tourists can, without much effort, easily view the snowcapped peaks of the highest mountain range (Ministry of Commerce and Industry, 1972). According to the local people, about 200 to 300 tourists visit Sarangkot per day, in the tourist season.

The nominal group members from the two groups (craft and souvenir shop owners, and travel agents) who ranked this issue within the top five noted that those two areas lack a basic infrastructure such as an adequate supply of drinking water, telephones, reliable public transportation, bank and visitor information centres. Moreover, there is also a lack of accommodation, events and activities, trained people and public awareness about tourism. They feel that Government has not given priority to these areas for infrastructure development or additional incentives to establish tourism businesses.

To gain further detail on this issue, two nominal groups sessions were conducted for the Begnas and Sarangkot Village Development Committees. These two additional sessions identified problems similar to those identified by the previous nominal groups. However, they identified a few additional problems, for instance, that there are poor conservation practices at the Begnas and Rupa Lakes, the Village Development Committee is not empowered to regulate the tourism sector, and that there is a lack of waste management in the bus park area. Issues related to Sarangkot were; a lack of proper maintenance of the trail from Phewa Lake to Sarangkot; a lack of interest by the Village Development Committee in discouraging local people from disposing waste and animal carcasses as well as defecating along the trail.

Members of the additional nominal groups from the Begnas and Sarangkot areas reinforced the claim that tourists come to visit Pokhara primarily for the mountain views and for trekking. The mountain views can be pictured far better from Sarangkot than from the Phewa Lakeside, and the Begnas Lakeside also offers equal opportunity to the Phewa Lake either in its mountain views or other recreational activities like boating and fishing. But the government has not given attention to developing infrastructure in these areas. They have asked for an adequate supply of drinking water, telephones, reliable public transportation, money exchange facilities and a visitor information centre. In addition, there is a need for a regular supply of electricity and reliable postal services to Begnas and Sarangkot.

Regarding infrastructure development, most of the interviewees from the private sector emphasised that the government has to give priority to developing basic infrastructure in rural areas like Begnas and Sarangkot. They remarked that if the public sector developed the infrastructure, the private sector would be ready to go to those areas. For instance, an interviewee from the Pacific Asia Travel Association Nepal said:

Without a basic infrastructure, the private sector cannot go outside. If we open a five star hotel in a rural area, we will not get the customers because there is a lack of infrastructure, such as road and reliable public transportation [public bus and taxi], electricity, drinking water supplies etc. The main thing is that if the government develops the infrastructure, the private sector is ready to go to any potential rural area.

Interviewees from the public sector hold different opinions. An interviewee from the Pokhara Tourism Development Committee said:

First, the concerned Village Development Committees have to put their requirements to the District Development Committee because the District Development Committee is primarily responsible for infrastructure development at the local level. Second, if any area has exceptional potential for tourism development, the centre organisation has to consider developing infrastructure. The Pokhara Tourism Development Committee is neither responsible for nor capable of providing telephones, drinking water, and banking and other facilities for Begnas and Sarangkot.

A local planner from the Kaski District Development Committee put forward a different opinion:

At present, each Village Development committee is getting Rs.0.5 million and 75 percent of land tax as a grant from the government. In addition, the District Development Committee also provides some grants. In this situation, how can we say that rural areas have not got priority. In the case of tourism development, if the Village Development Committee asked for a big project the District development committee cannot help them because it has a very limited budget and also has to look at all Village Development Committees.

An interviewee from the Department of Tourism said:

I agree with that. Looking at the features of the whole area, how sparsely distributed the areas are. Line agencies developing infrastructures in the districts look at the site perspective with regard to the number of users. So obviously, urban areas get priority over rural areas, because the number of users obtaining benefits from the undertaking is often times more than in rural areas. But this is not true from a tourism perspective because we look at it from the perspective of future potential. That is why we do not meet the priority.

Similarly, another interviewee from the Ministry of Tourism said:

Nepal's policy should have a "two pronged approach". Tourism should follow development; not the other way round. For instance, just because the Rara Lake is a beautiful tourist spot, there is no point in constructing a motorable road to the Rara Lake. Development activities should be economically justifiable, and development should not be carried out by focusing on tourism only. Therefore, development in the present context cannot follow tourism.

The *Industrial Enterprises Act, 1992*, and Governments' Tourism Policy, 1995 have defined the tourism industry and provide protection, incentives and facilities to the tourism industry depending on the scale of tourism enterprises and the geographical region. However, there is no basic difference between Kathmandu and elsewhere in terms of: sales tax rebate, customs

environment are perceived to be additional requirements raised by all groups. Table Seven exhibits the ranking order of those issues/problems.

Table 7: Important Issues/Problem

S.N	Issues/Problems	Rank by Nominal Groups (n=5)					Overall Ranking
		LPP	TKA	HT	TRA	CSO	
i	Poor condition of road network connecting Pokhara to Kathmandu, Bhairahawa, and unreliable public transportation including city bus system and taxis	9	8	7	8	16	10
ii	Lack of effective tourist organisations to manage tourism development at the local level	7	10	12	11	9	11
iii	Lack of an international airport in Pokhara	12 ⁽⁼⁾	11 ⁽⁼⁾	8 ⁽⁼⁾	9	18	12
iv	Lack of public participation in tourism planning	12 ⁽⁼⁾	15 ⁽⁼⁾	10	12 ⁽⁼⁾	11 ⁽⁼⁾	13
v	Lack of public awareness about tourism and the environment	10	11 ⁽⁼⁾	15	14	13 ⁽⁼⁾	13 ⁽⁼⁾

Local Political Leaders and Planners = (LPP), Trekking Agents = (TKA), Hoteliers = (HT), Travel Agents = (TRA), Craft and Souvenir Shop Owners = (CSO)

6.2.1 The Poor Condition of the Road Network and Unreliable Public Transportation

The poor condition of the road network connecting Pokhara to Kathmandu and Bhairahawa and the unreliable public transportation system including the city bus and taxis was found to be an important issue. According to the overall ranking scale, this issue is the tenth most important issue relating to tourism development in Pokhara.

This issue is twofold, and concerns both the road network connecting Pokhara to Kathmandu and Bhairahawa, and local transport in Pokhara. The nominal group members who identified this issue explained that accessibility is the most crucial factor in developing tourism and reliable local transportation is equally important to increase tourist activities and length of stay.

As noted in chapter three, Pokhara was first linked by road with the Indian boarder of Sunauli (in the South) in 1969 and with Kathmandu in 1973. The road to the Indian boarder is a total

distance of approximately 170kms and travel takes between five and six hours. Similarly, Kathmandu to Pokhara is approximately 200kms which takes five to seven hours. A total of 33,022 tourists from Kathmandu and 3,619 tourists from Bhairahawa arrived in Pokhara by road in 1994 (DOT, 1995), illustrating the importance of these roads to Pokhara's tourism.

The Pacific Asia Travel Association (PATA) found in 1975 that the Kathmandu-Pokhara road access was in good condition except for a short distance in the area of the 5000ft pass over the hill from the Kathmandu Valley. The road had the capacity for large comfortable buses. Thirteen years later, the PATA carried out an assessment of Pokhara's tourism. In doing so, the PATA (1988:11) found that the Kathmandu-Pokhara road had deteriorated in condition, and also noted that the road was not built for the current heavy truck traffic. It was seriously damaged in those areas where this type of traffic was heaviest. The worst section of the road was found between Kathmandu and Mungling. As a result, vehicles using the road now take a considerably longer time to reach Pokhara from Kathmandu. More serious than this, however, was that there were many occasions in which travel between Kathmandu and Pokhara by road was no longer attempted because of the condition of the road surface. Many tours to Pokhara used to be undertaken one way by road, and one way by air. The tour operators hesitated to use their own vehicles and no longer operated these tours regularly. This was a very serious loss to Pokhara's tourism.

The Kathmandu-Pokhara road was renovated from Kathmandu to Mungling in 1991-92, although about 90km roadway connecting Mungling to Pokhara is still in poor condition. Most of the local interviewees also observed this issue and pointed to an urgent need for repair. A local hotelier elaborated:

The distance between the two cities (Kathmandu-Pokhara) is hardly 200 kms. but it takes a seven to eight hours journey. The road is not properly maintained and at present, it is a very dangerous to travel.

Similarly, another local hotelier said:

[the] ... government has not yet maintained the road. If the road building and public transportation facilities are not improved, it will be difficult for tourists to visit Pokhara.

But a local souvenir shop owner disagreed with this issue:

... it is not a big problem because we have an air link from Kathmandu to Pokhara and each day there are four to five flights.

As noted above, the second problem is related to local transportation. It also has two dimensions; the poor urban road network and the poor public transportation system. The total urban road network is 119km of which 50km is sealed (Sharma and Subedy, 1994). Most of the city roads in Pokhara are too narrow for two-way traffic. Tourists now share the roads in the main tourist area (lakeside and airport) with buses, trucks, cars, motorcycles, bicycles, push carts and cattle. Storm water accumulates along the edges of the roads during the monsoon season. The edges of the road are not landscaped and randomly-spaced piles of stones, left-over building materials, and other semi-permanent eyesores litter the area (International Consultants and Technocrats (ICT) and Science Applications International Corporation (SAIC), 1995). The 1988 PATA report also stated that the condition of roads in the Pokhara Valley itself has also deteriorated since the previous PATA visit in 1975.

In general, the Pokhara Municipality, is responsible for providing road infrastructure within its boundaries. The municipality (usually with a 60 per cent cost share from residents fronting a road), generally contracts for road building or paving in selected neighbourhoods. Most of the urban roads are opened to increase land values.

A great majority of the roadworks involve simple paving, with little detailed design, and with little consideration given to drainage. Overseeing of the road building is usually undertaken by a committee comprising of land owners. Only the major roads in Pokhara are paved and the minor roads and streets are mostly ungraded dirt. Road maintenance is also a function of the Pokhara Municipality, but receives little attention. Some of the paved roads are in very bad shape and seriously restrict vehicle speed (ICT and SAIC, 1995). Three local interviewees remarked that road planning is not done appropriately.

A total of 7,454 vehicles were registered as of December 1996. Of this, about 6.4 per cent belonged to government and corporations, 58.7 per cent were private, 34.6 per cent were for public transport including taxis and 0.3 per cent were diplomatic service (Transportation Management Office, Pokhara, unpublished data, 1996). Local interviewees commented that

most of the public buses and taxies running in Pokhara are very old and unsafe. A local hotelier elaborated:

Public vehicles running in Pokhara are very rusty, old and in a pitiful state. Any vehicle has a limited life and may need repair from time to time. But we don't have a practice to repair and maintain till breakdown. We have had a government office in Pokhara to look at this matter for several years. But that office is not being effective and the private sector is not following rules and regulations.

Some local interviewees and nominal groups especially hoteliers also remarked that the Taxi Association recently raised its fares without any reasons. The taxi fares are also not published and the drivers get what they can. In addition, traffic management and discipline have not developed adequately in Pokhara. At present, the Public Transportation Office in Pokhara certifies the condition of vehicles and the local fare charges for public transport are controlled by the Public Transportation Management Committee comprised of five representatives from the District Administration Office, the Police Department, the Professional Associations of Bus Owners and Labour, and the Public Transportation Office, Pokhara. With reference to this local problem, the Chief District Officer, who is the chairman of the Public Transportation Committee and the Pokhara Tourism Development Committee, said that:

The Public Transportation Management Committee is primarily responsible for fixing the local fares of taxies and buses. The present taxi fare is cheaper compared with Kathmandu. Vehicles are examined and certified by the Public Transportation Office, Pokhara. It is their duty to check whether taxis and buses are in good condition or not. People think that everything in Pokhara should be managed by the Chief District Officer.

Local interviewees did not mention the condition of the road network connecting Bhairaha to Pokhara, although this road is also important to Pokhara's Tourism. Many Indian tourists travel in and out via this road.

6.2.2 Lack of an Effective Tourist Organisation to Manage Tourism at the Local Level

Lack of an effective tourist organisation to manage tourism in Pokhara was ranked as the eleventh most important issue for tourism development in Pokhara in the overall ranking scale.

This issue is threefold. First, the Pokhara Tourist Office was upgraded as a regional tourist office in 1982, however, this was not matched by changes in management responsibility. Second, the Pokhara Tourism Development Committee comprises of 14 people representing public and private sectors, although as previously mentioned the committees' role is limited to assisting the Tourism Infrastructure Development Project. Third, private sector organisations, like the Hotel Association of Nepal, the Trekking Agents Association of Nepal and the Nepal Association of Travel Agencies are unable to play an advocacy role in tourism development. The main reason is the lack of coordination and trust between public and private sector organisations. Thus, at present, there is a coordination and management problem in carrying out the basic functions of tourism planning, control, marketing, promotion, product development, research and training.

In discussion, local political leaders, planners, hoteliers, travel and trekking agents and local interviewees observed that 'the limited role of local tourist organisations' and 'the lack of technical back-up' for tourism management are the main causes of the problem. For instance, in the case of the Pokhara Tourism Office, a local resident said:

The Pokhara Tourist Office is completely neglected by central organisations. There are no trained staff nor a sufficient budget. This office is only responsible for distributing some tourist brochures and for the licensing of hotels and travel and trekking agencies.

Similarly, an executive member of the Hotel Association of Nepal in Pokhara said:

We have a Tourist Office in Pokhara. This office has insufficient budget or technical skills. They are limited even if they want to do things for tourism development. We have to give a sufficient budget and technical support.

In the case of the Pokhara Tourism Development Committee, a committee member stated that His Majesty's Government has formed the committee, although, neither the act, regulations, nor the Ministry of Tourism have defined its role further, except that it is to assist with the Tourism Infrastructure Development Project. In addition, a local interviewee, who was also a member of Pokhara Tourism Development Committee, said:

The Tourism Development Committee was first formed under the Zone Commissioner where I was also a member. At that time, when we asked to set up something new, people used to say we are not authorized for that. After the

restoration of democracy, that committee has been formed under the chairmanship of the Chief District Officer. Still I am hearing the same thing, that the committee does not have any authority.

In addition, as noted above in section five of this chapter, political leaders, hoteliers and local interviewees also remarked on the inappropriate designation of Chief District Officer, as chairman of the Pokhara Tourism Development Committee. They remarked that the Chief District Officer is responsible for maintaining law and order, not for tourism development. Hence, the Pokhara Tourism Development Committee is to be formed either under the chairmanship of the Mayor of Pokhara City or under the chairmanship of the Kaski District Development Committee. An interviewee from the Department of Tourism agreed with the above remarks:

If the local institutions are strong, there would be less interference from the central level. In the case of Pokhara, the institution should be formed under the leadership of the Mayor of the Pokhara Municipality.

But an interviewee from the Tourism Infrastructure Development Project said:

Only restructuring the committee [Pokhara Tourism Development Committee] cannot make that committee more effective. The main critical things are the political commitment and a positive attitude. Although, if we involve the local and private sector and then provide a leadership role to the local people, we can have more local support and public participation to implement any tourism development project.

Two other local interviewees suggested reforming the present Pokhara Tourism Development Committee to comprise tourist experts and local people. Its chairmanship can be given to a neutral person who has knowledge of tourism. For instance, a local trekking agent said:

Tourism development is also a part of local development and needs to adopt a bottom up approach like other sectors. The process of development is most important rather than giving the leadership to a particular person. An individual person is less important in the process of development and he/she alone cannot drive the tourism development of Pokhara. The organisation should be comprised of local people and experts.

Similarly, a local resident said:

In principle, leadership should be in the hands of the people's representative. But in Nepal, since there is an absence of good knowledge and awareness in the area of tourism, the leadership should be given to such a person who is not involved in any political group and knows the tourism sector very well.

Local interviewees who addressed this issue suggested that coordinating tourism-related programmes, marketing and promotional roles should be given to the Pokhara Tourism Development Committee. To achieve these roles, local interviewees also suggested providing technical assistance to the Pokhara Tourism Development Committee.

In the case of the private sector organisations, local interviewees also remarked that the Hotel Association of Nepal, the Trekking Agents Association of Nepal and the Nepal Association of Travel Agencies are on their own not proficient to manage tourism. They noted that private sector organisations also lack technical backup and commitment for tourism. A local hotelier who is an executive member of a private sector organisation said:

The main thing is our commitment towards tourism development. We have many professional associations and they can work together. But these organisations talk too much and do not work.

In addition, two interviewees who are not involved in a tourism business remarked that private sector organisations are not performing adequately in terms of promotion and development of tourism. The private sector organisations think that their responsibility is to protect their members from legal action and interference from the public sector. Interviewees suggested that the private sector should be encouraged to make greater contributions to tourism development.

6.2.3 Lack of an International Airport in Pokhara

All five nominal groups recognised the lack of an international airport as an issue. However, no one group ranked it within the top five most important issues. Corresponding to the overall ranking scale, this issue was found to be the twelfth most important issue in tourism development.

There was a demand to convert the Pokhara Airport into an international airport. Land was acquired for this purpose in 1976, but so far development has not occurred. Demand was still found to be there according to my information.

There are four to five regular flights from Kathmandu to Pokhara as well as two to three regular flights from Bhairahawa to Pokhara. During the tourist season, up to five Pokhara to Jomosom flights take place every day and three to four Pokhara to Manang flights in a week. Flights also go to Lomanthang. The flights to Jomsom take place throughout the year, whereas the flights to Manang operate only for four month of the year. According to the local staff of the Royal Nepal Airlines Corporation, about 90 per cent of air seats are occupied by tourists in the tourist season.

About 400 passengers move in and out daily from Pokhara. A total of 68,541 arrived and 77,674 passengers departed in 1994 and the total income from airport tax, landing charge and terminal rents was Rs.1,830,378 in the fiscal year 1994-95 (Pokhara Civil Aviation, unpublished data, 1995).

The nominal group members; political leaders, hoteliers, and travel agents noted that it would be easier for tourists to move in and out of Pokhara by upgrading the present airport to international standards. This may help to increase the tourist numbers as well as their length of stay in Pokhara, because most of the tourists are now forced to stay a few nights in Kathmandu while waiting to go to and from Pokhara. In terms of this issue, local interviewees reported similar benefits, although one local hotelier mentioned other reasons for an international airport in Pokhara:

We do not demand that we have an air link with Europe and America and have a landing facility for Boeing 767s or Concorde. Our demand is at least an airlink with some destinations in India and to provide landing facilities for medium range aeroplanes in Pokhara because tourist arrivals from India are very positive and it can be a big market for Pokhara's tourism.

In addition, two interviewees noted that the present air service is a national problem. They remarked that it is still difficult for tourists to come in and out of Nepal. An interviewee from the Pacific Asia Travel Association, Nepal, explained:

Those tourists who come via road are not enough and worthwhile for us. Another access to tourists coming to Nepal is air service ... the air service has been at the same stage for the last ten years.

Another interviewee (conservationist) agreed with the above statement and further elaborated the present situation:

The airline's policy and management still create bottlenecks and have been like that for 15 years. The airline now has the same air network connection which it has had for the last 10 years. The Royal Nepal Airline Corporation has a few jet planes which are leased, and has not enough air capacity. If 500 people are in a queue in Delhi and 200 are in a queue in Frankfurt and Bangkok, we have to develop first the air capacity. If we are not able to increase the total number of tourists in Nepal, then how can we increase the number of tourists in Pokhara?

All nominal groups and local interviewees remarked that private airlines have made a significant improvement in air services, however, it is still not sufficient to meet the present demand. An airline operator noted that the present airport lies in the market area which is inappropriate from a safety and technical point of view. There is a need to install equipment and facilities for operating night flights. Similarly, two interviewees from the Ministry of Tourism remarked that it would be better to equip the Pokhara airport rather than to up-grade it into an international airport without basic facilities.

6.2.4 Lack of Public Participation in Tourism Planning

Lack of public participation in tourism planning was found to be an issue for all nominal groups and ranked the thirteenth equal among all issues presented.

The nominal groups reported three main problems regarding this issue. First, tourism planning is carried out at the central level without local input, second, government organisations are often reluctant to involve local people in the decision making process, and third, there is a lack of trust and respect between government organisations, the private sector and local people.

Like the nominal groups, local interviewees also remarked that most of the decisions regarding tourism planning are carried out at the central level. For instance, the Tourism Infrastructure Development Project for Pokhara has been carried out at the central level without consultation

with local residents. But two interviewees from the Ministry of Tourism and one each from the Department of Tourism and the Tourism Infrastructure Development Project, noted that whether it is tourism or any development activity, if there is an absence of local participation, any programme is difficult to conduct. Hence, the government's present policy is to encourage locals to be involved in tourism development as well as to encourage local institutions to incorporate tourism-related programmes in their fiscal plans. In the case of the Tourism Infrastructure Development Project, they disagreed with the above remarks and noted that there was adequate consultations with local people, political leaders and the private sector. An interviewee from that project said:

This is the first tourism project for Pokhara. The Department of Tourism has no practices in involving local people. However, we involved local people, political leaders and the private sector in its planning phase. When we contacted local people and the private sector, their demand was to construct an international airport which is too costly for us because we are fully dependent on foreign loans and aid. We convinced them of our limitations and they agreed with us. At present, local people are very positive towards this project. Hence, there is no reason to say there was no public participation in this project.

Three local interviewees also pointed out that local organisations are often reluctant to channel sufficient information to the local people about future plans and benefits. The main reasons are a lack of mutual trust and respect between the local people, government and the private sector. A local hotelier said:

If we have mutual trust and respect among the local people, the private and government sector, we can do a lot better for tourism development.

Two other local interviewees also remarked that government organisations are not obliged to involve the local people to participate in local development programmes. Due to this, they do not call local people to participate. For instance, a local hotelier said:

I think there should be clear legal provision for local participation, otherwise local organisation will not be ready to call for public participation.

In addition, two local interviewees also reported that local organisations are reluctant to involve local people in the beginning of planning, but asked for public support and participation at the implementation stage. A local hotelier elaborated:

When choosing a project, we keep the public afar but at the time of its implementation we shout for public participation. This sort of trend does not work.

Many interviewees agreed that tourism programmes should be carried out with full consultation of the local people. The tourism planner should understand the feeling and ideas of local people and needs to include their voice in planning. An interviewee (conservationist) expressed his opinion:

I think tourism planning should be started from the micro level. If you want to do effective planning, first of all you have to go to the village, and identify the needs of local people. For example, the villagers might say that they have their god on the top of that hill therefore they do not allow visitors to go there, planners should understand and make a decision to not give permission to the visitor to go on top of that hill. In addition, if locals wish to keep the Mt. Machhapuchre virgin, let them keep the Mt. Machhapuchre virgin. I mean that the planner should understand the feelings and ideas of local people. The planner only has to translate the ideas of local people in planning format.

6.2.5 Lack of Public Awareness About Tourism and the Environment

Lack of public awareness about tourism and its relationship to the environment was also an issue pertinent to tourism development, and ranked as the thirteenth equal most important issue in the overall scale.

The nominal group members explained that if the local people are not aware of the importance of tourism and the environment, it would be difficult to get local support for tourism development. They pointed out the four main areas where public awareness is needed for Pokhara's tourism. They are: waste management; nature conservation; preservation of local arts and culture; implementation of rules and regulations and government policy and programmes.

Some interviewees also commented on the issue. For instance, in the case of waste management, local interviewees provided a visual example that many people just throw garbage in public places, with no idea how it will be removed. Similarly, in the case of conservation of natural areas, they noticed that the Phewa Lake is being used as a place for disposing garbage. People have no idea what the consequences are if the lake is polluted. A local resident from the lakeside gives an example of how important public awareness is for

lake conservation and tourism development:

Take the example of a farmer who is living up that hill [adjacent to the Phewa Lake]. In addition to farming, the farmer also has some buffaloes. He has a son who goes to school. Now, the farmer should develop the attitude that the Phewa Lake is out here and is being visited by tourists. The tourists need tea, and the milk that goes along with the tea is supplied by his buffaloes. The money which he get from selling the milk is spent on his son's schooling and his family's survival. If the Phewa Lake is severely polluted and its beauty is lost, there will be no tourists and then the money which he gets will also be lost.

Likewise, in the case of preservation of the local arts and culture, a local political leader from the Batulechour, an area of Pokhara well known for folk songs and music, stated that 'without creating public awareness it would be difficult to preserve the local songs and music of Batulechour'. Similarly, in the absence of public awareness, legal requirements can not be implemented nor can government policies and programmes be successful. An interviewee from the Tourism Infrastructure Development Project related his experiences:

The major problem we felt was a difficulty in convincing the locals that drainage construction can support tourism development. The main reason was a lack of awareness about tourism.

Interviewees perceived that creating public awareness is a joint responsibility of the public and private sector. Hence, both sectors have to launch awareness programmes through national and local media. Two local interviewees suggested organising awareness programmes through local schools. One of them, who is a local hotelier, said:

If we create public awareness through schools it will be more effective. To do this, we have to give some incentive to local schools. It does not need to be too costly but is more effective.

Some interviewees also remarked that many local people, even hoteliers also have a lack of awareness about tourists. They think that tourists are only white-coloured people (Western) and that all Westerners are rich. Because of this, they ignore domestic and Indian tourists which is a big loss to Pokhara's tourism. Hence, there is also an urgent need to create public awareness about domestic and Indian tourists and their importance to the local economy.

6.3 Least Important Issues/Problems (Priority 3)

Other issues/problems presented in Table Eight are classified as least important issues/problems. They are a lack of appropriate crafts and souvenir market based on local arts and culture; inadequate preservation and promotion of local arts and culture; poor distribution of tourist information; national and international competition in tourism markets, the lack of a 'one stop' (one window) policy (for visa, trekking and National Park permits). All of these are seen as issues for tourism development in Pokhara but they are not recognised by all nominal groups. These issues were ranked in the overall scale as fifteenth most important.

Table 8: Least Important Issues/Problems

S.N	Issues/Problems	Rank by Nominal Groups (n=5)					Overall Ranking
		LPP	TKA	HT	TRA	CSO	
i	Lack of appropriate crafts and souvenir markets based on local arts and culture	-	-	-	-	8	15
ii	Local people do not benefit from tourism to the maximum	18	-	-	-	11	15 ⁽⁼⁾
iii	Inadequate preservation and promotion of local arts and culture	12 ⁽⁼⁾	-	-	-	13	15 ⁽⁼⁾
iv	Poor distribution of tourist information	-	11	-	-	19	15 ⁽⁼⁾
v	National and international competition in the tourism market	19	13	-	-	-	15 ⁽⁼⁾
vi	Lack of 'one stop' (one window) policy for issuing visa, trekking and national park permits	16	-	15 ⁽⁼⁾	-	-	15 ⁽⁼⁾
vii	Lack of support(positive attitude) for the tourism industry from line agencies at the local level	-	-	14	-	-	21
viii	Tourists are hassled by craft sellers and street vendors	-	-	-	15	-	21 ⁽⁼⁾
ix	Local organisations are unable to persuade the local people of the benefits of tourism	15	-	-	-	-	21 ⁽⁼⁾
x	Tax money is not 'ploughed back' into tourism development	-	-	-	-	16 ⁽⁼⁾	21 ⁽⁼⁾
xi	Tourism business is centralised within the limited areas	-	17	-	-	-	21 ⁽⁼⁾
xii	Poor tourist security on trekking routes	-	17 ⁽⁼⁾	-	-	-	21 ⁽⁼⁾
xiii	Political instability	19 ⁽⁼⁾	-	-	-	-	21 ⁽⁼⁾
xiv	Seasonality	19 ⁽⁼⁾	-	-	-	-	21 ⁽⁼⁾

Local Political Leaders and Planners = (LPP), Trekking Agents = (TKA), Hoteliers = (HT), Travel Agents = (TRA), Craft and Souvenir Shop Owners = (CSO)

Other least important issues include lack of support of line agencies to the tourism industry; tourists being hassled by craft and street vendors; local organisations being unable to persuade the local people about the benefits of tourism; tax money not being 'ploughed back' into tourism development; the tourism business being centralised within limited areas; poor security for tourists on trekking routes; political instability; and seasonality. These issues were ranked as the twenty first most important. They are elaborated below.

6.3.1 Lack of an Appropriate Craft and Souvenir Market Based on Local Arts and Culture

The lack of an appropriate craft and souvenir market based on local arts and culture was found to be an issue for craft and souvenir shop owners and rated as the eight most important issue for them. In the overall scale this issue was ranked as fifteenth most important.

Regarding this concern, craft and souvenir shop owners noted that local products are very limited in variety and number in the craft and souvenir market. Because of this, crafts and souvenir goods are starting to be import from India. Principal reasons for this situation were believed to be a lack of incentives such as interest free loans and technical support (training and education) to the craft and souvenir industry to increase and improve the local products in Pokhara.

Three local interviewees also commented on this issue and pointed out similar problems to those noticed by the nominal group. For instance, in the case of incentives, local interviewees stated that if someone wants to borrow money from the bank to establish a craft and souvenir industry, he/she has to deposit fixed property to the bank as a guarantee. So there are no incentives provided for those people who do not have fixed assets. Moreover, if someone wants to borrow money in Pokhara it is hard to deposit fixed assets of another region with the bank for a guarantee. An interviewee said:

For example, I do not have private land in Pokhara and tourists do not go to my village. In this situation, how can I borrow money from the bank? I think the bank has to give priority to those people who do not have any fixed property such as land and houses. The main problem is for the lower class people who do not have any piece of private land. In addition, many lower class people are scared of the banking procedures because they are not transparent to all. Thus, only clever and

witty people can borrow money from the bank.

An interviewee noticed that several people are involved in the crafts and souvenir industries in Pokhara, but no one organisation is responsible for providing appropriate training to the people involved in this industry or for organising activities for the marketing and promotion of the crafts and souvenir industry. At present, the Regional Office of the Department of Cottage and Rural Industry provides training for wood carving, knitting and weaving. However, this office is unable to cover other kinds of crafts and souvenirs.

Interviewees also noted that the Indian Kashmiries⁴ have gradually captured the crafts and souvenir business in Pokhara. The main reasons for this is that the Indian Kashmiris are more skilful in business and they can also invest huge amounts of money on a larger scale than the local people. For instance, they directly purchase and/or import goods in large quantities from the manufactures and can also offer money in advance. Their operational costs are comparatively low compared with local small business people. They offer a low price which covers their costs and provide them with a small profit margin.

Interviewees also remarked that many jobless young people do not want to work in the crafts and souvenir industry. The main reason is that many people still think that the manufacturing of crafts and souvenir goods is low class work. They suggested to increasing public awareness to change the attitude of young people towards this industry. This could help current local unemployment problems in Pokhara.

6.3.2 Local People do not Benefit from Tourism to the Maximum

That local people do not benefit from tourism to the maximum was found to be an issue for local political leaders and planners, and craft and souvenir shop owners, and also rated as the fifteenth equal most important issue on the overall scale.

Local political leaders, planners, and craft and souvenirs shop owners pointed out that Pokhara is known as the second most visited tourist destination in Nepal, however, the local people of Pokhara are not benefitting from tourism to the maximum. In the long run, government has

⁴ Kashmiris: Indian business people origination from Kashmir in the North of India. They are traditionally skilful in craft and souvenir business.

to think of maximising the economic benefits of tourism for the local people of Pokhara.

Regarding this issue, three local interviewees remarked that most of the necessary items for tourists are imported from outside the area. For instance, local hoteliers and restaurants owners are not using local products even though some items are easily available. Second, tourists themselves also bring such items which can easily be found in the local market, citing the inferior quality of the local products as the main reason. An expert also remarked on this:

... the reason is leakage out basically to imported food. Of course so much of the food could not be produced in that area but things like milk products, vegetables, rice, meat, so many things could be produced locally. Until and unless these leakages are stopped, we cannot expect that tourism is going to have wider positive impacts in the local economy.

Another expert remarked:

It is because of a lack of thought by the government for distributing the economic benefits of tourism to the local people of Pokhara. It should be considered how we can distribute the benefits of tourism to the whole local community.

Another interviewee, who is an executive member of the Hotel Association of Nepal elaborated on the consequences if local people do not benefit from tourism:

If locals do not gain income as a result of tourism, they will be against tourism and this will destroy the image of Nepal. At present, our nature, which is one of our prime assets is deteriorating. If the locals also move against tourism, it will damage the image of Nepal, and consequently affect tourism development. Thus, the next collective effort of government and the private sector should be how to keep intact that quality of our local people. We have to keep the smile of the Nepali people, and their belief of guests as a God.

Thus, business people have to realise how much they are concerned with local people and how much local people are benefiting from tourism. But it is lacking at present, and needs to be drilled into the hoteliers, travel and trekking agencies at the local level. Thus I [member of the Hotel Association of Nepal] am following this approach and I think other professional associations also should follow this approach rather than just blaming the Government.

Four interviewees suggested that government has to bring such policies and programmes that can encourage the local people including the local farmers to produce high quality food and other items as well as to encourage the local hoteliers and the restaurants to use local food and items. But two interviewees respectively, one from the Ministry of Tourism and another from

the Department of Tourism, stated that the central level institutions alone cannot do each and every thing. Hence, the private sector and the local community should be aware of such facts.

6.3.3 Inadequate Preservation and Promotion of Local Arts and Culture

Inadequate preservation and promotion of local arts and culture was found to be an issue for local political leaders and planners, and craft and souvenir shop owners, but it rated low in the overall scale as fifteenth equal.

Both nominal group members and local interviewees pointed out two main concerns: first, a lack of promotion of the local song and music (Gaine Geet) of the Batulechour; and second, a lack of preservation of the Ramkrishna Tole, an old market. The Batulechour of Pokhara, inhabited by the Gaine (a special tribe whose main occupation is traditional singing), is well known for its local folk songs and music. The Gaine Geet (a song sung by the Gaine) presents an element of traditional culture within Pokhara. Similarly, the Ramkrishna Tole, a small old market of old houses with red brick walls, carved windows and tile and stone roofs presents an authentic mixture of traditional arts and architecture.

Four local interviewees remarked that there are two main reasons for the degradation of local arts and culture. First, neither the public sector, such as the Pokhara Municipality, the Kaski District Development Committee and the Pokhara Tourist Office nor private sector organisations have carried out any renovation programmes or are ready to spend a single rupee on the preservation and promotion of the local arts and culture. They also stated that the local arts and culture of Pokhara are an asset of the local people which is equally important for local and tourism development. Therefore, the first responsibility goes to the Pokhara Municipality, although the private sector also has to provide its full support.

Second, local people are not aware of the value of local arts and culture. Two local interviewees remarked that the arts and culture can be preserved only by creating a common feeling and interest in the society. In doing so, the media and education systems are very important. But the media and the present education system do not help to build up an awareness of local culture but mislead local society to imitate Western culture. A local hotelier explained:

We have numerous private schools which teach our children how to say dad and mum. They never teach our children what is our arts and culture and why it is important.

A lack of awareness about the local arts and culture was also found among the businessmen. An interviewee from the private sector who is an executive member of the Hotel Association of Nepal clearly stated:

I say, many businessmen have no knowledge or realisation of how important local people and their culture are for their business.

Regarding this issue, local interviewees have also offered some solutions. For instance, in the case of the local songs and music of the Batulechour, a local interviewee suggested:

... if the travel agency who brings tourist groups to Pokhara has to organise one hour special events such as "meet the Gaine of Pokhara" in the Batulechour, it will encourage the Gaine people to preserve their culture as well as also providing opportunities.

However, a local political leader from the Batulechour noticed that bringing tourists into areas is not the full solution. He stated that financial assistance in order to establish a cultural house to display musical instruments, dresses and indigenous collections, as well as providing facilities to perform cultural programmes regularly is urgently need. He also noted that they have already approached the Pokhara Municipality, but have not yet been successful in securing funding.

Similarly, in the case of the Ramkrishna Tole (old market) a local hotelier remarked that the Ramkrishna Tole is a dead market at present. It will be alive if the layout of that market is properly renovated for tourism. To do this, government has to provide financial assistance, because if the locals benefit, ultimately the nation will benefit. A local resident from the Ramkrishna Tole suggested:

... people living in the Ramkrishna Tole are not affluent enough to preserve this old market themselves. We have no idea about tourism and also no confidence and capacity to invest capital in the tourism sector. Thus, first, government has to provide some incentives as well as it needs to conduct educational campaigns to create awareness about the importance of the Ramkrishna Tole to the local people to preserve their old houses.

Beside this, the private sector of Pokhara also needs to support the local people of the Ramkrishna Tole by bringing more tourists into this area for sightseeing and shopping. For example, those agencies who bring tourists into this area for sightseeing also need to inspire or encourage tourists to have their lunch or dinner in this place. This may motivate local people to preserve this old market as it is, although locals should come because it is our place. If we [local people] fold our hands, government first cannot support us.

Beside the local songs and music of Batulechour and the local arts and architecture of Ramkrishna Tole, two local interviewees also remarked that the local *Chautaro* (a platform of stone blocks for sitting on, erected usually under a tree) that represents the history and local culture of Pokhara, needs to be preserved. But some *Chautaro* have been cut down for road expansion and some are not properly protected.

Local interviewees agreed that Pokhara has not as many religious sites as Kathmandu. However, the local culture and history of Pokhara should be included in tourism development when and where possible. They appreciated the "Pokhara Mahotsav" (fair) which was recently organised by the Pokhara Municipality in order to publicise Pokhara to visitors.

6.3.4 Poor Distribution of Tourist Information

Poor distribution of tourist information was found to be an issue for trekking agents and craft and souvenir shop owners who ranked it in the overall scale as the fifteenth most important issue.

In dealing with this issue, trekking agents and craft and souvenir shop owners reported three main points: first, the Pokhara Tourist Office lacks sufficient information; second, the information set out in the tourist brochures is inferior; and third, the present distribution system of publications is poor. Five local interviewees also reported similar problems, one interviewee remarking:

The Pokhara Tourist Office is responsible for providing necessary information to tourists. But this office lacks sufficient information about the services and facilities available in Pokhara and its hinterland. In addition, this office never keeps any information about the local weather and conditions of trekking routes.

Pokhara is known as a gateway to the Annapurna area for trekkers, and its surrounding hills are increasingly popular for short walks. However, there is a lack of sufficient information about the trekking routes in the Pokhara Tourist Office and tourist brochures published by the Department of Tourism also do not supply adequate information. There is a lack of communication and coordination among the Pokhara Tourist Office, Police Department, Pokhara Immigration Office and Annapurna Conservation Area Project, and neither the immigration office nor the tourist office keep up-to-date information about trekking routes and their condition, weather, accommodation and food. An interviewee from the Pokhara Immigration Office noted that his office should be informed of the condition of each trekking route by the Annapurna Conservation Area Project, the Pokhara Tourist Office and local police office. It would be useful to inform tourists about the trekking areas and local conditions before issuing the trekking permits, as it helps tourists to take the necessary precautions. He gave an example:

For example, recently [in 1995], a disaster occurred in the Manang Region but we did not get any information from the local Tourist Office, the Police Department and the Annapurna Conservation Area Project. However, we collected some information from local newspapers and radio which was inadequate for the particular destination.

Two other interviewees pointed out that most of the information regarding the particular destinations is inaccessible or unavailable. Consequently, it is difficult to obtain the necessary information for tour operators or tourists. For instance, a local tour operator explained the present situation:

All necessary information for each region, such as whether it is restricted or not, whether permits are needed or not, what are the criteria in order to obtain the permit, etc. may be in government files, but these are unknown to us and the tourists. Therefore, it is the responsibility of the government to make such information available to everybody.

Similarly, another local hotelier said:

The Pokhara Tourist Office is closed at 5.00pm and every Saturday. At this time where should tourists go for information? If you go to that office, the chief and his/her assistants are always out and other staff have a lack of knowledge on tourism. In this situation, how should we expect that this office provides correct information to tourists.

Two local interviewees also remarked that there is no appropriate information distribution system in the Pokhara Tourist Office or the Pokhara Immigration Office. A local hotelier noted that these two offices are located at different places, suggesting locating both offices at the same place. In addition, another tour operator noticed that there is a lack of information distribution to tourists at the buspark and airport. It is also noted that the private sector is not active in supplying adequate information to tourists. Thus, tourists have some difficulty getting basic information, such as how to get a taxi, a public bus, hotel or lodge. A local resident also remarked that tourist brochures are printed by the Department of Tourism in Kathmandu and at the times the Pokhara Tourist Office has to wait a long time to get necessary supplies. Two interviewees from the Ministry of Tourism and the Department of Tourism disagreed with the charges of poor distribution of information to tourists.

6.3.5 National and International Competition in the Tourism Market

National and international competition in the tourism market was found to be an issue for local political leaders and planners, and trekking agents. This issue was also ranked in fifteenth place on the overall scale.

The nominal groups who identified this issue made two main points. First, government has opened some other destinations within the country, and consequently tourists have diverted to the new destinations like Upper Mustang and Manaslu for new experiences. Second, one part of Nepal's image is adventure tourism, which relies heavily on the natural environment. At present, the government is unable to maintain Nepal's image as an adventure tourism destination within the international market, because of a lack of conservation of nature and the environment.

Two interviewees see this issue as a national problem. They observed that a lack of facilities and services are the main contributing reasons that Nepal is unable to compete in the international market. One of them who is an executive member of the Hotel Association of Nepal stated the main reasons as:

We were discovered by the hippies in the 1960s. Our infrastructure was therefore developed to cater for the hippies which was basically rough and tough. Today, the situation has completely changed. If we look at the arrival of international

Two interviewees also mentioned this issue. They pointed out similar problems and remarked that tourists are hassled by having to pay separately for visa, trekking, and finally the park entry fees. A local tour operator further elaborated the issue:

If a tourist comes to us in the evening at 5:00 p.m. and tells us that he/she would like to go to Jomsom on tomorrow morning's flight, we are unable to cater for him or her, even if we have seats available on our flight. This is because he/she needs a trekking permit not only from the Immigration Office but also from the Annapurna Conservation Area Project, which cannot be provided to tourists leaving on such short notice due to time constraints. Therefore, if we were allowed to collect both fees for such permits like the airport tax at the airport, it would be beneficial for everybody. I would even recommend that such a type of trekking and park permits should be issued from embassies, which would make things easier for everyone. The simpler the procedures we introduce and the more facilities we are able to provide, the happier the tourist will be. Both the government and the private sector should realise that goodwill earned from tourists is also a profit.

Another interviewee (tourist expert) suggested:

... tourists should be provided with the opportunity at the beginning to decide where to visit and pay. If we made such a provision, the tourist does not have to rush to so many places to get visa, trekking and National Park entry permits. It is not difficult to manage these things, it can be included in the visa form.

But two interviewees, one from the Ministry of Tourism and another from the Department of Tourism remarked that there are no complaints from tourists at present. Nevertheless, this issue could be simplified and a simplification process should be thought of.

6.3.7 Lack of Support for the Tourism Industry from Line Agencies at the Local Level

Lack of support (positive attitude) for the tourism industry from line agencies at the local level was found to be an issue for hoteliers, and it ranked in the twenty first place on the overall scale.

Nominal group members who identified this issue explained that each agency had a pivotal role in tourism development. At present, many local agencies in Pokhara have a negative belief that the tourism industry is making profits overnight without any effort. Hence, they see tourism development as the sole responsibility of business people. Nominal group members further mentioned that local agencies such as electricity, telecommunication and water supply

are reluctant to support the tourism industry with services. Similarly, private organisations, like professional associations, also have a negative attitude towards each other and consequently, are reluctant to support each other in their common interests. In addition, some associations also bring disrepute and disgrace to each other for short term benefits, or to obtain facilities and services. Beside the hoteliers, no other interviewee mentioned this issue.

6.3.8 Tourists are Hassled by Craft Sellers and Street Vendors

That tourists are hassled by craft sellers and street vendors was found to be an issue for travel agents, and it was ranked in the overall scale as the twenty first most important issue.

Travel agents noted that if there is one tourist seen in the street, more than ten craft sellers and street vendors are found behind that tourist. This can destroy the image of the destination. This trend needs to be stopped by creating public awareness among the craft sellers and street vendors. Besides the nominal group member, interviewees did not raise this issue.

6.2.9 Local Organisations are Unable to Persuade the Local People of the Benefits of Tourism

That local organisations are unable to persuade the local people of the benefits of tourism was found to be an issue for local political leaders and planners. This issue was also ranked twenty first on the overall scale.

The nominal group which identified this issue mentioned three main reasons why local organisations are unable to persuade local people of the benefits of tourism. They are: first, local line agencies do not channel information to the local people about their programmes; second, the private sector is not effective in establishing coordination with line agencies and local people; and third, there is a lack of mutual trust and respect between the local agencies, the private sector and local people. The nominal group remarked that to obtain local support for tourism development, local organisations would need to persuade local people about the benefits of tourism. Besides the nominal group, interviewees did not mention this issue.

6.1.10 Tax Money is not ‘Ploughed Back’ (Reinvested) into Tourism Development

Tax money that is not ‘ploughed back’ into tourism development was found to be an issue for the craft and souvenir shop owners. This issue was also found to be twenty first on the overall scale.

The nominal group which identified this issue remarked that there is no system to ‘plough back’ (reinvest) tax money for tourism development. Two interviewees remarked that the private sector is not paying income tax. In this situation, how can the government ‘plough back’ tax money for tourism development? A tourist expert remarked:

Government is primarily responsible for infrastructure development, although the private sector should be involved. This can be made possible by forcing the private sector to pay income tax. Most of the people involved in the tourism trade are trying to escape from income tax. It is not a good sign to them and the nation. If they pay income tax properly, that money can be ‘ploughed back’ for the infrastructure development of the tourist destination.

Similarly, a tour operator commented:

If the people involved in tourism businesses evade taxes, then how can the government increase its revenue and ‘plough back’ tax money for tourism development. Tourists are charged tax and if the private sector in turn evades tax payment tourists may feel that they are being cheated, and the government revenue also reduces.

But a local hotelier saw the issue somewhat differently:

We are paying tax to the government and then the municipality. So at least a small amount of our tax money should be spent in those areas where the tax money has been collected. If we do not apply this system, the area will not be developed. Local people may ask why they are paying tax if they are not getting anything for their tax.

A local resident stated that the government has to ‘plough back’ tax money for the conservation of natural areas. Similarly, a member of the Pokhara Tourism Development Committee suggested that the tax money collected from local hotels, lodges and restaurants by the municipality needs to be utilised for waste management and urban development. Likewise, another interviewee from the Ministry of Tourism remarked that government is

ready to support those programmes if they return tax money to the local community for tourism development.

6.3.11 Tourism Business is Centralised within the Limited Areas

That tourism business is centralised within a limited areas of Pokhara City such as the lakeside and the airport areas, was found to be an issue for trekking agents. This issue was also ranked in the overall scale as the twenty first most important.

Trekking agents remarked that the private sector around Phewa Lake and the airport areas discourages development in other areas. Regarding this issue, a local interviewee also observed that the private sector at the lakeside and the airport is not interested in tourism development in other areas. All tourist facilities are also restricted to the lakeside and the airport. He condemned the Pokhara Municipality and the private sector for ignoring other areas for developing tourism. But a political leader from the municipality disagreed with the above statement. He noted however, that tourism is one of the many different areas covered by the municipality and they have not yet been able to give attention to this particular aspect. He further remarked that the private sector should be the first to develop tourism in other areas.

6.3.12 Poor Security for Tourists on Trekking Routes

Poor security for tourists on trekking routes was found to be an issue for the trekking agents, and ranked as their seventeenth most important issue. In the absence of support from other groups it became the twenty first most important issue for tourism development in Pokhara.

The nominal group which identified this issue noticed that Pokhara is not only a gateway to the Annapurna area but its surrounding hills are increasingly popular for short treks. There is a perceived lack of security for tourists on the trekking routes. They remarked that poor security of tourists on trekking routes can spoil the image of the whole region. Among those interviewed, three local interviewees also observed this issue. A staff member of an airline elaborated:

A number of times tourists have complained that their belongings have been stolen, but the police have not shown any interest. Therefore, even after informing

the police when they do not take any action, tourists will start to develop a negative attitude about Pokhara which would ultimately have a severe impact on its tourism.

Similarly, a local interviewee said:

Each tourist who comes into this region must be secure. If we are not able to give security to tourists, they will be discouraged from visiting Pokhara. Hence, we have to ensure tourists and their parents that there is 100 percent security ...

6.3.13 Political Instability

Political instability was also found to be an issue of tourism development in Pokhara according to the local political leaders and planners, who ranked it as their nineteenth most important issue. It was also ranked on the overall scale as the twenty first most important issue for tourism development in Pokhara.

Regarding the issue, local political leaders and planners remarked that Pokhara's tourism suffered as a consequence of political events in 1989. In addition, during the five years since 1990 the national government has changed four times and a number of political events have also happened. As a result, Pokhara's tourism was badly affected. Four local interviewees were of a similar opinion. A local political leader noticed that unstable politics affect the carrying out of development activities as well as other law abiding activities whether it is in tourism or in other sectors. He further remarked that:

... unstable and confused politics has a feeble administration. These are problems that we have been facing then and now.

A local souvenir shop owner noticed that the present political parties have support everywhere and frequent violent demonstrations and strikes do not help tourism development. Similarly, another local hotelier noted that political instability and volatile government is also a problem in tourism development. If there is a political disturbance, there will be a decrease in tourist inflows and consequently, the private sector is reluctant to invest in tourism and people have no trust in the government. This makes it difficult to maintain law and order. Thus, a local interviewee stated that there is a need for political stability and political commitment to tourism development.

6.3.14 Seasonality

Seasonality was found to be the last issue for local planners and political leaders. It was also ranked on the overall scale as the twenty first most important issue of tourism development.

Nominal group members who identified the issue, remarked that tourism in essence is a climatic and weather sensitive industry. Therefore, an integrated tourism product based on the seasonality of Pokhara's climatic conditions is needed.

As noted in the Chapter Three, there is a seasonality influence on visitation pattern. Non-Indian tourist arrivals are relatively low during the summer. The main reasons are: first, the summer is comparatively hot and humid; and second, the monsoon normally starts from the middle of June. Moreover, Pokhara is one of the wettest parts of Nepal, with 4160mm of rain per year (Thapa, 1991). This rain is mostly concentrated in the summer.

Pokhara is comparatively less hot and humid in summer than the North India plain. Anecdotal evidence shows that there is less seasonal influence on Indian tourists visitation patterns.

6.4 Implications of Results for Organisational Strengthening and Legislative Review

The central focus of this study was to identify issues and problems and to examine existing institutional frameworks (organisational structures and legal frameworks) in relation to tourism development at the local level in Pokhara, Nepal. This section discusses the implications for organisational strengthening and legislation, in the light of the preceding results.

6.4.1 Organisational Strengthening

Tourism crosses many sectoral boundaries and includes a wide range of contributors and beneficiaries. Although the major contributors to the tourism industry are private sector organisations, public sector organisations play important direct and indirect roles in tourism development. The public sector is primarily expected to support tourism by providing infrastructure and preparing a suitable climate to attract private sector capital investment. In addition, this sector also develops the organisational structures and legal framework to plan,

promote, regulate, and manage tourism at both the central and local level. Collier (1994) outlined the standard functions of national tourist organisation as planning, organising, development, promotion and control.

The private sector also has pivotal roles in tourism development. This sector develops facilities and services such as accommodation, transportation, catering and entertainment at the destination. In tourism, each sector has specific interests, roles and responsibilities, but they need to work jointly towards common goals.

Indeed it is the government, at both the central and local level, which determines the wider political, economic and social environment in which all public and private sector organisations function for tourism development. In Nepal, the governmental structure for the tourism sector is centralised and almost all policy and actions are generally decided at the national level. The Department of Tourism, however, has offices at the local level. In general, local-level offices are responsible for providing local-level information to both local users and national policy makers. Decentralisation is desirable for planning and management, however, the process is moving very slowly. Specific problems in tourism development include the carrying out of basic functions in planning and implementation, control, marketing, promotion, product development, research and training at the local level. This study identified the following major reasons for undertaking organisational strengthening at the local level in Pokhara.

6.4.1.1 Limited Roles of Local Tourist Organisations

The Tourism Council exists at the national level for issuing policy guidelines and inter-ministerial coordination at the central level, but such organisation is lacking at the local level in Pokhara. At present, the Pokhara Tourism Development Committee, comprises 14 people representing different public and private sector organisations and is formed under the Chief District Officer of the Kaski District in Pokhara. However, this committee is seen to be a non-statutory organisation whose status remains that of a voluntary organisation which is responsible for only one particular aspect of tourism development namely assisting with implementing the Tourism Infrastructure Development Project of Pokhara.

The Pokhara Tourist Office is a local office of the Department of Tourism, however, it has limited functions. The Department of Tourism plans and implements tourism development programmes and handles a large number of regulatory functions at the central level, but the Pokhara Tourist Office lacks those functions. This office has no role in tourism planning and implementation. Its responsibilities primarily are collecting local-level information and providing this to national policy makers. There are no tourism programmes or budget.

6.4.1.2 Lack of Coordination Between Local Organisations

Tourism development can not be achieved without the support of local bodies/authorities. The wider implications of their actions relating to tourism development, include the protection of the natural environment, landscaping, preservation of local arts and culture, providing amenities and so on. Therefore, coordination with local bodies/authorities and functional agencies is necessary to integrate programmes for tourism development and to implement the government policy.

The Kaski District Development Committee is the main coordinating agency for district-level programmes. Similarly, the Pokhara Municipality is also responsible for undertaking city-level programmes, and coordinating and supervising such programmes under its jurisdiction. However, there is a problem of coordination in the process of planning and implementing local-level programmes. The main reason is that local tourist organisations and other functional agencies consult with their central organisations rather than with the District Development Committee and the Pokhara Municipality. In addition, local organisations do not receive clear policy guidelines for tourism development from the central government. At present, there is little or no coordination between the government functional agencies, local bodies/authorities, such as the District Development Committee and the Pokhara Municipality, and the local tourist organisations in the functions and programmes which directly or indirectly affect tourism development in Pokhara.

6.4.1.3 Lack of 'Technical Back-up' Supports

Outside of Kathmandu, the majority of tourism activities are concentrated in Pokhara, but local organisations there are limited in their ability to promote the area. One of the main reasons

is that local tourist organisations have no technical back-up staff nor the resources to carry out basic functions in planning and implementation, control, marketing, promotion, product development, research and training. Departmental staff currently working in the Pokhara Tourist Office require extensive additional training to undertake the above activities.

The government's tourism policy is to encourage local bodies to be involved in tourism development at the local level. For instance, the government has established a 'Tourism Development Fund' for tourism promotion and service improvement at the local level. The District development Committee is responsible for the identification and implementation of such programmes. But there is no indication as to who is responsible for providing the technical capacity to the District Development Committee, in order to identify and implement programmes.

additionally, in many instances, local bodies/authorities are responsible for developing public utilities such as sewerage, waste collection and disposal, urban parks, local roading, information and signs. These activities may not always show a direct relationship with tourism, but all have a significant bearing in tourism development. Thus, local bodies need 'technical back-up' support for their programmes. At present, there is a lack of skill and experience in the Kaski District Development Committee and the Pokhara Municipality and the Pokhara Tourist Office is unable to supply the 'technical back-up' to the above local bodies.

Education and training is also important for the private sector so that staff are well trained, to meet the needs and wants of the tourist industry. In addition, if the tourist industry is to continue to grow and be successful, then the attitudes and confidence of staff dealing with visitors is very important. Quality professional staff provide the base upon which to develop a professional service industry. This study found that education and training are ignored by the private sector in Pokhara. The main reasons are first, it requires expenditure that many operators find hard to justify, and second, there are a lack of opportunities. For instance, the Hotel Management and Tourism Training Centre in Kathmandu is the main training institute that offers specific tourism courses. It is, however unable to provide training opportunities in Pokhara and there is no other similar institutions at the local level in Pokhara. Because of the diversity of the tourism industry, Pokhara clearly requires training common to all sectors and

some sector specific training for hotels, travel and trekking.

In terms of the organisational structures and roles of public tourist organisations at the local level in Pokhara, the conclusion is that an effective organisational structure with 'technical back-up' support is essential in the public sector to undertake the functions of tourism planning, coordination, development, marketing, promotion and control at the local level in Pokhara. Participants in this study suggested four main points:

First, they suggested the need to restructure the present Pokhara Tourism Development Committee or to create a strong local body comprising of both the public and private sector to undertake planning, development, marketing and promotion, and to formulate local tourism policy. As noted above, the reason for this is that the present Pokhara Tourism Development Committee is seen as task specific voluntary organisation, unable to undertake the wider functions of coordinating with the public and private sector for tourism development in Pokhara. Second, participants also suggested the need to equip and to empower the Pokhara Tourist Office to carry out the functions of tourism planning, development, marketing, promotion and control in Pokhara.

Third, participants pointed out that local functional agencies of central government such as Housing and Urban Development, Roading, Electricity, Water Supply, Public Transportation and Telecommunication are also to be directed by their central organisations to give priority to developing infrastructure for tourism. They believed that it can help to encourage local functional agencies to share the common goal of tourism development and to coordinate in the process of planning and implementation of local-level programmes.

Fourth, tourism is so fragmented that it requires coordination both between and within the public and the private sectors. The private sector organisations are less influential in tourism issues and unable to communicate the desired standards to all individuals involved in the tourism sector. The reason is a lack of coordination and trust between the various tourism industry sectors and the public sector. The implication of the above is that one 'Industry Association' would be appropriate to better represent and unite various private sector organisations and to overcome industry sector fragmentation.

The above suggestions clearly indicate that the resolution of existing issues/problems associated with tourism in Pokhara will not be achieved without changes to the present organisational structure. A suggested outcome would be to establish a Statutory Board (see Figure 7) by law, responsible for particular aspects of tourism development such as planning, coordination, marketing and promotion at the local level in Pokhara.

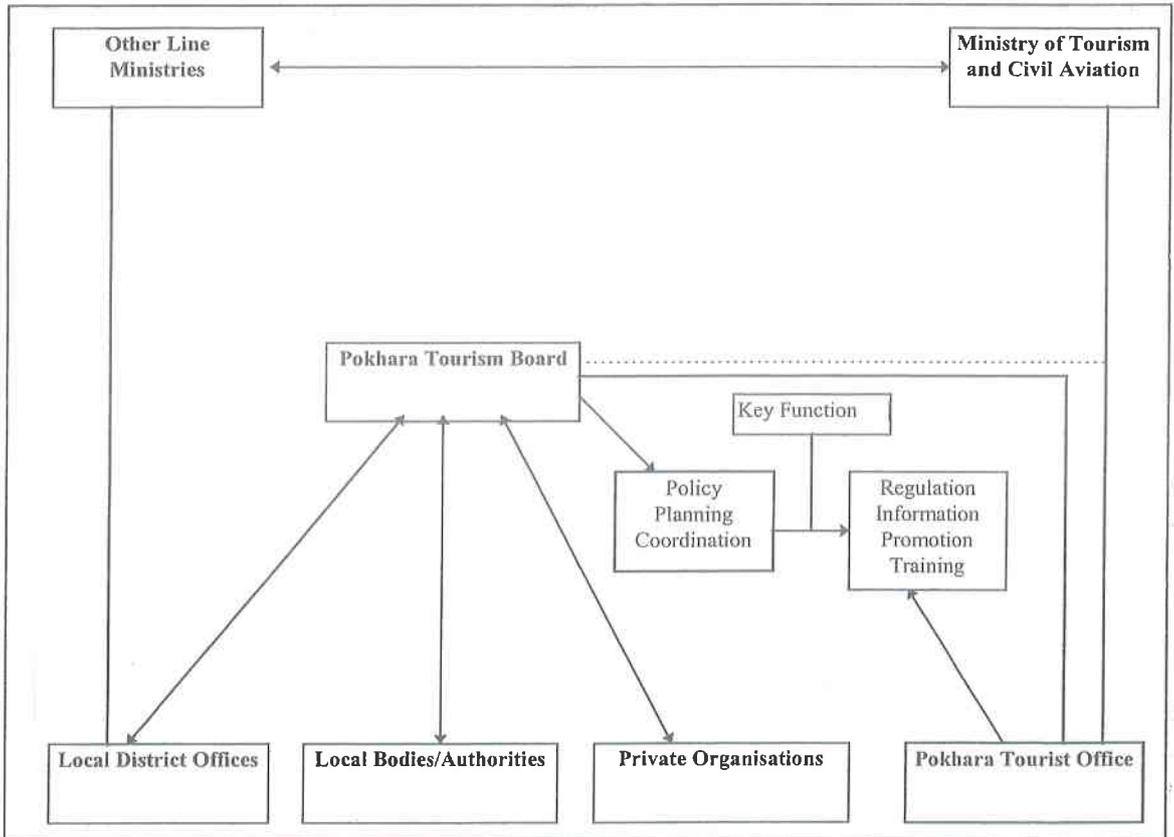


Figure 7: A Conceptual Organisation Structure of Pokhara Tourism Board

Tourism is known to be highly interdependent in nature. Success in tourism development therefore usually depends on how the various agencies work together in their efforts to integrate tourism into the development process. In addition, each agency must also develop its own institutional mechanisms to address the different aspects of the supply component of tourism. To achieve this, it will be imperative for agencies to form a coordinating body that represents a broad collection of such agencies, including those involved with the different supply components.

In keeping with this, this study recommends that the 'Pokhara Tourism Board' as above should be comprised of various functional agencies of central government (departmental agencies), local bodies/authorities, non-governmental organisations and private sector organisations. To this end, local line agencies such as Housing and Urban Development, Civil Aviation, Immigration, District Administration, Road, Forestry, Cottage and Rural Industry and Public Transportation should be represented on the Board. In addition, the Kaski District Development Committee, the Pokhara Municipality, the Pokhara Town Development Committee, the Village Development Committees adjacent to the Pokhara Municipality, the Annapurna Conservation Area Project and the Pokhara Forestry Institute should also be represented on the Board.

The private sector organisations to be represented on the Board include the various professional association at the local level such as the Hotel Association of Nepal, the Nepal Association of Travel Agents, the Trekking Agents Association of Nepal, the Restaurant and Bar Association of Nepal, the Board of Airlines Representatives in Nepal, the Nepal Association of Rafting Agents, the Chamber of Commerce and the Association of Bus Operators. In addition, the Board should be assisted by professionals and experts, and the Pokhara Tourist Office should also be the secretariat to the Board. The next recommendation is that the Board should establish a direct link to the local agencies for the purposes of tourism development in Pokhara as depicted in the above figure.

6.4.2 Legislative Review

The state plays an important part in controlling and supervising tourism, as well as facilitating it (Holloway, 1986). Inskeep (1991) stated that legislation and regulations are required for the successful implementation of a tourism plan and for continuing management of tourism. Gunn (1993:52) noted that the way the laws and regulations are administered, e.g; loosely or rigidly, can influence the amount and quality of tourism development. The first and foremost responsibilities of the government are therefore to enlarge and enforce the legislation and to control and manage tourism both at the national and local levels.

Following the rapid growth in the popularity of Nepal as a tourist destination, a legal framework for the tourism industry sector was proposed in the late 1960s. Government rules

and regulations were more centralised and not implemented effectively at the local level. In addition, the legal framework for public utilities and matters affecting the environment such as conservation of natural areas, urban planning, waste disposal were likewise ineffective. The major reason was that central government is ill-equipped to deal with local level problems (Richter, 1989), and regulations were not effectively monitored (Sharma, 1992). This study identified the following major reasons for reviewing the existing legal framework for the tourism development in Pokhara.

6.4.2.1 Overlapping Legal Frameworks

Overlapping legal frameworks make it difficult to manage responsibility. This situation has been found especially in areas of nature conservation, such as the local Phewa Lake; and in urban developments such as implementing rules and regulations for building construction, and in the licensing of hotels, lodges and bars.

In the case of Phewa Lake, water resource utilisation provisions are made under the *Water Resource Act, 1993*, which empowers the Ministry of Water Resources. However, the Phewa Lake boundary touches six Village Development Committees areas including municipal area of Pokhara Municipality. To some extent, the lake is therefore subject to management by the Pokhara Municipality and six other Village Development Committees under the *Municipality Act, 1992*, and the *Village Development Committee Act, 1992*. On the other hand, the District Development Committee is the main coordinating agency for all Village Development Committees in the district and the Kaski District Development Committee also has authority over the Phewa Lake derived from the *District Development Committee Act, 1992*. In addition, the Phewa Watershed is also subject to the *Aquatic Life Act, 1961*, the *Soil and Water Conservation Act 1983*, and the *Forest Act, 1993*, and each agency is operating under their legal mandate and caring little for overlapping or inadequate legal jurisdictions.

Secondly, in the case of urban development of Pokhara city itself, the *Municipality Act, 1992* empowers the Pokhara Municipality to enforce building norms, rules, regulations, and take action against defaulters. Similarly, the *Town Development Act, 1988*, also empowers the Pokhara Town Development Committee to enforce land use and building regulations to guard against violation of the rules set by the committee.

Thirdly, archaeological and historical places are prime attractions for tourists. At present, the Department of Archaeology is responsible for identifying and preserving archaeological monuments under the *Archaeologic Monuments Preservation Act, 1957*. Similarly, the preservation of archaeological and historical sites are also subject to the Pokhara Municipality and the District Development Committee derived from the *Municipality Act, 1992*, and the *District Development Committee Regulations, 1993*.

Fourthly, there is overlap with regard to the licensing of hotels, lodges and bars at the local level. The main objectives of licensing and/or registration within the hotel industry are to categorise the types of accommodation; to specify the physical features of the accommodation type; and to grade the accommodation according to objective qualities. The *Tourism Act, 1978* and the *Hotel, Lodge, Bar and Tourist Guide Regulations, 1982*, empower the Pokhara Tourist Office to license tourist hotels and lodges. Such tourist hotels and lodges are registered either by the Department of Industry or by the Department of Cottage and Rural Industry according to the fixed and current assets of the facility. In addition, the *Municipality Act, 1992*, and the *Village Development Committee Act, 1992*, give authority to the Pokhara Municipality and other Village Development Committees adjacent to the Pokhara Municipality to license hotels and lodges within the municipal and village areas respectively.

In total, many tourism related functions are subject to management by more than one organisation, with each agency operating under their own legal framework and caring little for overlapping or inadequate legal jurisdictions. The existing legal frameworks outlined above need to be reviewed and up-dated and the management responsibilities need to be defined.

6.4.2.2 Inadequate Power to Regulate the Tourism Industry

In tourism, quality of service is of vital importance for consumer satisfaction. Individual businesses which fail to provide a high quality of service will rapidly lose their market share. Hence, the quality of service and products needs to be high for both consumer satisfaction and to avoid a loss of business. Specific regulations exist which prescribe the desired standards of facilities in hotels, lodges, restaurants and bars. However, such facilities must be reviewed and examined regularly. There are regulations for this purpose but these lack regular review and examination.

In many cases, participants in this study noted that the services provided to tourists are below standards prescribed in the regulations. The major reasons are that presently authority is delegated to the local tourist organisation to license and control of tourism entrepreneurs and this is not sufficient to regulate tourist entrepreneurs. Secondly, this authority can be withdrawn or diminished at any time by the Director General of the Department of Tourism if s/he does not wish it to continue, as has happened in the past. In addition, the Pokhara Tourist Office lacks the trained and experienced staff required to define desired standards and to supervise services and facilities.

These reasons made the Pokhara Tourist Office unable to affect rules and regulations for controlling and supervising the tourist industry, their services and facilities. Participants in this study, have suggested that the Pokhara Tourist Office needs to be given more resources and willpower with regards to the management of the local tourist industry. To affect these proposed changes, participants contended that the government should delegate a greater responsibility for the management of the local tourist industry to the Pokhara Tourist Office. In addition, the office should be provided with more experienced personnel.

6.4.2.3 Lack of Legal Frameworks to Regulate Tariff Rate

Each tourist business has to calculate their operational costs and then charge a rate which covers these costs and provides them with a profit. When levels of profitability are sufficient to support maintenance and servicing requirements, physical facilities and service standards can be maintained. Worldwide, there is an immense variety of accommodation (hotels, lodges, motels, resorts) and facilities available to tourists. Thus, the range of facilities available also means there is a wide range in price.

At present, every hotel, lodge, restaurant or bar registered as being tourist standard is required to forward a notice of its rates or prices to the Department of Tourism. They are also required to publicise these in the manner prescribed by the Department, although there is no legal requirement that no one can go below that rate. As a result, there is competition based on pricing rather than quality, and consequently, a price war exists. This was found to be a powerful contributing reason for poor professionalism in the tourism industry in Pokhara. Participants believed that this situation could be avoided by introducing a legal framework to

fix the tariff rate with taxes according to the services and facilities of the industry.

6.4.2.4 Lack of Legal Frameworks to Protect Consumers (Tourists)

If the visitor has booked a holiday with a tour operator, then the tour operator is legally responsible to the client, even if something unwanted occurs. If the tour operator fails to provide a good quality service, tourists may feel deceived, or they may feel that they are not receiving value for money. This in turn means that tour operators may fail to renew future contracts and tourists may have a negative impression of a destination area which could be a big loss to the tourism industry. Hence, consumer protection legislation is being adopted to protect tourists from unscrupulous activities or mismanagement by tour operators. No serious problems have been reported in Pokhara, although participants noted that tourists were frequently mishandled or mistreated by local tour operators and hoteliers. One of the main reasons is a lack of consumer protection legislation in the tourism sector. This may also help to develop professionalism in the tourism industry.

6.4.2.5 Mis-Match of Tourism Policy and Legal Framework

The Tourism Policy (1995) classified the tourism industry into hotels, resorts, travel agencies, trekking agencies, rafting agencies, restaurants and bars, skiing, gliding, cable car complexes, hot air ballooning, golf courses, polo, horse riding and tourism-related human resource development (Ministry of Tourism and Civil Aviation, 1995). However, there is no clear legal framework for the registration of some tourism industry such as skiing, gliding, golf courses and hot air ballooning, or guidelines regarding minimum facilities and services necessary to operate such businesses. So, while the policy states its intention to encourage such industries, there are no clearcut provisions and criteria within it.

6.4.2.6 Trekking and Conservation Area Entrance Permits

Pokhara has received a substantial number of tourists over the years. The main attractions of Pokhara to international visitors are the Annapurna Himalayas and trekking in the Annapurna Conservation Area. As noted in Chapter Three, there were 76,865 tourists who visited Nepal for trekking in 1994 and 58.2 per cent or 44,733 of those trekked in the Annapurna Area

(DOT, 1995a). Of this total, 15,510 trekking permits were issued from Pokhara (Pokhara Immigration Office, unpublished data, 1995).

At present, trekking permits are issued by the Immigration Office under the *Trekking and River Rafting Regulations, 1982*, and Annapurna Conservation Area entrance permits are issued by the Annapurna Conservation Area Project. Tourists who come to Nepal for trekking in the Annapurna Conservation Area have to pay separately for visa, trekking, and finally the conservation area (park) entry fees. In addition, there is no facilities whereby tourists can collect such permits on public holidays and/or after office hours. This may discourage tourists from visiting this region. Participants suggested some modifications and simplifications in the present institutional framework. They believed that improved institutional arrangements (e.g; single office) will ease the issuing of trekking and conservation area entrance permits for tourists.

6.5 Summary

The data obtained in this study has clearly have portrayed the current issues/problems of tourism development in Pokhara. Based on the ranking order of the issues/problems as rated by the nominal groups, it was possible to classify all 28 issues/problems into three major categories: most important issues/problems (priority 1); important issues/problems (priority 2) and least important issues/problems (priority 3).

The most serious issues/problems currently facing Pokhara are seen to be the inadequate conservation of Phewa Lake; a lack of additional attractions, events and activities; poor professionalism in the tourism industry; poor waste management; poor coordination in tourism planning and implementation; poor implementation of existing rules and regulations; haphazard urbanisation; a lack of marketing and promotion; and inadequate infrastructure and lack of additional incentives to develop rural areas. These issues/problems were recognised by all five nominal groups and ranked within the top five most important by at least one nominal group, and were subsequently referred to by most of the interviewees in the in-depth interview.

A second tier of issues/problems include the poor condition of the road network connecting Pokhara to Kathmandu and Bhairahawa, the unreliable public transport including the city bus system and taxis; the lack of effective organisation to manage tourism; the lack of an international airport; the lack of public participation in tourism planning; and a lack of public awareness about tourism and the environment in Pokhara. These second level issues/problems were identified by all groups, but they were not ranked within the top five most important issues. However, they are found to be important in the overall process of tourism development in Pokhara.

The remaining 14 issues/problems were classified as least important because they were recognised as issues, but did not elicit universal support by all nominal groups. These were more sector specific issues such as the lack of appropriate crafts and souvenir markets; inadequate preservation and promotion of local arts and culture; poor distribution of tourist information; national and international competition in tourism markets and the lack of a 'one stop' (one window) policy (for visa, trekking and National Park permits). These issues also have significant bearing on overall tourism development in Pokhara.

The data also examined the organisational structures and legal frameworks in relation to tourism development at the local level in Pokhara. In so doing, the limited role of local tourist organisations; the uncoordinated roles of local organisations and the lack of technical back-up support were found to be the major issues requiring organisational review and strengthening. Similarly, the chief reasons for reviewing the existing legal frameworks were given as; overlapping legal provisions for the conservation of natural areas, urban development and licensing of the tourism industry; the inadequate power of local tourist organisation to regulate the industry; imperfect legal frameworks for maintaining quality of service; and lack of consumer protection legislation and conflicting legal frameworks within tourism policy.

The conclusion from the results is that there is a need for organisational strengthening and legal reform at the local level for the resolution of present issues/problems and also for developing tourism in Pokhara in the long term.

CHAPTER 7

CONCLUSIONS

Government intervention in tourism has been justified on political, environmental and economic grounds. This intervention has been manifest by government involvement in planning, organising, regulation and control which has direct and indirect influences on the development of tourism.

The degree of government involvement in tourism development depends on environmental factors such as natural, cultural and social responsibilities of the government and its political ideology (Mill and Morrison, 1985; Hall, 1994). However, the significance of tourism in national and local economies is one of the major reasons that governments have begun to take increased interest in tourism development. Pearce (1992) noted that economic factors, such as foreign exchange earnings, employment and regional development, are major reasons for governmental involvement in tourism development.

The main objective for developing tourism in Nepal is to generate foreign exchange and increase employment opportunities. To achieve these objectives, government involvement in the tourism sector first began in 1956, and an administrative and legal framework were set up thereafter, although most of the tourism-related activities such as developing, servicing and promoting travel were undertaken by the private sector (Ministry of Commerce and Industry, 1972).

The Government's tourism development strategy in Nepal is to diversify tourism countrywide, although most tourism development programmes are defined and funded politically and economically at the central level. As a result of this, tourism management and control is also centralised. Thus, there is an urgent need for decentralisation and modification to ensure effective organisation and legal frameworks for tourism at the local level.

This study has used Pokhara, Nepal as a case study. After Kathmandu, Pokhara is the second most visited destination in Nepal. The main goal of this study was to examine existing organisational structures and legal frameworks in relation to tourism development at the local level in Pokhara, Nepal. This was achieved by examining the current status of tourism and

concomitant issues and problems, to test the effectiveness and resilience of current management structures and practices. The 'nominal group technique' (NGT) in combination with 'in-depth interviews', were applied as formal methods in this study. The NGT was found to be a proficient research method for identifying the major issues associated with tourism development in Pokhara. The NGT has encouraged local residents, political leaders, planners, and business people to think systematically through the issues and opportunities of tourism development. In-depth interviews, as subsequently employed in this research, provided additional insights and perspectives to interpret the NGT data, and to seek solutions to the issues raised in NGT sessions; the legal and management structure at the local level is currently facing challenges.

A profile of Pokhara, its population and the tourists who visit the area provide the context of the research. Participants in this study identified a number of current issues/problems associated with tourism development in Pokhara. These issues/problems were subsequently classified into three categories based on their level of support in the NGT exercise. These are: most important issues/problems (ranked as the top five most important by at least one nominal group session); important issues/problems (recognised by all nominal groups, but they were not ranked within the top five most important); and least important issues/problems (these were perceived to be issues/problems, but they were not recognised by all nominal groups). This study discusses the implications for organisational strengthening and legislative review. The following is a synthesis of the research findings and the future research opportunities.

Pokhara is one of Nepal's fastest growing cities. According to recent estimates, the population growth rate is about seven percent per year (ICT and SAIC, 1995). In the face of this, and parallel tourism growth, the infrastructure and facilities necessary for both the local population and tourism have also developed significantly. However, unplanned (haphazard) settlement, with inadequate infrastructure and inappropriate land use practices, have accelerated environmental problems. Overlapping legal frameworks and the lack of a clear local planning mandate create additional problems for successful management of urban planning and the conservation of natural areas.

For instance, the local Phewa Tal (lake) is a central focus for Pokhara's tourism. The Nepal Tourism Master Plan 1972 reported that the Phewa Lake made Pokhara a much more

reservoirs, preservation of historical monuments and the establishment of resorts. Numerous leisure events and activities would also provide greater opportunities for tourists to participate in holiday activities.

During 1994, a total of 59,201 tourists (excluding Indians) visited Pokhara. The major reason for the arrivals of non-Indian tourists in Pokhara is for the mountain views and trekking in the Annapurna Region. There are an increasing numbers of Indian tourists visiting Pokhara and it is also an increasingly popular location for local Nepali holiday makers. However, there is a lack of additional attractions, events and activities to suit all kinds of visitors to Pokhara. Local interviewees report that most Indian tourists visit Pokhara for holiday/ pleasure reasons. If non-Indian tourists come to Pokhara, they prefer to go trekking whereas Indian tourists prefer alternative activities such as city tours, sightseeing, cultural programmes, and indoor events which are lacking in Pokhara. The Tourism Master Plan 1972 and the Pacific Asia Travel Association (PATA) (1988) also noted that Indian visitors are important to Pokhara especially during the summer months, and suggested giving consideration to developing activities specifically suited to Indian interests.

Participants believed that Pokhara Valley is rich in natural and cultural resources for developing such additional attractions, events and activities but they are currently not presented as tourism products. The main reasons for not utilising the existing resources are a lack of incentives such as soft loans, income tax rebate, and a lack of technical support for the private sector.

The tourism industry would generate more revenue if there were more events and activities available to tourists. Participants report that the private sector has a pivotal role in developing attractions, events and activities, however; the government role is also to motivate private sector investment by providing investment incentives and technical support. They pointed to a lack of resources and limited technical knowhow within the private sector as two main reasons that government support is required for developing additional attractions, events and activities. The World Tourism Organisation (1994) stressed that investment incentives offered by the government are needed to attract private sector investment. In addition, government involvement in tourism in developing countries such as in South Asia (Richter, 1989) has been seen as a means of assisting a private sector that has insufficient resources (Richter and

Richter, 1985).

Promotional activities inform prospective tourists about what the destination area has to offer, and tries to convince them to visit (WTO, 1994). The overseas markets for Pokhara are tourists from Western Europe, Japan, the United States and Australia. In addition, India is another important market because Pokhara has clearly developed as a popular venue for Indian tourists escaping the great heat of the North Indian plain in March and April (PATA, 1985).

The major problem identified in promoting Pokhara is that the public and private sectors are unable to mount any substantive marketing and promotional programmes in the tourist source markets. Present government departmental programmes at the central level (which have only modest resources) are not supporting the marketing and promotion of Pokhara. There is a lack of marketing agents in these tourist generating regions as well as a lack of research to identify other potential markets for Pokhara. In addition, local organisations and the private sector are unable to establish coordination and cooperation with the Department of Tourism at the central level. Promotional support from the Department is very important to the future growth of tourism in Pokhara.

Participants observed that a lack of financial resources is one of the major constraints for marketing. The public sector feels that marketing is an unnecessary expenditure, while the private sector sees this as a vital government role. Participants indicated that more organised and coordinated public and private sector efforts are required in marketing for the future growth of tourism in Pokhara. In addition, close cooperation should be maintained between the Department of Tourism and the Kathmandu travel agents at the central level. This approach reduces additional costs and increases returns by minimising duplication of efforts and maximising a market presence. Funding of marketing and promotion should be shared by the direct beneficiaries: the private sector, local bodies and the Department of Tourism.

Tourism *per se* is a seven day, twenty four hour, service industry where quality is constantly assessed by visitors. The service product is intangible and different from manufactured goods. It is affected by a number of variables such as the attitudes of the staff delivering the services and the experiences of the customers, who are themselves part of the production process. In addition, services and facilities such as public transportation and other tourism related

infrastructure and activities are also important in quality tourism. Availability, quality, and the price of such services and facilities greatly influences the decision-making of individual tourists and their satisfaction level. Thus, the tourism industry has to make a great effort to provide quality public and private services and facilities, and a well integrated experience to visitors.

Participants remarked that in many cases the services and facilities provided to tourists are below standards prescribed by regulations. The major reasons are: a lack of control and supervision over the quality and standard of tourist services and facilities; a lack of consumer protection legislation; and a lack of education and training in all sectors of the tourism industry. In addition, there are currently no legal means through which accommodation tariffs and taxes are set according to the services and facilities provided. Participants believed that if both prices and profit margins are very low, it would not be possible to meet even the most modest threshold of quality standards. As a result, there is competition based purely on pricing rather than quality and this is undermining the development of a professional tourism industry in Pokhara. Thus, participants recognised the need to improve services and facilities by raising the level of professionalism in the tourism industry.

The tourism industry is fragmented and dominated by independent units. The natural, cultural and historical attractions and other tourism-related activities are managed by various departments at both the central and local level. On the other hand, local authorities are key agencies in tourism because they are owners and operators of existing, and developers of new, tourist attractions and facilities. The statutory functions of each agency have a major influence on tourism planning and development. Thus, there should be harmonised and coordinated efforts in tourism planning and control to best utilise resources and facilities. In order to coordinate such activities, an effective tourist organisation is essential.

This study found the currently restricted role for local tourist organisations, and uncoordinated roles of local agencies as major reasons for poor coordination in tourism planning and implementation. Similarly, overlapping legal frameworks, a lack of clear regulations, and inadequate power to control and supervise the tourism industry, are found to be major reasons for the poor implementation of existing rules and regulations. In addition, a lack of technical back-up staff is another problem in carrying out basic functions in planning, organising,

developing, promoting and controlling the tourism sector.

The conclusion is that the tourism sector in Pokhara clearly requires careful planning, first in the conservation of natural areas, urban development and waste management. It also requires the development of a variety of attractions, events and activities to suit all types of visitors. In addition, redefinition of control and supervision mechanisms for the tourism industry are urgently required to develop quality service, and to secure the profitability of the industry. The creation of a variety of activities, and a more professional industry, may then play a role in diversifying the local economy and spreading the benefits of tourism to other sectors of the local community. To be effective, the numerous issues/problems of tourism in Pokhara will require legal reforms and organisational strengthening to undertake the basic functions in tourism planning, organising, marketing, promotion and control at the local level in Pokhara.

An effective legal framework (certain related laws and regulations) is a necessity for the development and management of tourism. Of equal importance, however, is effective implementation, which is often neglected. Overlapping legal frameworks, and inadequate legal provisions as well as the limited legal authority of the local tourist organisations need to be reviewed and updated. Following this, management responsibilities need to be clearly defined and decentralised at the local level.

To date, rapid tourism development has not been matched by parallel development in management structures. The establishment of new central administration structures for tourism now needs its parallel at the local level. At the local level one central organisation is now required to integrate major private sector (accommodation, travel, trekking) and public organisations (local line agencies and local bodies). Because of the centrality of tourism development in Pokhara, the organisation needs to be sited adjacent to the Pokhara Municipality. Its primary roles are tourism planning, marketing, city/community development and giving direction and shape to the public face of tourism with its marketing and promotion roles.

7.1 Potential for Wider Use of the NGT

The NGT was originally conceived of as a participation technique for social planning situations. Its application strongly justifies the need for more thorough research into citizen needs and perceptions, and ensures that citizen needs are adequately presented to policy bodies (Delbecq et al, 1975). Ritchie (1985:82) noted that although the developers indicated that the NGT may be useful in a wide variety of planning tasks, no applications were found in relation to tourism. He also recommended an increased application of the NGT in tourism research, planning and management following its application in tourism research and planning in Alberta, Canada. Simmons (1989) also used the NGT in his study of 'Community Participation in Tourism Planning' in Huron County, Ontario, Canada where it produced satisfactory outcomes.

This study has made a first attempt to apply the NGT to tourism research in Pokhara, Nepal. It differs from the above studies in so far as it represents a first application of the NGT in a Third World destination. Its testing in a tourism context is seen as most important, given the ongoing search for easy and effective participatory mechanisms for Third World tourism development (Sherpa, 1996).

In this study, the systematic approach and structure offered by the NGT was found to achieve a high degree of innovation and creativity in the identification of current issues associated with tourism development in the case study area. In addition, the NGT provided a qualitative understanding of the critical issues closely associated with the identified problem areas. Importantly, it also facilitated equal participation, and avoided unnecessary competition and status pressure by systematically involving all group members working together silently, after the emergence of a consensus discussion and clarification followed. The silent listing of ideas in writing allowed the participants to search and recall the issues. Ideas from the participants also became anonymous and depersonalised and this increased the assurance that each individual's ideas were part of the group. The voting procedure was found to be a constructive approach to establish priorities of issues associated with tourism development in Pokhara, and to focus discussion immediately on major (commonly recognised) problems.

Although the application of the NGT was very encouraging, this study also observed two major methodological difficulties as indicated by its developers (Delbecq et al, 1975). First, the knowledge, understanding and experience of the participants regarding the research question was reinforced as one of the key factors for the successful application of the NGT. Second, transcribing raw data into problem 'themes' can present a challenge to the researcher. Thus, the application of the NGT requires insight, knowledge and skills on the part of both participants and researchers. This study reinforces the applicability of the NGT to Third World tourism research, but attention needs to be given to the above problems especially if the method were to be further extended in tourism research.

7.2 Future Research

The need for future research exists in all aspects of the programmes discussed here. This research has identified a number of current issues and also examined the organisational structures and legal frameworks in relation to tourism development in Pokhara. A new framework has been proposed.

However, this study lacks an extensive quantitative assessment of current issues by local residents who have to live with the ultimate consequences of tourism development. This research has been influenced by the views of a limited number of participants, but is nonetheless argued to be representative of local residents, political leaders, tourism experts, business people, and planners. In the longer term, both a qualitative and quantitative assessment are required to assess the 'non aligned' public's views on tourism development and also to identify tourist motivations, satisfactions and perceptions about Pokhara.

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APPENDIX: A**Question for the Nominal Groups**

What are the most significant issues/problems (facilities, services, planning, organisation and law) currently facing tourism development in Pokhara?

APPENDIX: B

Full List of Issues/Problems Identified by Five Different Nominal Groups

(i) Issues/Problems Identified by the Nominal Group Session of Local Political Leaders and Planners (LPP) (n=12)

S.N	Issues/Problems	Total Vote ¹	Ranking Order
i	Poor coordination in the process of tourism planning and implementation	5+5+5+5+4+4+3= 31	1
ii	Inadequate conservation and lack of tourism development strategy for Phewa Lake	5+5+4+3+2+2= 21	2
iii	Poor implementation of existing rules and regulations in the tourism industry sector	5+5+3+3+2= 18	3
iv	Poor professionalism in the tourism industry	5+4+4+2+2= 17	4
v	Poor waste management	5+5+4+1= 15	5
vi	Inadequate infrastructure and additional incentives in the rural areas adjacent to Pokhara Municipality (e.g. Begnas and Sarangkot)	5+4+2+2= 13	6
vii	Lack of effective tourist organisations to manage tourism at the local level	4+3+3+1= 11	7
viii	Lack of additional attractions, events and activities for recreation	4+4+2= 10	8
ix	Poor condition of road network connecting Pokhara to Kathmandu, Bhairahawa, and unreliable public transportation including the city bus system and taxis	3+3+2= 8	9
x	Lack of public awareness about tourism and the environment	4+1+1+1= 7	10
xi	Lack of marketing, promotion and publicity of Pokhara in the international market	4+1+1= 6	11
xii	Lack of an international airport in Pokhara	3+1= 4	12
xiii	Lack of public participation in tourism planning	3+1= 4	12 ^(e)
xiv	Inadequate preservation of local arts and culture	2+2= 4	12 ^(e)
xv	Local organisations are unable to persuade the local people of the benefits of tourism	2+1= 3	15
xvi	Haphazard urbanisation	3	16
xvii	Lack of a 'one stop' (one window) policy for issuing visa, trekking and national parks permits	3	16 ^(e)
xviii	Local people do not benefit from tourism to the maximum	1+1=2	18
xix	National and international competition in the tourist market	0	19
xx	Political instability	0	19 ^(e)
xxi	Seasonality	0	19 ^(e)

¹ A point system was used which weighted items as: items receiving first place = 5 points; second place = 4 points; third place = 3 points; fourth place = 2 points; and fifth place = 1 point. As a result, the most important items received the most points.

(ii) Issues/Problems Identified by the Nominal Group Session of Trekking Agents (n=7)

S.N.	Issues/Problems	Total Vote	Ranking Order
i	Lack of additional attractions, events and activities for recreation	5+5+3+3+16	1
ii	Poor professionalism in the tourism industry	5+5+4= 14	2
iii	Haphazard urbanisation	5+4+4= 13	3
iv	Poor coordination in the process of tourism planning and implementation	5+4+3= 12	4
v	Inadequate conservation and lack of tourism development strategy for Phewa Lake	4+4+4= 12	4 ⁽⁼⁾
vi	Poor waste management	5+3+2= 10	6
vii	Poor implementation of existing rules and regulations in the tourism industry sector	2+2+2= 6	7
viii	Poor condition of road network connecting Pokhara to Kathmandu, Bhairahawa, and unreliable public transportation including the city bus system and taxis	3+1+1= 5	8
ix	Lack of marketing, promotion and publicity of Pokhara in the international market	3+1= 4	9
x	Lack of effective tourist organisations to manage tourism development at the local level	3	10
xi	Poor distribution of tourist information	2	11
xii	Lack of an international airport	2	11 ⁽⁼⁾
xiii	National and international competition in the tourism market	2	11 ⁽⁼⁾
xiv	Lack of public awareness about tourism and the environment	1+1= 2	11 ⁽⁼⁾
xv	Inadequate infrastructure and additional incentives in the rural areas adjacent to the Pokhara Municipality (e.g. Begnas and Sarangkot)	1	15
xvi	Lack of public participation in tourism planning	1	15 ⁽⁼⁾
xvii	Tourism business is centralised within a limited areas	0	17
xviii	Poor tourist security on trekking routes	0	17 ⁽⁼⁾

(iii) Issues/Problems Identified by the Nominal Group Session of Hoteliers (n=7)

S.N.	Issues/Problems	Total Vote	Ranking Order
i	Poor professionalism in the tourism industry	$5+4+3+3+2=17$	1
ii	Lack of marketing, promotion and publicity of Pokhara in the international market	$5+5+3+2= 15$	2
iii	Lack of additional attractions, events and activities for recreation	$5+4+3= 12$	3
iv	Inadequate conservation and lack of tourism development strategy for Phewa Lake	$5+4+2= 11$	4
v	Poor waste management	$4+4+2= 10$	5
vi	Haphazard urbanisation	$5+4= 9$	6
vii	Poor condition of road network connecting Pokhara to Kathmandu, Bhairahawa and unreliable public transportation including the city bus system and taxis	$5+3= 8$	7
viii	Poor coordination in the process of tourism planning and implementation	$4+2= 6$	8
ix	Lack of an international airport in Pokhara	$3+2+1= 6$	8 ⁽⁼⁾
x	Lack of public participation in tourism planning	3	10
xi	Poor implementation of existing rules and regulation in the tourism industry sector	$1+1+1= 3$	10 ⁽⁼⁾
xii	Lack of effective tourist organisations to manage tourism development at the local level	2	12
xiii	Inadequate infrastructure and additional incentives in the rural areas adjacent to the Pokhara Municipality (e.g. Begnas and Sarangkot)	$1+1= 2$	12 ⁽⁼⁾
xiv	Lack of support (positive attitude) for the tourism industry from line agencies at the local level	1	14
xv	Lack of public awareness about tourism and the environment	0	15
xvi	Lack of a 'one stop' (one window) policy for issuing visa, trekking and national park permits	0	15 ⁽⁼⁾

(iv) Issues/Problems Identified by the Nominal Group Session of Travel Agents (n=7)

S.N.	Issues/Problems	Total Vote	Ranking Order
i	Poor professionalism in the tourism industry	5+5+4+2= 16	1
ii	Lack of additional attractions, events and activities for recreation	5+4+3+2= 14	2
iii	Inadequate conservation and lack of tourism development strategy for Phewa Lake	4+4+4= 12	3
iv	Poor waste management	5+5+1= 11	4
v	Inadequate infrastructure and additional incentives to the rural areas adjacent to the Pokhara Municipality (e.g. Begnas and Sarangkot)	5+4+1= 10	5
vi	Lack of marketing, promotion and publicity of Pokhara in the international market	5+3+1= 9	6
vii	Haphazard urbanisation	4+3+1= 8	7
viii	Poor condition of road network connecting Pokhara to Kathmandu, Bhairahawa, and unreliable public transportation including the city bus system and taxis	3+3+1= 7	8
ix	Lack of an international airport	3+2= 5	9
x	Poor implementation of existing rules and regulations in the tourism industry sector	2+2+1= 5	9 ^(e)
xi	Lack of effective tourist organisations to manage tourism development at the local level	3	11
xii	Poor coordination in the process of tourism planning and implementation	2	12
xiii	Lack of public participation in tourism planning	2	12 ^(e)
xiv	Lack of public awareness about tourism and the environment	1	14
xv	Tourists are hassled by craft sellers and street vendors	0	15

(v) Issues/Problems Identified by the Nominal Group Session of Craft and Souvenir Shop Owners (n=8)

S.N	Issues/Problems	Total Vote	Ranking Order
i	Lack of additional attractions, events and activities for recreation	5+5+3+2= 15	1
ii	Poor waste management	5+4+3+2= 14	2
iii	Inadequate conservation and lack of tourism development strategy for Phewa Lake	5+4+2+1= 12	3
iv	Inadequate infrastructure and additional incentives to the rural area adjacent to Pokhara Municipality (e.g. Begnas and Sarangkot)	5+4+2= 11	4
v	Haphazard urbanisation	5+4+1= 10	5
vi	Poor implementation of existing rules and regulations in the tourism industry sector	5+4= 9	6
vii	Lack of marketing, promotion and publicity of Pokhara in the international market	5+2+2= 9	6 ⁽⁼⁾
viii	Lack of appropriate crafts and souvenir markets based on local arts and culture	4+3= 7	8
ix	Lack of effective tourist organisations to manage tourism development at the local level	4+1+1= 6	9
x	Poor coordination in the process of tourism planning and implementation	4+1= 5	10
xi	Local people do not benefit from tourism to the maximum	3+1= 4	11
xii	Lack of public participation in tourism planning	3+1= 4	11 ⁽⁼⁾
xiii	Inadequate preservation and promotion of local arts and culture	3	13
xiv	Lack of professionalism in the tourism industry	3	13 ⁽⁼⁾
xv	Lack of public awareness about tourism and the environment	3	13 ⁽⁼⁾
xvi	Poor condition of road network connecting Pokhara to Kathmandu, Bhairahawa, and unreliable public transportation including the city bus system and taxis	2	16
xvii	Tax money is not 'ploughed back' into the tourism development	2	16 ⁽⁼⁾
xviii	Lack of an international airport in Pokhara	1	18
xix	Poor distribution of tourist information	0	19

