



# Mountain Tourism for Local Development

## Training Manual for Policy Planners in Tourism and Related Areas



International Centre for Integrated Mountain Development  
and  
Centre for Resource and Environmental Studies

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Training Manual for  
Policy Planners in Tourism and Related Areas

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AND  
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International Centre for Integrated Mountain Development (ICIMOD)  
and  
Centre for Resource and Environmental Studies (CREST)  
1998

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Top: Tilicho Peak (7,134m) from Jomsom - *P. Sharma*

Bottom: Lomanthang, Mustang - *P. Sharma*

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# Preface

The present manual is part of a series of studies and manuals resulting from the second phase of the NORAD-funded Project entitled Mountain Tourism for Local Community Development. The principal objective of the Project is to develop training modules and materials on mountain tourism for local community development for policy-makers, programme managers, private sector agencies, and local community-based organizations and entrepreneurs and impart training to these audiences in participating countries on a pilot basis. As part of the Project a number of thematic studies and manuals has been prepared.

The present Manual consists of training modules for policy-planners in tourism and related areas. The emphasis is in providing policy-planners with an awareness of the key issues of policy concern in mountain tourism. The manual presents and elucidates the objectives and goals of sustainable tourism development in the mountains. It also presents and elucidates the key issues and approaches related to the environmental, economic, social, and cultural aspects of mountain tourism and the ways and means of improving linkages and the reduction of leakages associated with mountain tourism. The roles of the different actors - government and non-government agencies, community organizations, and the private sector - in the organization and management of sustainable tourism in the mountains have also been brought out. A key thrust is on the development of participatory institutions that would set in motion a process of participatory planning of tourism so that mountain tourism may contribute to the three cardinal concerns of mountain development in the Hindu Kush-Himalayas, namely, poverty alleviation, environmental care, and empowerment of local communities.

These manuals build on the country overview studies, regional case studies, and micro-case studies undertaken during the earlier phases of the NORAD supported Mountain Tourism for Local Development Project. The present manual is basically intended for a Nepali policy level audience. Separate manuals have been developed for Programme Designers and Implementors and Local Community Groups and Organizations in tourism and related areas in Nepal. Also, similar manuals have been developed for different target audiences in India and Pakistan. Pilot training through the use of these manuals has also been carried out in these countries in association with key institutions related to tourism and local development. We hope that these manuals will contribute to the process of institutionalizing the training in respective country contexts and facilitate the conceptual and operational integration of mountain tourism with local development.

We would like to thank the Centre for Resource and Environmental Studies (CREST), our collaborating institution in the Mountain Tourism for Local Community Development Project in Nepal, particularly Dr. Kamal Banskota and Bikash Sharma, for developing these manuals.

On behalf of ICIMOD, Dr. Pitamber Sharma was the Project Coordinator as well as the technical editor of these manuals.

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## Introduction

A majority of the people in the mountain areas of Nepal live in abject poverty. Development has not been able to reach many remote and inaccessible areas of the mountains and the people there continue to depend on natural and land resources for subsistence. The environment, in terms of renewable natural resources, is degrading, population is growing, and hardships increasing. Opportunities are not forthcoming either. In this apparently hopeless situation, tourism development in the mountain areas provides some hope for the alleviation of the situation faced by mountain people.

The history of mountain tourism in Nepal spans three decades. In some mountain areas, tourism has been able to bring benefits to some people. People realize higher standards of living in areas such as Namche Bazaar, parts of the Annapurna area, Langtang, and so on. However, tourism benefits have been confined to small pockets and only a small number of people have been able to reap benefits from tourism. Part of the problem lies in the way mountain tourism has developed - it is entirely demand led and the supply side section of development has been slack. The environmental resources which tourists come to enjoy have not been adequately appreciated in the host country. Without appreciation of these resources, their value cannot be realized. Neither have there been efforts to link mountain tourism development with mountain community development. Thus as a host country, Nepal has not been able to harness these resources to develop mountain tourism to benefit the mountain community. Policy weaknesses and failures have also been responsible for this poor performance. Serious concerns have been raised on the negative impacts of mountain tourism on the environment, although some of these cannot be attributed to tourism. Negative environmental impacts are even more serious since they bring more hardship to the mountain people who depend on natural resources. Besides, these provide the basis of mountain tourism in Nepal and their deterioration can have serious negative implications on mountain tourism itself. But there is no denying that despite the negative impacts, mountain tourism has had overall positive impacts on mountain communities.

The conventional thinking has been that tourism led development will occur simply by opening new areas and permitting tourists to visit them. A large body of evidence, however, contradicts this belief because nowhere in mountain areas has tourism development been spontaneous. Although many mountain areas are rich in natural resources that have high nonconsumptive use value essential for tourism development, such resources are not helping local people improve their quality of life. Where tourism is practiced, benefits have been limited and mountain tourism has not been able to stimulate community development despite the financial resources it generates. Mountain tourism development cannot be assumed to take care of itself and stimulate community development unless concerted efforts are made. Comparative advantages of the area have to be assessed and ways and means of linking tourism development with community development have to be explored. Proper planning is necessary. Ultimately, local people have to be able to manage their own development in a sustainable way. Efforts must start with a clear vision and encompass a broad spectrum of issues. The very fact that natural resources provide the basis for mountain tourism development and that the lives of the mountain people depend on natural resources makes its management an important exercise. Resources need to be conserved for everyone: visitors seek satisfaction, local people desire to improve their lives, entrepreneurs wish to make profits, and the government and local bodies need revenue. In this apparently complex situation where different individuals and institutions have different objectives, conflicts in interests are bound to arise.

## **Objective**

New ideas have evolved over time in the management of natural resources. New ideas like implementing programs at the grassroots level by organizing beneficiaries, enhancing their capacities, and empowering them have already become mainstream ideas in rural development. This participatory approach, however, has not been utilized effectively in Nepal in the context of mountain tourism development. The concept of mountain tourism development has become complex. Understanding basic mountain tourism issues, sustainable development, carrying capacity of the environment, importance of energy technologies, the participatory approach, data base requirements, and monitoring and evaluation systems help facilitate the designing and implementation of sustainable mountain tourism development. The objective of this manual is therefore to introduce these concepts and generate awareness among program implementors by providing practical examples.

This manual draws from the work on mountain tourism initiated by ICIMOD in the last three years. It also draws from the work of writers that have contributed to issues related to mountain tourism in the Nepalese context. Although not all studies have been specifically referenced to in this manual, they have been utilized in previous work undertaken by CREST and have been accredited in the earlier works. Most of the materials used are cited in the reading material section.

## **Organization**

The manual is divided into five different sessions. Session 1 provides a general overview of Nepal's tourism sector. Session 2 introduces policy planners to the major impacts and emerging issues of mountain tourism. In session 3, the concept of sustainable mountain tourism development and carrying capacity are introduced and systematically explained. Session 4 is on Planning and Management of Sustainable Mountain Tourism Development where the basic elements of a perspective plan on sustainable mountain tourism and the role of different partners and required institutions are highlighted. Finally, the last session deals with monitoring and evaluation.

The curriculum or reading materials for trainers are provided at the end of the manual. The materials are mostly published reports from a variety of sources. All trainers must be thoroughly familiar with the main materials. A brief summary of the main reading materials are also provided.

# ***SCHEDULE AND TIMING***

## **Day 1**

**Session 1: Overview of Tourism**

**Session 2: Mountain Tourism Impacts and Issues**

09.00 - 09:30	Registration
09.30 - 10:30	Inauguration
10.30 - 11:00	Tea break
11.00 - 11:30	Introduction to the Workshop
11.30 - 12.00	Video Presentation
12.00 - 13.00	Session 1: Overview of Tourism
13.00 - 14.00	Lunch Break
14.00 - 15.30	Session 2: Mountain Tourism Impacts and Issues
15.30 - 16.00	Tea Break
16.00 - 17.00	Discussion

## **Day 2**

**Session 3: Sustainable Mountain Tourism Development**

**Session 4: Planning and Management of Sustainable Mountain Tourism Development**

**Session 5: Importance and Utility of Monitoring and Evaluation**

08.30 - 10.00	Session 3: Sustainable Mountain Tourism Development
10.30 - 10.45	Tea Break
11.15 - 12.45	Session 4: Planning and Management of Sustainable Mountain Tourism Development
12.45 - 14.00	Lunch
14.00 - 15.45	Session 5: Importance and Utility of Monitoring and Evaluation
15.45 - 16.00	Tea Break
16.00 - 17.00	Discussion

## **Video Presentation**

### **First day before Session 1**

There will be a video show presented on mountain tourism. The main purpose of this show is to impress policy planners on mountain tourism and provide them a basis for discussion as the training session progresses.

# ***SESSION 1***

## ***DURATION: ONE HOUR***

### **Overview of Tourism**

#### **Objective**

To provide an overview of tourism: focus on tourist flow, its origin, purpose, etc, and its contribution to the national economy

#### **Contents**

Importance of Tourism in Nepal

    Tourism Development Objectives and Policies

    World Tourism

Tourism in Nepal

    Understanding the Demand Side of Tourism

        Nationality

        Seasonality

        Purpose of Tourist Visit

    Supply Side

        Mountain Tourism Areas and Types of Mountain Tour-  
        ists

Contribution of Tourism to the Economy

#### **Methodology**

Short presentations followed by group discussions

### Objective

**To provide an overview of tourism: focus on tourist flow, its origin, purpose, etc, and its contribution to the national and local economy**

### Importance of Tourism in Nepal

When tourism began in Nepal over three decades ago, the country was relatively inaccessible and constrained by international air transport services, as well as other facilities and services required by tourists. Tourist arrivals in the country have increased with an average growth of over 6% between 1976-1994. In the early years, a majority of the tourists visiting Nepal were from Western Europe, followed by Asia; primarily Indians visited the country. In more recent years, however, tourists from Asia have begun to account for the greater share of visitors. The growth of North American tourists is declining over the years. Tourist arrival peaks during October and March. The trend of tourists visiting Nepal indicates that the per centage share of pleasure groups is decreasing and the per centage share of trekking and mountaineering groups is increasing. Despite the increase in the overall number of tourists to Nepal, there has been virtually no growth in the length of stay per visitor, which has been roughly ten nights.

The average per capita daily expenditure of a tourist has remained low at about US\$13 (1988), of which 53 per cent is spent on food, beverages, and accommodation; 16 per cent on recreation; 15 per cent on shopping; and the remaining 16 per cent on miscellaneous items. Import leakages have been estimated to be fairly high in the tourism sector.

The gross earnings from tourism increased from Rs 636.8 million in 1980 to Rs 8,251 million in 1994, at current prices, with an average annual growth rate of about 17 per cent. The share of earnings from tourism in the total value of merchandise export has fluctuated between 35-55 per cent, and its share in total foreign exchange earnings has remained fairly constant. The average contribution of tourism earnings to GDP has increased from 2.3 per cent in 1980 to about 4.2 per cent in 1994.

From 1965 to 1970 about eight new hotels came into operation, and currently there are about 159 hotels of different categories in the country. About 80 per cent of the star hotels are concentrated in Kathmandu. The number of rooms and beds increased by over 11 per cent between 1971 to 1992. The number of airlines and travel and trekking agencies has also been increasing steadily. The number of international flights and destinations has shown little increase.

Nepal is a country rich in natural and cultural diversity and the country boasts of the highest mountain chain in the world. Given its small size (147,186 sq. km.) the biodiversity is also immense. In order to protect this biodiversity, 14 protected areas covering roughly 14 per cent of the country have been created. Trekking tourism is the most popular type of mountain tourism in Nepal, followed by mountaineering and rafting.

Studies suggest that protection has enhanced conservation. But since most of these areas were inhabited by people before protected areas (mostly national parks) were created in Nepal, it has also compelled people to bring changes to their traditional lifestyles. Conflicts between park authorities and local people have also emerged, as development and tourism have not been able to benefit the community that resides in protected areas.

Mountain tourism is popular in some of the national parks. There are at least a dozen areas in the mountains of Nepal that have been opened to tourists. Some of the most popular areas are the Annapurna Conservation Area (ACA), Sagarmatha National Park (SNP), and Langtang National Park (LNP). Over 50 per cent of the trekkers that come to Nepal visit the Annapurna Region. The Annapurna region is easily accessible from Pokhara Valley, located about 200 km west of Kathmandu. The Sagarmatha and Langtang National Parks are respectively the second and third most popular trekking regions. SNP contains the world's highest mountain (Mt. Everest, 8,884 m) and tourists come specifically to see it. LNP is easily accessible from Kathmandu and contains beautiful views of rich forests and the Himalayas. Although other national parks in the mountain areas are equally beautiful, they are not as popular as they are not easily accessible.

## Tourism Development Objectives and Policies

Nepal formulated a 10-year Tourism Master Plan in 1972 with the objective of generating income and employment and increasing foreign exchange earnings through tourism. With this broad objective in mind, the plan proposed the development of different types of tourism in Nepal, namely organized sightseeing, independent trekking, and recreational and pilgrimage tourism. The plan also emphasised the need for motivating the private sector in tourism development. The master plan was reviewed in 1984, and it was pointed out that the government had not fulfilled its target for promotional activities. The tourism sector was accorded priority only in the Seventh Plan (1985-90). HMG has set out the goal of poverty alleviation through rapid economic growth in the Eighth Five Year Plan (1992-1997). The current plan places emphasis on the promotion of environmental, historical, and cultural assets through tourism promotion and development of linkages between tourism and other sectors of the economy. A strategy envisaged to achieve this goal has been the partnership approach between the public and private sectors.

Twenty years after the first master plan was formulated, in 1995, an independent Tourism Development Board was formed with members from both the public and private sectors. It is hoped that this board will give tourism development in Nepal a new thrust.

## World Tourism

Tourism is considered to be the world's largest business sector. In 1988, it was estimated that about 399 million tourists travelled between different nations and contributed an estimated US\$233 to US\$388 billion to national economies.

Nepal's Share

Number: about 0.09 per cent.

Income: about 0.023 per cent.

## Tourism in Nepal

Understanding how tourism behaves in relation to changes in income and prices is an important aspect of the demand side of tourism. Tourism can be seen from the demand side as well as from the supply side.

## Understanding the Demand Side of Tourism

It is necessary to understand the flow of tourists, their nationality, the main seasons they visit, and their motivation for visiting the country in order to understand the demand side of tourism (Box 1.1).

Unless the demand side is adequately understood, developing supply components of tourism and their management are unlikely to be effective.

Nature and Flow of Tourists: Numbers (Table 1.1 and Figure 1.1)

- Numbers have been steadily growing at about six per cent per annum.
- Between 1978 to 1985, the flow was almost steady.
- The numbers dropped in 1988.
- Since then the growth has been higher than six per cent.

### Box 1.1: Tourism is an Economic Commodity

Tourism can be treated as an economic item: it gives satisfaction to the consumer. This means that, in tourism, some form of monetary payment has to be made. Tourism may be treated as a luxury item as its consumption requires a reasonable amount of income to pay for travel, accommodation, food, and other services. Hence, tourism depends on the prices of different services and the tourist's income—among other things. As a result, there are more tourists from higher income countries than from lower income countries.

**Table 1.1: Annual Flow of Tourists to Nepal**

Year	1980	1985	1990	1991	1992	1993	1994
Number	162,897	180,989	254,885	292,995	334,353	293,567	326,531

Source: Nepal Tourism Statistics, Ministry of Tourism and Civil Aviation, Department of Tourism, HMG.

**Figure 1.1: Trend in Visitors to Nepal**



**Nationality (Figure 1.2)**

- Indian tourists are dominant and their number is constantly increasing.
- Visitors from Western Europe comprised the largest number until 1980.
- Currently, Asian tourists, including Indians, comprise the largest number.
- If Indian tourists are excluded Asian tourists comprise about only 15 per cent (1992) and tourists from Western Europe become dominant.
- The number of tourists from North America shows a steady decline in terms of per centage.
- The highest growth recorded is from Asian countries.

**Figure 1.2: Trend in Visitors to Nepal**

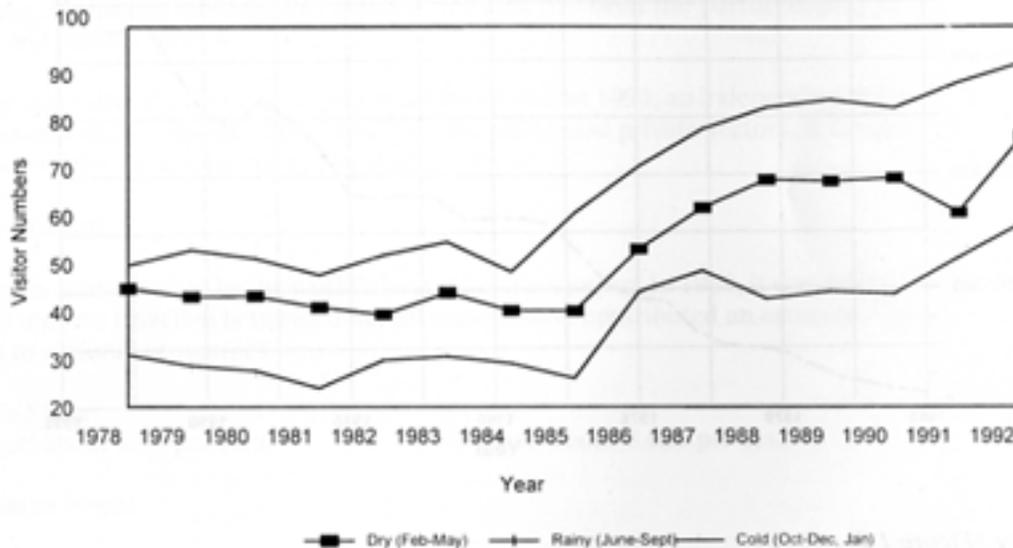


## Mountain Tourism for Local Development

### Seasonality (Figure 1.3)

- Tourist arrivals peak during the autumn and spring seasons (October to March).
- Seasonality has certain disadvantages such as its impact on income, employment, crowding, and congestion.
- Seasonality also has advantages: tourism in Nepal peaks during the slack agricultural season and so labour does not compete with tourism. Travelling in remote areas is relatively safer than during the monsoon season. During the slack tourism season, vegetation growth is high due to the monsoon and hence the environment regenerates. The Indian tourist peak season coincides with this pattern.

**Figure 1.3: Tourist Arrivals by Seasons (1978-1992) Excluding Indian Tourists**



### Purpose of Tourist Visit

- Most (about 71%) visitors to Nepal come for pleasure and visit Kathmandu and Pokhara.
- Of all the international visitors, about 20 per cent go trekking in the mountain areas.
- Only about 10-12 per cent of Indian tourists visit the mountain areas.
- About 80 per cent of the tourists visit Nepal for pleasure and trekking. Although the number of pleasure tourists is increasing, their share is however declining. (Compare Figures 1.4 and 1.5.) The remaining 20 per cent visit Nepal with business, official, or other purposes.
- The trend in all these categories has been more or less constant.

### Supply Side

The supply side of tourism depends on the quantity and quality of goods and services provided by the host country. Thus, the goods and services provided by hotels, travel and trekking agencies, airlines, cargo agencies, restaurants, handicraft outlets, etc, determine the supply side of tourism.

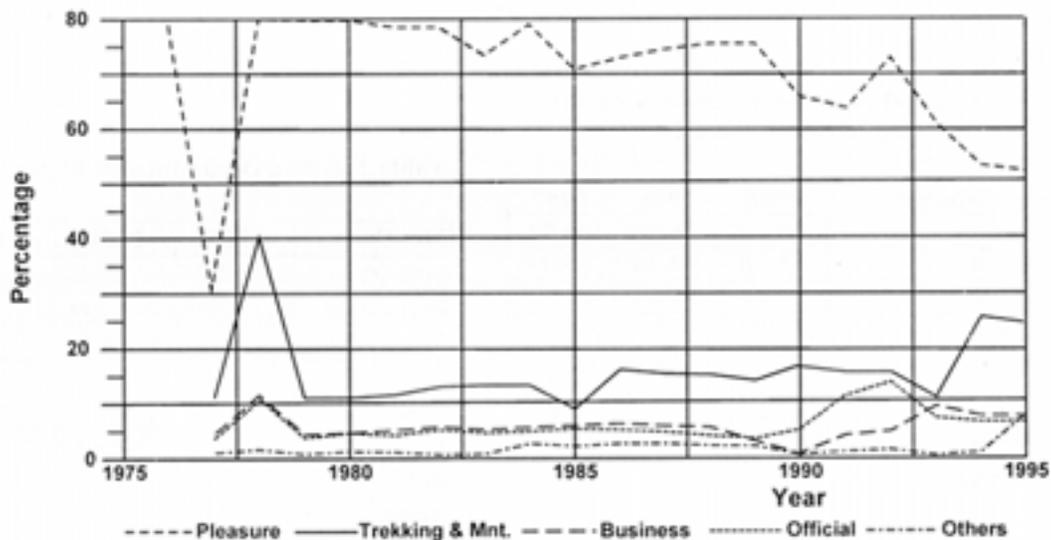
Between 1965-1970, there were about eight hotels in Nepal. Since then there has been a steady growth in the number of hotels of different categories in the country (Table 1.2). About 80 per cent of the hotels are concentrated in Kathmandu, indicating the severe limitations in diversifying tourism to other parts of the country.

Bed occupancy has remained fairly low at about 53 per cent (1987). The highest bed occupancy rate is for five-star hotels (Table 1.3). Occupancy rates are generally highest in October (Table 1.4). The number of airlines and travel and trekking agencies has also increased along with the growth of hotels. (In 1987, there were about 57 travel agencies.)

**Figure 1.4: Trend in Visitors to Nepal  
by Purpose of Visit: 1978-1995**



**Figure 1.5: Share of Visitors by Purpose**



### Mountain Tourism Areas and Types of Mountain Tourists (Boxes 1.2 and 1.3) and Table 1.5.

- Sagarmatha is the world's highest mountain and is, therefore, a special attraction for tourists.
- The Annapurna region is easily accessible from Pokhara, which, in turn, is accessible from Kathmandu.
- The Langtang region, too, is easily accessible from Kathmandu.
- Other regions are not easily accessible by motor vehicles or airplanes and may be a primary factor that discourages visits to these areas. In areas such as Mustang and Manaslu, tourism is controlled by means of high trekking permit fees and regulation of numbers.
- Tourists who visit mountain areas are either FITs or group tourists.

### Contribution of Tourism to the Economy (Box 1.4)

Foreign exchange is important because many things which Nepal has to buy cannot be bought with Nepalese currency. Because of its poor economy, the Nepalese currency is non-tradable in the interna-

tional money market. Hence, foreign currency is required to import many development goods. Tourism is Nepal's main source of foreign exchange earnings and has been the leading foreign exchange earner for many years. The tourism industry also provides the largest number of jobs. The earnings of this sector can be improved in four different ways, namely, by increasing the number of visitors, by improving the quality of services, increasing the length of stay, and fulfilling all of the things mentioned above. In Nepal, the emphasis has always been on increasing foreign exchange earnings by increasing the number of visitors, but so far little attention has been paid to improving the quality of services and extending visitor nights.

**Table 1.2: Hotels, Rooms, and Beds Available at Hotels of Different Categories**

Hotel Category	1971			1992		
	No.	Rooms	Beds	No.	Rooms	Beds
<b>Kathmandu</b>	8	339	644	116	4,412	8,703
5-Star	1	110	206	4	722	1,414
4-Star	-	-	-	5	468	965
3-Star	1	60	120	3	206	387
2-Star	3	110	205	19	729	1,421
1-Star	3	59	113	21	563	1,105
Tourist Standard	-	-	-	9	184	390
Others	0	0	0	55	1,540	304
<b>Outside Kathmandu</b>	3	32	84	87	1,580	3,069
3-Star	-	-	-	1	69	136
2-Star	-	-	2	2	80	164
1-Star	-	-	-	9	280	376
Tourist Standard	-	-	-	4	52	104
Others	3	32	84	71	1,099	2,289
<b>All Total</b>	<b>11</b>	<b>371</b>	<b>728</b>	<b>203</b>	<b>5,992</b>	<b>11,772</b>

Source: Department of Tourism 1992

- Per capita tourist expenditure has not grown (*Figure 1.6*).

**Table 1.3: Bed Occupancy Rate at Hotels of Different Categories**

Hotel Category	1985	1986	1987
5-Star	52.29	58.90	66.73
4-Star	44.18	47.96	55.82
3-Star	53.76	53.76	62.07
2-Star	46.31	50.73	50.13
1-Star	47.66	44.67	48.38
Tourist Standard	37.89	40.66	37.16
Others*	48.31	48.61	50.15

\*Includes non-star hotels, lodges, and guest houses  
Source: NRB, 1990

**Table 1.4: Bed Occupancy Rate per Month**

Month	1985	1986	1987
January	42.74	43.13	47.52
February	45.94	47.56	50.83
March	53.95	58.36	61.13
April	53.05	55.71	59.01
May	47.82	46.48	49.09
June	37.12	38.30	39.18
July	27.66	31.07	33.18
August	33.93	38.05	37.61
September	42.52	41.85	46.74
October	70.19	70.58	73.25
November	65.46	72.57	71.96
December	53.68	56.13	58.40
Average	47.96	49.88	52.47

Source: NRB 1990

**Table 1.5: Mountain Tourism by Destination - International Visitors only (1980-1992)**

Year	SNP	LNP	ACAP	Others	Total	Share	Total
1980	5,836	4,113	14,332	3,179	27,460	22.47	122,205
1985	8,347	4,610	18,960	813	32,730	25.75	127,109
1990	11,314	7,826	36,361	6,591	62,092	31.82	19,5121
1992	12,325	9,457	42,553	7,104	71,439	31.36	227,779

Source: Department of Tourism 1992.

## Box 1.2: Protected Areas in the Mountain Environment and Conflicts

Currently, there are 14 protected areas of different status in Nepal, covering roughly 15 per cent of the country's surface area. Of these, nine are in the hill and mountain areas. The creation of protected areas has brought changes to the traditional lifestyles of the people living in these areas. Local people have derived benefits from the protection of their environment, but, at the same time, conflicts have also arisen between park authorities and local people.

### Conflicts in Protected Areas

The main areas of conflict between local people and park authorities are:

- 1) denial of access to resources for local people (these resources include firewood, leaf litter, seasonal grazing, timber, and other minor forest products);
- 2) crop and livestock depredation by the protected area's wildlife; and
- 3) the absence of local people's participation in the management of the area

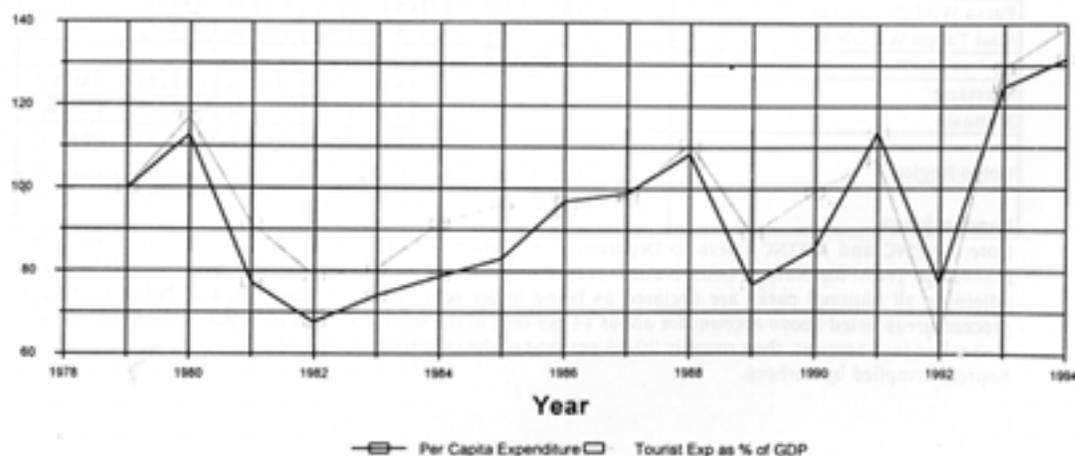
## Box 1.3: Types of Mountain Trekkers

*FITs are 'free independent trekkers' who carry their own backpacks or hire a guide/porter to assist them and eat and sleep in local lodges or tea houses.*

*Group trekkers come on a scheduled trip, or join up with friends for a customized, self-contained trek, organized by an overseas' adventure travel company or with a Kathmandu-based trekking agency. The full service includes all camping equipment: sleeping bags, dining and toilet tents, cooking gear, three meals a day, guides, cooks, and porters.*

Each group makes a different impact (income and employment generation, cultural and environmental) on the areas they visit. His Majesty's Government (HMG) currently has different regulations for each group, which have implications on the local economy. The information available indicates that the distribution of group tourists and FITs varies by region as well as over time. No clear trend can be discerned from the data on the future trend of FITs or group tourists. In Langtang National Park, the region most accessible from Kathmandu, FITs constitute a larger per centage than group trekkers. In other parks and areas less accessible, group trekkers constitute a majority.

**Figure 1.6: Trend in Per Capita Tourist Expenditure and Shares as % of GDP 1979-1995**



**Box 1.4: Sources of Benefit to Local Mountain Communities from Tourism**

**Monetary**

*Accommodation Expenditure*

- Lodge, camping, and paying guest

*Food Expenditure (Meals)*

*Other Local Expenditure*

- Tea, soft drinks, fruit, handicrafts, etc

*Porters Hired and Wages Paid*

- Free Independent Trekkers (FITs) and Group Trekkers hire different numbers of porters and pay different wages to them

*Conservation Area and Other Fees*

- All visitors have to pay the conservation area fee of Rs 650 (now Rs 1,000) in the Annapurna region. A recent policy permits channelling trekking fees (30-50%) to local areas. Also, in some places, fees have to be paid to visit museums, monasteries, special sites, etc

**Employment**

- Support staff (sirdars, guides, cooks, kitchen helpers, and porters)
- Employment in lodges and tea houses as well as through operating 'paying guest services'

**Other Benefits** (discussed in Session 2 under Tourism Impacts)

**Table 1.6: Protected and other Areas opened for Tourism in Nepal**

Name	Sq. Km	Gazetted/ Opened for Tourism	Type of Tourist Permitted	Required Fees	Management
<b>Mountain Areas</b>					
Rara National Park	106	1976	FITs & Group	Park & Trekking	DNPWC
Shey Phoksundo National Park	3,555	1984	FITs & Group	Park & Trekking	DNPWC
Annapurna Conservation Area	7,000	1986	FITs & Group	Park & Trekking	KMTNC
Langtang National Park	1,710	1972	FITs & Group	Park & Trekking	DNPWC
Sagarmatha National Park	1,148	1976	FITs & Group	Park & Trekking	DNPWC
Makalu Barun NP and Cons. Area	2,330	1992	FITs & Group	Park & Trekking	DNPWC
Dhorpatan Hunting Reserve	1,325		FITs & Group	Park & Trekking	DNPWC
Khaptad National Park	225		FITs & Group	Park & Trekking	DNPWC
Shivapuri Watershed Protected Area	144				
<b>Terai and Inner Terai</b>					
Royal Sukla Fata Wildlife Protected Area		1976	FITs & Group	Park & Trekking	DNPWC
Royal Bardiya National Park	968	1988	FITs & Group	Park & Trekking	DNPWC
Royal Chitwan National Park	932	1973	FITs & Group	Park & Trekking	DNPWC
Parsa Wildlife Reserve	499	1984	FITs & Group	Park & Trekking	DNPWC
Kosi Tappu Wildlife Reserve	175	1976	FITs & Group	Park & Trekking	DNPWC
<b>Other Areas opened for Tourism</b>					
Mustang			FITs & Group	Park & Trekking	KMTNC
Manaslu			FITs & Group	Park & Trekking	KMTNC
			FITs & Group	Park & Trekking	DNPWC
Dolpo Region					
Kanchenjunga			FITs & Group	Park & Trekking	??

Note: DNPWC and KMTNC refers to Department of National Parks and Wildlife Conservation and King Mahendra Trust for Nature Conservation respectively. In addition, about 10-15 per cent of the area adjoining all national parks are declared as being under some form of protection, i.e., buffer zone. The proceed areas listed above account for about 14 per cent of the total land area of Nepal. If the buffer area is also taken into account, then roughly 20-25 per cent of the country is protected.

Source: Compiled by authors.

# ***SESSION 2***

***DURATION: ONE AND A HALF HOURS***

## **Mountain Tourism Impacts and Issues**

### **Objective**

To highlight the main impacts and issues of mountain tourism

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Environmental  
Economic  
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### **Methodology**

Short presentation followed by group discussions

### Objective

#### To highlight the major impacts and issues of mountain tourism

Tourism is one of the world's largest market sectors. Each year, millions of tourists travel within and outside their own countries. Compared to other Asian countries, tourism in Nepal has grown at a slow rate, primarily because Nepal does not fall within the mainstream of various routes (Touche Ross 1990). Thailand, within less than a decade, has been able to develop itself as a key tourist destination with over four million tourists visiting annually. India has a strong market for domestic tourism, and international tourism in India has also been growing faster than in Nepal.

International data indicate that tourists from the 35-55 age group from industrialized and newly industrialized countries are travelling more and more and are generally inclined to take several holidays annually rather than one long vacation (McIntyre 1993). Many parts of South East Asia do not have mountain environmental resources like Nepal. The increasing concern for global environment and its conservation has fuelled interest in visiting such places as the Himalayas, and Nepal is the only country that has mountain resources that are relatively accessible to a wide range of international tourists.

Nepal's Himalayan resources continue to attract tourists from the traditional tourism markets of Europe and America. Moreover, the growth of income of South Asian tourists has been increasing at one of the fastest rates in the world. Income growth in India, in particular, has increased modestly within the last couple of years. Growth of income in neighbouring countries, therefore, provides additional scope for developing new areas and products. Growth of income in neighbouring countries provides increased scope for offering new tourist products in new destinations. With economic development, people are finding it harder and harder to take long vacations and thus short trips are in greater demand. Furthermore, international tourist spending has also been increasing in many countries, but this spending in Nepal has remained more or less constant in real terms, primarily due to the lack of spending outlets. Clearly, the market is there for Nepal to capitalize on; what is required is a vision of how to develop and market new products and help local mountain communities retain a large share of the benefits from mountain tourism. Accessibility will be important since tourists will want to visit new areas without having to spend a great deal of time to access them.

Despite the slow growth in tourism, in general, and mountain tourism in particular, Nepal has experienced a variety of impacts both positive and negative. These impacts may be classified into environment-related, economic, and sociocultural. A brief discussion of these impacts is in order, after which the main issues that emerge in the case of mountain tourism will be addressed. These issues are illustrated to highlight policy weaknesses or failures that require immediate attention if Nepal is to gain its strength in the world tourism market. The Nepal Tourism Master Plan (1972), formulated during the fourth plan period, put forward a comprehensive set of policies to promote tourism in immediate and future periods. All subsequent periodic plans have since been largely guided by the Master Plan. Despite the regular affirmation of its importance as emphasized for tourism development in the periodic plans, no vision and plan exists for this sector. Especially is the void felt in the mountain tourism sector.

The existing institutional framework in the tourism sector is made up of public and private sector organizations that interact to a varying degree. There are many public and private sector institutions that operate in the tourism industry. What has been realized is that, despite the institutional elements for tourism being in the proper place, Nepal lacks institutional capability that effectively combines government and private sectors to address product development, international marketing, and promotion.

HMG has recently revised the tourism policy to make this sector more modern and vibrant. The Tourism Council, headed by the Prime Minister and represented by ministers and the private sector, has already been set up with a view to coordinating the interests of the tourism sector at the highest policy level and provide guidelines and directives to the Ministry concerned.

Nepal needs to regain its international competitiveness in tourism to make greater contributions to national economic development and to mountain areas through an integrated process of quality control over tourism products, sustainable development, marketing, and promotion. There is an immediate need to forge a greater public/private sector partnership in tourism.

## Mountain Tourism for Local Development

Currently, Nepal is facing internal and external challenges that are quickly eroding tourism growth potentials. Internally, the lack of new product development and diversification, environmental deterioration, and lack of public and private sector coordination, promotion, and marketing are the main problems that need to be addressed. Nepal's inability to address product quality development and marketing effectively has been the result of its institutional framework which lacks strong partnerships between public and private sectors. Externally, Nepal's tourism is facing a range of new and very aggressive competitors in product development, promotion, and marketing. Nepal has failed to promote and market its products. Both these factors are rapidly eroding Nepal's comparative advantage in tourism. Unless action to address these internal and external issues is taken, Nepal is unlikely to figure as an important tourism destination in the coming century. What Nepal needs is to regain the institutional competitive advantage it has in tourism.

### Mountain Tourism Impacts

The impacts of mountain tourism may be grouped into three main headings. The impacts may be either positive or negative. It is not always possible to discern whether the impact is positive or negative since its true manifestation may take many years. Also, tourism may not alone be responsible for the impact as many other factors may be inducing changes in the mountain environment, economy, and sociocultural practices of the mountain people.

- **Environmental**
- **Economic**
- **Sociocultural**

#### Environmental

##### *Land Use*

- Changes in cropping pattern. Cash crops bring quick cash returns to households, thus motivating change. Potato, fruit, and vegetable cultivation has increased replacing traditional staple crops such as buckwheat or barley.
- Changes in forest encroachment have been mixed. Most land-use changes relate to the use of land to build lodges, tea houses, or camp sites.
- Land is also left fallow to provide camp grounds replacing cultivation of traditional staple crops such as buckwheat or barley.

##### *Litter, Garbage, and Pollution*

- Estimates indicate that an average trekking group of 15 people generate about 15 kg of non-biodegradable, non-burnable garbage in ten trekking days. With about 70,000 trekkers visiting the mountain areas, this problem appears to be serious.
- The problem is not only the generation of garbage, but also the type of garbage generated and how it is disposed. Appropriate facilities to get rid of garbage are not available in many places.
- Siting toilets too close to or over streams or drinking water sources and use of chemical soap for bathing or washing dishes and clothes in streams or too close to water sources have been reported as sources of pollution.

##### *Forest*

Three factors put pressure on firewood demand.

- Tourists outnumber local people in some mountain areas where tourism is active.
- Although group tourists are expected to use alternative sources of energy, FITs depend on lodges who continue to use firewood and porters who accompany both types of tourists have to rely on firewood.
- Growing seasons in the mountains are extremely short.

#### Economic

Economic impacts of mountain tourism can be viewed in terms of how different aspects of the mountain economy are affected by tourism expenditure and tourism development. The full impact of mountain

tain tourism on mountain areas will depend on how strongly the tourism sector is linked with the mountain economy, i.e., linkages (see Box 2.1).

### Box 2.1: Concept of Tourism Multiplier and Leakage

Linkages of the tourism sector with other sectors of the economy can be viewed in terms of the multiplier effects of tourist expenditure. A dollar spent by a tourist transmits impulses to different sectors of the economy. As the domestic sectors in the economy become stimulated by tourist expenditure, they in turn demand additional resources sending further stimuli to other sectors. In this process, output, income, and employment are generated. There are a number of multipliers in regular use in tourism planning and evaluation which can be broadly grouped into four types:

<i>Types of Multipliers</i>	<i>Description</i>
<i>Output Multiplier</i>	<i>The amount of additional output generated in the economy as a result of increase in tourism expenditure.</i>
<i>Income Multiplier</i>	<i>Additional income (wages and salaries, rent, interest, and distributed profits) generated in the economy as a result of increase in tourism expenditure.</i>
<i>Employment Multiplier</i>	<i>The total amount of employment generated by an additional unit of tourist expenditure.</i>
<i>Transaction or Sale Multiplier</i>	<i>The amount of additional business revenue created in the economy as a result of increase in tourism expenditure.</i>

#### Leakage

When the private sector purchases goods and services from sources outside the community, money is no longer subject to the multiplier effects and the economic benefits leak out of the community. Although it is not always possible to completely eliminate the import of goods and services used in tourism at the national, regional, and community levels, evidence from Nepal reveals that little effort is being made to minimize the leakage through establishing strong cross-sectoral linkages with tourism.

The main economic impacts depend upon seasonal employment and income earned through mountain tourism. Porters and jobs provided by lodges are the main forms of employment.

#### **Employment**

- Altogether 11,172 people were directly employed in the tourism sector; 53 per cent of these were employed in hotels and the rest in travel and trekking agencies and airlines.
- Most of them are employed in the Kathmandu Valley.
- One tourist bed in Nepal creates less than two jobs (which is fairly low compared to other developing countries) because most of the tourists (67%) who come to Nepal are low budget tourists.
- Mountain tourism generates employment for porters, sirdars, guides, cooks and jobs are created in mountain lodges and tea houses.

#### **Income**

Sources of revenue from mountain tourism are mountain royalties, trekking peak fees, and trekking and park entrance permit fees, etc.

- The gross earnings from tourism increased from Rs 636.8 million in 1980 to Rs 8,251 million in 1994, at current prices, with an average annual growth rate of about 17 per cent.
- The share of tourism earnings in the total value of merchandise export has fluctuated between 35 to 55 per cent.
- Its share in total foreign exchange earnings has fluctuated between 20 to 30 per cent.
- The average contribution of tourism earnings to GDP has increased from 2.3 per cent in 1980 to about 4.2 per cent in 1994.
- Although there are no specific statistics on the total revenue contributed by mountain tourism at the national level, estimates indicate that it is substantial, with food and accommodation sources accounting for the largest shares (Table 2.1).

## Mountain Tourism for Local Development

### *National Significance of the Value of Himalayan Environmental Resources (HER)*

Local Significance of the Value of HER: How the community in the Annapurna region have benefitted from tourism

The contribution made by mountain tourism to the local economy of the Annapurna area indicates that besides the substantial revenue that accrues to the ACAP project, lodges and the community also benefit substantially through tourism (Table 2.2).

**Table 2.1: Estimated Income Generated by Mountain Tourism (Rs '000')**

Year	Wages	Food	Mountain -eering	Treks & Parks	Peak Fees	Mountain Revenue
1988	81,310	159,630	47,661	7,353	8,523	304,477
1989	89,938	184,416	71,198	7,303	1,389	354,244
1990	103,952	197,112	75,634	7,451	1,605	385,754
1991	120,225	309,618	165,292	7,892	13,053	616,081
1992	146,663	332,838	104,386	8,573	20,883	640,662

Source: Banskota and Sharma 1995a.

**Table 2.2: Visitor Expenditure and Gross Income Accruing to Lodges and the Community (Rs '000')**

	Accom	B-fast	Lunch	Dinner	Food	Local	Wages	FEE	Total	Per Trekker
Total Lodge (Rs)	17,964	10,278	16,488	18,729	45,495	0	0	0	63,459	1,493
Community	6,979	5,747	2,762	4,780	13,289	27,204	107,483	27,621	182,576	4,297
ACAP Area	24,943	16,025	19,250	23,510	58,784	27,204	107,483	27,621	246,035	5,790
Local Economy as % of ACAP Area	10.14	6.51	7.82	9.56	23.89	11.06	43.69	11.23	100.00	na

Source: Banskota and Sharma. Contribution of Tourist Expenditure to the Local Economy in the Annapurna Area. Project Report No. 1196, CREST to ICIMOD, January 1996.

- Despite mountain tourism's contribution to the local economy, there are substantial leakages as well; some of which can be minimized through production of many food items locally.

### *Linkages and Leakages (Box 2.2)*

Trekkers could have a greater impact on income in mountain areas. At present, group trekkers and mountaineers purchase most of their food items in Kathmandu, prior to treks or expeditions, in addition to what they import. Many of these items, which include vegetables, eggs, milk, and other perishable food, could be produced locally. Encouraging the production of these items, where tourism is active, would benefit these areas even more than is now the case.

#### **Box 2.2: Tourism Does Not Generate Spontaneous Benefits**

Tourism is unlikely to bring community development unless efforts are made. Tourism development in mountain areas must be integrated with community development. Indigenous knowledge alone cannot help promote tourism in mountain areas. New knowledge and technology will have to play a greater role. The economy of mountain areas cannot depend solely on food production; alternatives need to be developed. The assessment of the value of HER will enable the assessment of mountain comparative advantages. Although Nepal now cannot abandon strategies for poverty alleviation based on increased agricultural production, the plans for the twenty-first century must be based on the comparative advantage paradigm. However, not all mountain areas will have the same potential for tourism development. How they can be used and linked with mountain tourism development must be made clear.

### **Sociocultural**

The impact of tourism on local cultural traditions and values is difficult to assess. Cultural practices change as people travel, educate themselves, trade, etc. There are both positive and negative impacts of tourism on the sociocultural practices of mountain people.

Changes in people's behaviour, dress, lifestyle, family and social structure and values, and expectations; the decline in local support for traditions and institutions; people's preference for tourist-related jobs over education; pollution of sacred places; and changes in traditional architecture are generally cited as instances of tourism's negative impacts on culture.

### *Impact on Women*

- The burden on women in terms of housekeeping and agriculture as adult family members stay away from home for prolonged periods to serve tourists is increasing.
- Although not reported, this negative impact could result in smaller family sizes, which will effect women's health and time allocation and can be seen as an indirect positive impact.
- Large numbers of women have been able to find self-employment in running lodges and tea houses.
- Mountain tourism has provided women with the opportunity to demonstrate their capabilities as good managers.
- Tourism has also helped women to undertake highly specialised and skillful activities, such as climbing Mt. Everest, which undoubtedly increases their morale.
- Women from the Sherpa community have been trained as doctors and an increasing number of females from such communities are receiving higher education. Perhaps the full impact of tourism on women is just beginning to unfold; in a few decades, the impact will be visible.

Although not directly attributable to tourism, there are some positive impacts that can be identified. The discussion below conjectures and aims to shed light on new tourism impacts. They are: a) poverty alleviation, b) awareness generation (education, health and hygiene, conservation of natural and cultural sites, etc), c) development (infrastructure, settlement, cottage industry, etc), d) socio-demographic, e) research, and f) publicity for Nepal.

### *Poverty Alleviation*

In some mountain areas, tourism has been able to alleviate poverty. Take the case of the Khumbu region and some areas in the Annapurna region and compare them with similar areas in other parts of the mountain region.

### *Awareness Generation*

- Compared to other mountain regions of Nepal, the level of literacy among the younger generation of the Sherpa people of Khumbu is high.
- There is some basic understanding of a second language (mostly English) among local people where tourism is active (Sagarmatha, Annapurna, and Langtang).
- Among the people of these regions, the awareness about health and hygiene is of a higher standard than in other mountain pockets not frequented by tourists.
- There is also a relatively greater awareness about conservation of cultural sites and nature among these groups of mountain people.
- Tourism has helped preserve local monuments (i.e., increased appreciation of man made HER) as in the case of the Tengboche Monastery.

### *Infrastructural Development*

Tourism may partially be the reason for infrastructural development in some remote areas. It is most likely that airstrips, bridges, and trails would not have been developed so early if tourism had not been introduced in these areas. Without the development of tourism, the limited resources of the government and local people would, perhaps, not have been adequate to build all the infrastructure available in areas such as SNP, ACAP, and LNP. For example, the infrastructure that has been created through the Hillary Trust in the Khumbu region.

### *Research*

Many research studies have resulted from tourism. In many cases, tourists have either been directly involved in carrying out such studies or have funded or found financial support for Nepalese as well as

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foreign scholars interested in carrying out such studies. Many books on Nepal written by foreign scholars have become internationally well-known.

### *International Publicity*

Nepal has received a great deal of international publicity through tourism, especially mountain tourism, some of which may have been negative. A vast number of books on Nepal has been printed. Documentary films have been televised in different countries. Many articles have been published by scholars in international journals. Nearly half a dozen or so cover stories have been published in the *National Geographic*. All of this has created an awareness about Nepal, its unique natural and cultural heritage, and the problems that need to be addressed.

### **Main Policy Issues**

#### *Lack of Appreciation of HER and a Vision of Sustainable Mountain Tourism Development*

A key issue that stands out in the context of mountain tourism is the lack of appreciation of the potentially high economic value of HER and a vision of how to harness these resources for community and mountain tourism development (Boxes 2.3 and 2.4). Nepal's comparative advantage lies in the fact that it is endowed with immense renewable resources: mountain people with a vibrant culture, scenery, flora and fauna, water, medicinal plants, mountain peaks, etc.

#### **Box 2.3: Challenge**

How Nepal will develop mountain tourism and mitigate poverty to provide an impetus to sustainable mountain development (i.e., MCD and MTD) remains to be answered. Poverty alleviation in these potentially rich environmental areas calls for appropriate complementary investments in mountain tourism sectors that promote linkages between local production activities and tourism, so that leakages are minimized and retention of benefits locally increased.

#### **Box 2.4: Economic Value of Protected Area Tourism**

Probably only a very small proportion of the total economic value of protected area tourism has been realized inside Nepal, despite the obvious economic importance of tourism to the country. As a result, the value of tourism and - by inference - of the parks appears to have been substantially underestimated, and less-than-optimal investment made in park management.

Source: Wells 1994

Economic value arises when satisfaction is derived from consuming resources directly or indirectly. As with all valuable assets, we need to conserve HER and develop or use them in a manner that fulfills everyone's needs. The lives of the mountain people depend on the renewable natural resources of the mountain areas and tourism also thrives on these resources. Understanding the different types of value placed by different users on HER provides a basis for developing a sustainable mountain and tourism development plan.

### *Policy Weaknesses*

Existing policies, plans, and programmes in the mountain tourism sector are not guided by a plan (Box 2.5). Policy weaknesses, *ad hoc* decisions, inconsistencies, and market failures are all responsible for most of the negative impacts that have been witnessed in mountain tourism. Economic incentives have, perhaps, not been given enough time to succeed while regulations have, perhaps, been given too much time to fail (Box 2.6).

The use of firewood by tourists has been restricted (kerosene is mandatory in some mountain areas), but its use by tourist support staff and local tourism outlets continues. Policy failure arises from the fact that this derived demand for firewood by tourists is not considered to be an integral part of the mountain tourism energy policy.

### Box 2.5: Poor Government Performance

As noted by the 1984 Master Plan Review, the main impediment to the plan's (Master Plan) implementation was that *"the government at large failed to share its responsibilities in directing and promoting tourism in a planned manner."* This situation has not changed much.

Source: Banskota and Sharma 1995a.

Newly-opened mountain areas, where only self-sufficient group tourists are permitted, provide little scope for local people to benefit from tourism.

Remedial action and a code of conduct have been formulated, but the fact is that negative impacts or excess stress on the carrying capacity continue to occur. This indicates that policies have failed or that their enforcement has been ineffective (Box 2.7). In some areas in the mountains visited by tourists, tourism management guidelines just do not exist, thereby affecting negatively the carrying capacity of such areas. Rules and regulations are often cumbersome and change without proper study in an *ad hoc* manner (Boxes 2.8, 2.9, 2.10). There is no monitoring to assess the efficacy of existing policies on environmental conservation and promotion of income and employment in local areas.

### Box 2.8: Application Process for Lodge/Tea Stall Permit in Langtang National Park

- Submit proposed plan.
- Plan reviewed and area visited by warden.
- Warden recommends and forwards the plan to the DNPWC.
- The DNPWC reviews the plan.
- The DNPWC forwards the plan to the Ministry of Forests and Soil Conservation.
- The applicant may have to go to and from many times between the different agencies before a final decision is made.

Source: Lama et al. 1996.

### Box 2.6: Importance of Economic Incentives

The current forms of policy instruments are ineffective in conserving the mountain environment. Much of the regulatory control instruments (setting standards) are not backed by scientific research and, if so, they are poorly enforced. Market-based instruments based on economic incentive and disincentive packages (user charges, emission or pollution charge taxes, etc.) have not been given much of a role to play in correcting environmental problems. Policy failure is defined as a government intervention that exacerbates an existing market failure or that distorts a well-functioning market. A market failure does not warrant government intervention, if such an intervention leads to a worsening of the problem it was meant to correct.

### Box 2.7: Examples of Policy Weakness

What continues to prevail in the mountain tourism sector is continued use of firewood and lack of affordable substitutes; poaching; *ad hoc* changes in visa fees; absence of an appropriate pricing mechanism in the case of park entrance fees, trekking fees, and mountaineering fees; the opening of new areas (e.g., Manaslu, Kanchanjunga, etc.) without prior assessment of their potential value and investments; poor enforcement and the lack of economic incentive and disincentive measures at the community level for managing the resources; and so on.

### Box 2.9: *Ad hoc* Decision

The present tax rate for lodges and tea shops located inside the park (Langtang) as well as in the buffer area is Rs 10,000, Rs 20,000 and Rs 30,000, depending on the size (beds) and location of the facility. These rates are significantly higher than the previous rates (the previous rates ranged from Rs 150 to Rs 6,000 per year) and appear to be the result of an *ad hoc* decision. Many lodge and tea shop owners have complained about this high tax rate.

Source: Banskota and Sharma 1997.

### Box 2.10: Violation of Norms and Standards

The Physical Development Land Use Plan was prepared as early as 1973. This plan covered the entire valley including other lakes besides Phewa. The area around the Phewa Lake was designated as a conservation area. Baidam was designated as a special conservation area and various restrictions on construction activities were identified. Special regulations were identified to protect the natural beauty of the Baidam area and also to regulate construction activities to vernacular building styles. A Town Development Committee was established to implement this plan. Despite the plan, building codes and regulation enforcement have been almost absent. The problem of violating rules was further exacerbated during the political change that took place in the early 90s when many individual property right owners disobeyed the little enforcement there was. Haphazard construction activities that violate many of the norms continue to take place to this day. The Town Development Committee itself has built a new Visitor Information Centre in the restricted area. The outlet of the storm drainage recently constructed by the Tourism Infrastructural Development Project is another example of gross violation of a construction norm.

Source: Banskota and Sharma 1997

### *Poor Linkage between Mountain Tourism and Mountain Community Development*

Mountain tourism can be an important source of employment and income to poverty stricken rural areas, provided a number of complementary activities are simultaneously undertaken-including the development of the supply components of tourism. Unfortunately, mountain tourism in Nepal has not been seen in terms of these multifaceted linkages and a coordinated package of policies and programmes (Box 2.11). Despite the benefits that mountain tourism has brought to remote and inaccessible mountain areas, a wider mountain community has not been able to receive benefits (Box 2.12). Mountain tourism does not bring spontaneous benefits to local communities. It has to be planned and developed. Even in areas that thrive with tourism, the retention of tourist expenditure in the community is low and community development has not taken off mainly due to the lack of supply side planning through coordinated efforts and complementary programmes of all partners. Community development must be integrated with tourism development, especially in mountain areas that have a strong scope for tourism development.

### Box 2.11: Who owns the Phewa Lake?

What constitutes the physical area of the Phewa Lake has not been defined and officially demarcated. In 1974, the Phewa dam collapsed reducing the volume of water and, as the shore line receded, it exposed large pieces of land. Some of this land appears to have been immediately registered by individuals as private property with the District Land Office following the land use survey carried out around this period. The water level in the newly constructed dam rose to 94.7 m, from the previous dam height of 93.7 m, and a petition was made by the locals to the court to reduce the water level to the previous level. The court made a decision accordingly. To assert their individual property rights, some owners even demarcated their property by placing concrete pillars, which are now submerged in the lake waters, after the dam was reconstructed and the water level rose. About 2.15 hectares of such land is currently submerged under water. This has thus created ownership rights' disputes: "Phewa Lake area is everybody's property and nobody's property."

Source: Banskota and Sharma 1997.

### *Lack of Product Diversification and Supply Side Development*

A substantial part of mountain tourism development in Nepal has been demand led. Supply side development and management have been poor (Boxes 2.13 and 2.14). In most mountain areas, tourism development has been geared to cater to the needs of tourists. A great deal of negative impacts could have been minimized had supply side development and management taken place effectively. The sup-

### Box 2.12: Park People Conflict

The large number of national parks and protected areas conserve an enormous wealth of environmental resources, some of which are not found in any other part of the world. The creation of protected areas has generally meant changes in traditional land use practices (timber, firewood, other forest products, harvest, grazing). There have been changes in cultivation practices in some cases through policy initiatives, in others through private initiatives. Changes have occurred in the traditional lifestyles of the local people, and, to some extent, in traditional hunting. The main areas of conflict between local people and park authorities can be summarised as follows. (Upreti 1985; Kharel 1993; Yonzon 1993; Stevens et al. 1993a and 1993b; Sherpa 1988):

- 1) denial of access to resources for local people (these resources include firewood, leaf litter, seasonal grazing, timber, and other minor forest products);
- 2) crop and livestock depredation by the wildlife protected areas; and
- 3) the absence of local people's participation in the management of the area.

Alternatives have not been provided to the local people, and they may not have been able to benefit from tourism either.

Source: Banskota and Sharma 1995a

ply side of tourism can be broadly grouped into five main interdependent components: attraction, services, transportation, information, and promotion. Given nearly three decades of tourism in Nepal, tourism product diversification and development have been slow. New areas are opened, but mountain development has not grown in the manner expected.

Although trekking tourism will continue to be the main type of mountain tourism in Nepal, innovative products have to be designed as the taste and preferences of international tourists are changing all the time. Developing new products will require infrastructural development as well as substantial human resource development. In other words, there is an urgent need to plan mountain tourism which encompasses community development.

### *Limited Carrying Capacity of Mountain Areas*

Sustainable mountain development means "the management of HER that can fulfill the economic, social, and aesthetic needs of mountain communities and tourists of present and future generations, while maintaining cultural integrity, essential ecological processes, and biological diversity and life support systems found in mountain environments." Thus mountain development has to be within the carrying capacity of the mountain environment. There are, however, reasons to believe that tourism carrying capacities of such areas are already exceeding their limits not only from an environmental point of view but also from a social and economic point of view. On the other hand, the scope for capitalising on potential carrying capacities seems to be limited in the current stage of technology,

### Box 2.13: Inadequate Emphasis on Mountain Tourism

Ever since the Master Plan, the diversification of sightseeing and adventure tourism has been a key thrust of all succeeding policies. In actual practice, sightseeing tourism has been concentrated in the Kathmandu Valley alone, with a little spill over in Pokhara and Lumbini. Mountain tourism has been concentrated in Khumbu, Annapurna, and Langtang. The situation of infrastructural facilities and proximity to urban tourism centres have been the key guiding factors for the diversification of mountain tourism.

Source: Banskota and Sharma 1995a

### Box 2.14: Poor Implementation

One of the key points of every tourism policy adopted in the periodic plans (5 year) is the diversification of tourism at all potential tourist sites in a phase-wise manner. But there has been no commitment to priority setting within a time frame. A tourism development area has not been declared as yet in the mountain region, or for that matter, even in the Kathmandu Valley. When basic infrastructure, such as roads, drinking water sources, communication systems, etc, are developed in areas that have a potential for nature tourism or rich cultural heritage, tourists start visiting them. The private sector also provides services and facilities to cater to tourist needs (i.e., demand driven). This is basically the way sightseeing tourism has been diversified in Pokhara, Tansen, and Lumbini. On the mountain tourism front, subsequent policies have emphasized the promotion of trekking and mountaineering activities and the diversification of these products to remote areas of the country. Mountain areas closer to Kathmandu and Pokhara, apart from the Manaslu region, have seen an impressive growth in trekking, mountaineering, and rafting activities over the years. Various trekking trails and side trails have been developed, modest services and facilities have been created by the local people, and camping grounds have been set up for group tourists both through the government and local efforts. Other areas are not frequented by many tourists because access to these places is not easy, and they are far from the main tourist hubs of Kathmandu and Pokhara.

Source: Banskota and Sharma 1995a

infrastructure, and policy environment. In other words, "the goose that lays the golden egg is not being well attended to," and current practices are not encouraging enough to sustain the goose's health (Box 2.15). Clearly, promoting mountain and trekking tourism without considering the area's specific carrying capacity under the given state of technology, infrastructure, and policy environment is likely to make tourism unsustainable.

### Box 2.15: The Goose that lays the Golden Eggs May Not Be Healthy

With the degradation of resources occurring rapidly, mountain tourism development alone cannot be seen as a remedy for mountain community development even in areas where tourism development has potential. Harnessing and nurturing renewable mountain resources will provide the key to mountain tourism development. HER are currently being used to attract tourists, but these resources are deteriorating. People are being forced out of their traditional homes, and their culture and traditional means of livelihood are threatened. Ancient systems of conservation are abandoned leading to greater deterioration of HER. Biodiversity and endemic species are increasingly threatened. The aesthetic and recreational values are diminishing too. The drying up of watersheds, soil erosion, habitat loss, and other negative downstream effects are increasing.

Sources: Byers and Banskota 1993; Robinson 1993; Stevens and Sherpa 1993; Yonzon 1993; and Wellis 1993.

### *Institutional Weakness*

The lack of an organizing and management system (institutional framework) that is able to deal adequately with mountain tourism has been another problem in mountain tourism development (Boxes 2.16, 2.17, and 2.18). Tourism, being a multisectoral activity, requires real partnership and effective coordination between various sectors: public, private, and NGOs. Despite the institutional elements to develop tourism properly, Nepal lacks institutional capability that effectively combines the government and private sectors to address product development, international marketing, and promotion. The factors for intersectoral coordination and institutional development for the promotion of mountain tourism oriented towards local community development are lacking. As yet, there are no agencies at the macro-level which deal solely with the development of mountain tourism in an integrated fashion. The

institutional responsibility for mountain tourism is spread over many entities including ministries, line ministries, sector, and sub-sector entities. However, there is no direct coordination of mountain tourism planning and implementation between these institutions. Such a coordinated effort and programme may become possible through the recently formed high-level Tourism Coordinating Committee or Tourism Development Board.

### Box 2.16: Causes of Institutional Weaknesses

- Inadequate Capacity
- Lack of Public Awareness of Environmental Problems
- Gaps and Duplication in Coverage
- Competition and Lack of Coordination Stemming from Regional and National Conflicts
- Poor Monitoring and Enforcement and Inadequate Legislation

#### *Shortcoming in Institutional Analysis*

- Inadequate appraisal of the arrays of cost associated with alternative institutional arrangements
- Delay in enforcement is promoting incentives to disregard the law
- Inadequate incentives for improving institutional performance

### Box 2.17: Poor Coordination between NGO and Government Agencies in Upper Mustang

Currently, linkages and complementarities of ACAP/UMCDP activities with regular government programmes as well as programmes of the district and other local level institutions are virtually non-existent. Since these regular government agencies and the local level institutions (including VDCs, local NGOs, and user groups) are the only institutions that are going to be sustained beyond ACAP/UMCDP period, there is a need to work together with such institutions, whenever possible. Good PR is also necessary. Many of the institutions complained that no such efforts are being initiated by ACAP/UMCDP. While ACAP/UMCDP officials complain about the lack of motivation and bureaucratic hassles on the part of the government in the context undertaking any coordinated efforts, government officials complain of the ACAP/UMCDP operational style in the area which has a tendency to bypass the district level agencies in making decisions.

Source: Banskota and Sharma 1997

### *Inadequate Research*

To date, there has been no complete study conducted in any area that incorporates tourism as an integral part of mountain development, although scattered studies that deal with different issues conducted at different time intervals exist. As a result, it has been difficult to assess systematically the impacts of tourism in mountain areas and hence discover the limit of acceptable change (carrying capacity) both the visitor and host population are prepared to accept. No system has been developed so far to conduct regular periodic study to understand, among other things, the interrelated dynamics of carrying capacity and the linkages of mountain tourism with the mountain economy. Inadequate research provides no basis for guiding the planning and management of the tourism industry, promoting marketing, prioritizing investment, and formulating appropriate policies for tourism promotion and management. Poor information is a clear manifestation of the poorly designed monitoring system and hence misguided policy interventions *ad hoc* policy decisions and poor revenue generation (Box 2.19).

### Box 2.18: Institutional and Coordination Problems

Ideally, the Ministry's role is to formulate policy and planning, on the one hand, while maintaining interministerial coordination in the planning and implementation of projects on the other. In actual practice, the duties and responsibilities of the Department of Tourism and the Ministry are often duplicated with a vague demarcation of actual responsibilities. The affairs of the World Tourism Organization (WTO) are looked after by the Ministry, while the department looks after the affairs of the Pacific Asia Travel Association (PATA). The new organizational chart has shifted the executive function of mountaineering to the Department of Tourism; but, in fact, it is still being handled by the Ministry of Tourism. International promotion activities are being executed in a similar manner by both Ministry and department. Planning, monitoring, and evaluation activities are only rituals for the Ministry to formalise documents prepared by the department. The Ministry is busy with simple day-to-day administrative procedures fulfilling the formalities of the Tourism and Civil Aviation Departments, RNAC, and HMTTC as a parent organization. Line agencies often narrowly conceive of their area of jurisdiction and take care of only those problems that directly affect their sectoral interests. Although the government raises revenue from trekking permits, using this revenue to promote community development has suffered due to the lack of well-defined programmes and coordination. The absence of delegation of authority and decentralization of responsibilities create confusion and delays when problems or opportunities arise.

Source: Banskota and Sharma 1995a

### Box 2.19: Visitors' Willingness to pay a Higher Entrance Fee

#### Findings of the study in the context of Royal Chitwan National Park.

Willingness to pay a higher entrance fee for the current services was found to be generally higher among those who stayed relatively longer periods (2 to 4 weeks) in Nepal. Over 52 per cent of the visitors expressed the willingness to pay more than US\$8 as incremental fee and still wished to continue to visit the park. The average incremental fee based on the sample was US\$7. The results indicate that there is some potential for increasing the park entrance fee without deterring visitors.

The scope for increasing the entrance fee is improved if visitors are made more aware that the tourism revenue is used for conservation and community development. Recommending an increase in the entrance fee at this stage is, however, not warranted based on the preliminary nature of this exercise. A more detailed study covering a larger sample (than that used by the study) that is spread through the tourism seasons needs to be collected.

Source: Banskota and Sharma 1997a

# ***SESSION 3***

## ***DURATION: ONE AND A HALF HOURS***

### **Sustainable Mountain Tourism Development**

#### **Objective**

- To understand the meaning of sustainable development and sustainable mountain development
- To identify and emphasize the importance of HER as major tourism assets which are unique in the world and enjoyed by many international visitors
- To demonstrate how mountain tourism can provide strong stimuli to mountain community development

#### **Contents**

- Sustainable Mountain Tourism Development
  - What Sustainable Development Means
  - Sustainable Mountain Tourism Development
    - Goal
    - Objectives
  - What Himalayan Environmental Resources Natural Resources Means
  - Importance of Natural Resources
  - Value of Natural Resources
- Relationship between Mountain Community and Mountain Tourism Development
- Critical Factors' Approach to Carrying Capacity
  - Critical Area and Critical Resource
  - Critical Behaviour
  - Critical Infrastructures
  - Critical Institutions
- However - Keep In Mind

#### **Methodology**

- Short presentations followed by group discussions

## Objective

*To understand the meaning of sustainable development and sustainable mountain development.*

*To identify and emphasize the importance of HER as major tourism assets which are unique in the world and enjoyed by many international visitors.*

*To demonstrate how mountain tourism can provide a strong stimuli to mountain community development.*

## Sustainable Mountain Tourism Development

Natural resources provide the basis for mountain community and tourism development. Tourism is a unique export industry since visitors have to come to a particular place to enjoy the product. In Nepal, visitors come to enjoy the Himalayas, flora and fauna, the village people's hospitality, their customs, etc., which are products that remain within the country. Natural resources fulfill the mountain people's needs for firewood, timber, grazing land, and other requirements. These are consumed directly by the mountain people and do not have to be bought in the market. At the national level, natural resources are used to generate electricity. In addition, many environment-related activities are being carried out through natural resources. Besides, these resources are importance to the global community in terms of their effect on the global environment, medicinal value of many plants, etc. Their value to the mountain community, nation, and global environment is very significant because natural resources are renewable and hence their prudent use can create a regular supply of HER.

Mountain tourism development is a concept that should encompass the characteristics of the mountain environment and the values of the different environmental resources that mountains have. Efforts to develop tourism in the mountains without duly addressing mountain characteristics can do more harm than good to the mountain environment and its economy.

*There is no agreed definition of this concept. The Brundtland Commission popularized this concept and emphasized the need to address development and environment simultaneously and called for development that*

### **What Sustainable Development Means**

***“meets the needs of the present generation without compromising the needs of future generations.”***

**The Major Dimensions of Sustainable Development**

<i>Economic</i>	<i>Ecological/Environmental</i>	<i>Sociological</i>
Seeks to maximize human welfare within the constraints of existing capital stock and technologies.	Preserves the integrity of ecological sub-systems viewed as critical for the overall stability of the global ecosystem. The account units are physical, not monetary, and the prevailing disciplines are biology, geology, chemistry, and the natural sciences.	Emphasizes that the key actors are human beings, whose patterns of social organization are crucial for devising viable solutions to achieving sustainable development. This view is being increasingly realised as important and the failure of many development programmes and projects has been attributed to the negligence of this dimension of sustainability.

Source: Sirageldin and Steer - The World Bank, 1994

## **Sustainable Mountain Tourism Development**

### **Goal**

Sustainable mountain tourism is defined to reflect a state of development in which the quality of life of the mountain people improves and visitor satisfaction is enhanced without depleting or degrading natural resources for future generations to come (Box 3.1).

## Mountain Tourism for Local Development

### Objectives (Figure 3.1)

- poverty mitigation,
- improved visitor satisfaction,
- growth and equity, and
- conservation.

### Box 3.1 Challenge

Poverty mitigation in the mountain areas requires accelerated use of natural resources and their increasing use can accelerate environmental deterioration. How can we balance the use of natural resources?

Figure 3.1: Objectives of Sustainable Mountain Tourism Development



### What Himalayan Environmental Resources (Natural Resources) Means

- Mountains are unique environmental resources that have no substitutes.
- The mountain environment is home to many people who have a rich and diversified cultural heritage.
- Mountain people depend on natural resources (firewood, pastures, etc.) for their livelihood.
- Mountain environments contain many endemic and threatened species whose potential value to mankind may be enormous.
- Mountain areas provide aesthetic value and high recreational value, i.e., tourism.
- Mountain environments have immense downstream values in terms of soil erosion control, watershed protection, and hydropower generation.
- Clearly, natural resources can truly be considered as economic assets that generate income (Figure 3.2).

### At the same time:

- mountains are highly fragile and unstable and any form of disturbance can quickly lead to environmental degradation.
- Man-induced disturbances are increasing and tourism can accentuate the problem.
- For centuries, mountain people have managed environmental resources.
- These people possess a wealth of human traditions that can conserve natural resources..
- Also, these people have a vast knowledge of the different values of a wide variety of endemic plants.

### Importance of Natural Resources (Figure 3.3)

- Natural resources have different uses for the local people at the national and global levels.
- Natural resources are consumed by local people to meet their daily needs.
- At the national level, natural resources are used to generate electricity.
- At the global level, natural resources are important to tourism as well as to the global environment.

## Box 3.2: Basic Guiding Principles of Sustainable Mountain Tourism

The local planner can use the following principles as basic guidelines when attempting to incorporate broader visions into local policies and practices.

1. Tourism development and planning should be part of the conservation or sustainable development strategy made for a region, a province, or the nation.
2. Tourism planning development and operation should be cross-sectoral and integrated involving different government agencies, private corporations, citizen groups, and individuals, thus providing the widest possible benefits.
3. All stakeholders should respect the ethics and principles of the culture and environment of the host area, its economy, and the traditional way of life of the community and its behaviour.
4. Tourism should be planned and managed in a sustainable manner with regard to the protection and careful use of the natural resources and environment of the host area.
5. Tourism should distribute benefits and costs fairly among tourism promoters and host people in different areas.
6. Well researched information and communication materials regarding mountain tourism and its effects on people and the environment should be made available prior to the implementation of development plans. Local people should especially be informed so that they can participate in and strongly influence the direction of development and its effects through individual and collective interests.
7. Local people should be encouraged and expected to undertake leadership roles in planning and development with the assistance of the government or business sector's financial support and other interests.
8. Integrated environment and social and economic planning analyses should be undertaken prior to commencement of any important project with careful consideration given to the different types of tourism development and the ways in which they can be linked.
9. Throughout the implementation stage of tourism development, a carefully monitored assessment and evaluation should be made in order to allow local people and others to take advantage of the opportunities and to respond to changes wisely.

McIntyre, G. 1993. *Sustainable Tourism Development: Guide for Local Planners*. Spain, World Tourism Organization.

Figure 3.2: Himalayan Environmental Resources (HER)

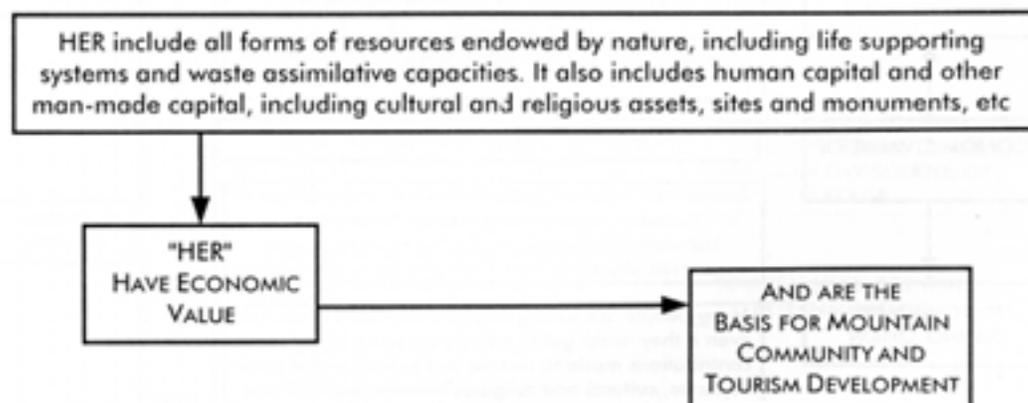
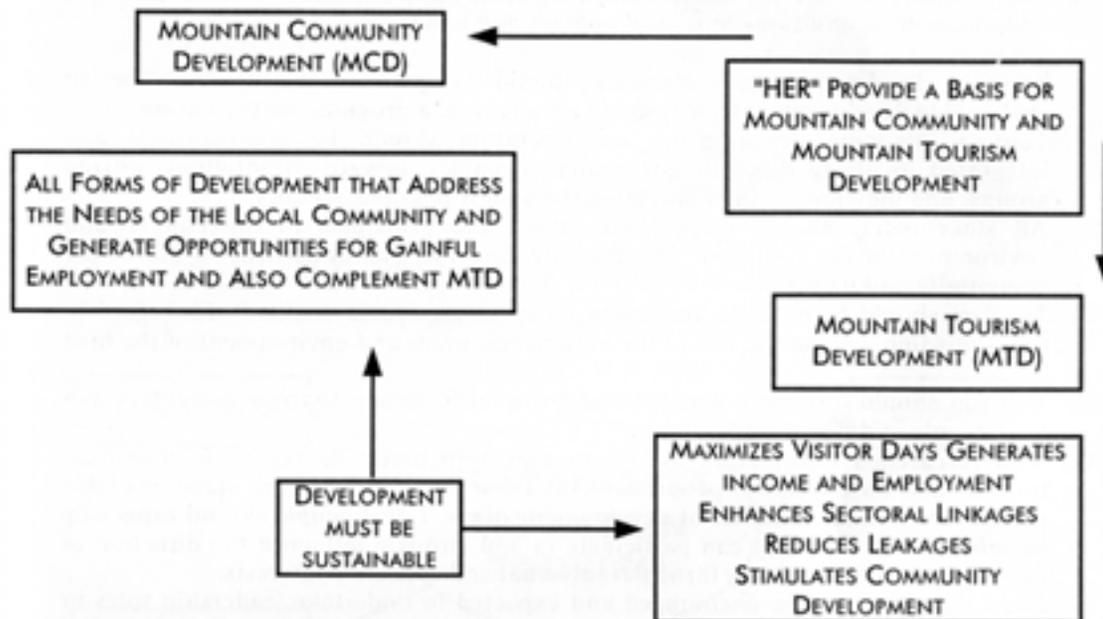


Figure 3.3: Relationship between HER, MCD, and MTD



**Value of Natural Resources** (Figures 3.4 & 3.5)

- Economic value is generated when satisfaction is derived or a need is fulfilled from something.
- The economic value of natural resources is believed to be far more than is currently realized.
- The values of natural resources can be increased to benefit the mountain community.
- Since these resources are renewable, they should not be over harvested or over used.
- Natural resources have to be conserved for future generations.
- Hence, the conservation of natural resources must be strictly implemented.

Sustainable tourism development can fulfill economic, social, and aesthetic needs while maintaining cultural integrity and the environment’s ecological process. It can provide for today’s host and guests while protecting and enhancing the same opportunity for the future. Sustainable tourism also involves making hard political choices based on complex social, economic, and environmental tradeoffs. It re-

Figure 3.4: Value of HER

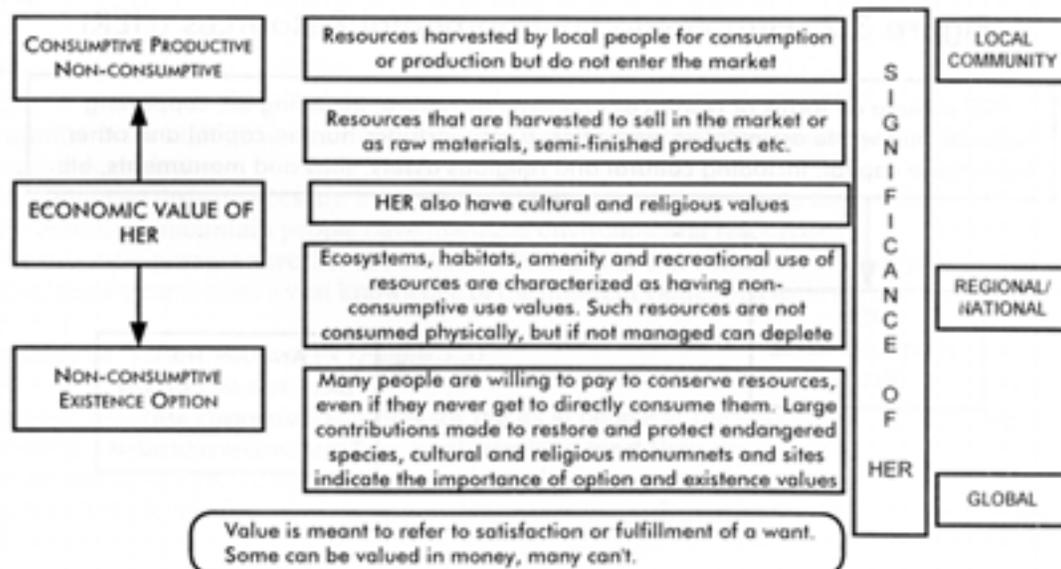
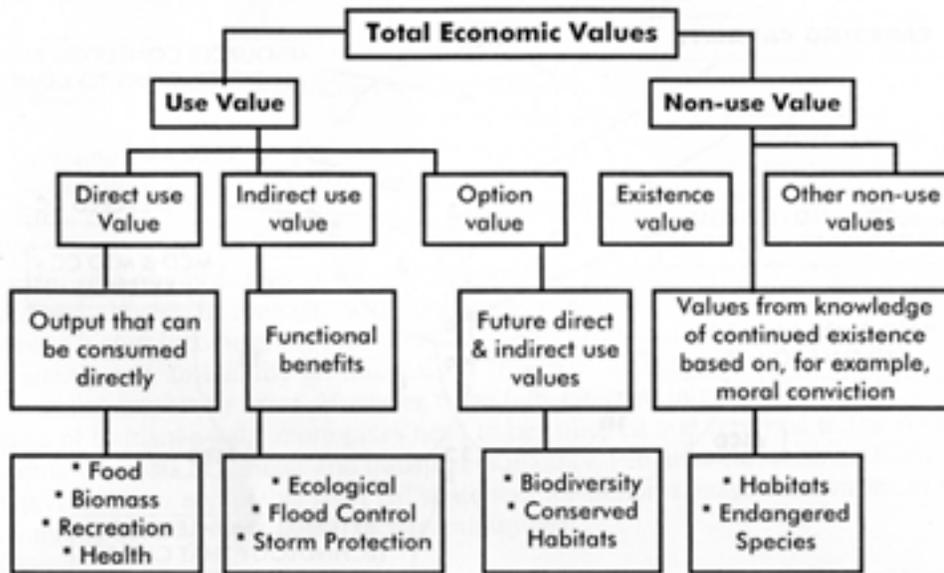


Figure 3.5: Economic Values Attributed to HER

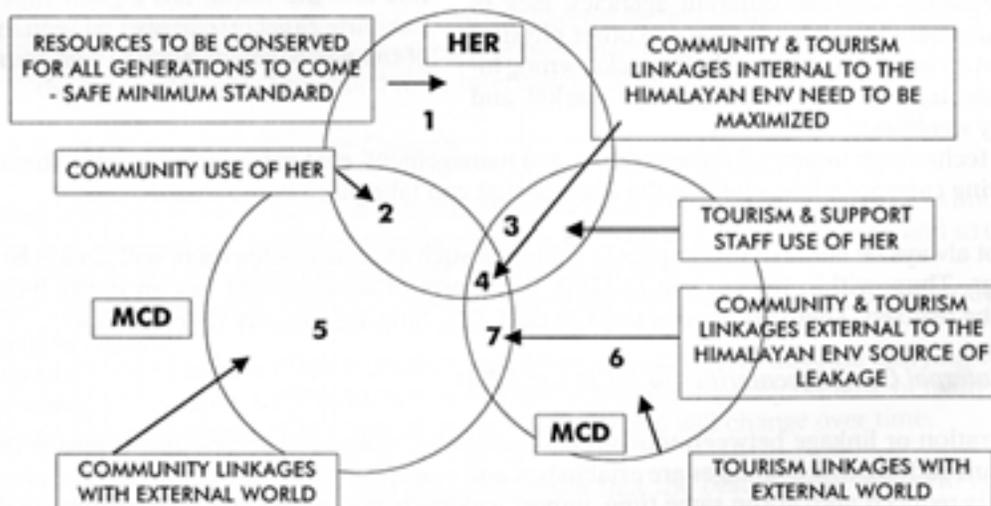


quires a vision that encompasses a larger time and space context than traditionally used in community planning and decision-making.

**Relationship between Mountain Community and Mountain Tourism Development**

The relationship between MCD and MTD in the context of Himalayan Environmental Resources or HER, can be amplified by using Figures 3.6 and 3.7. The three circles (Figure 3.6), representing HER, MCD, and MTD overlap. In Figure 3.7, an additional circle is drawn to represent the carrying capacity of the mountain environment, which overlaps the three circles shown in Figure 3.6. (Box 3.3)

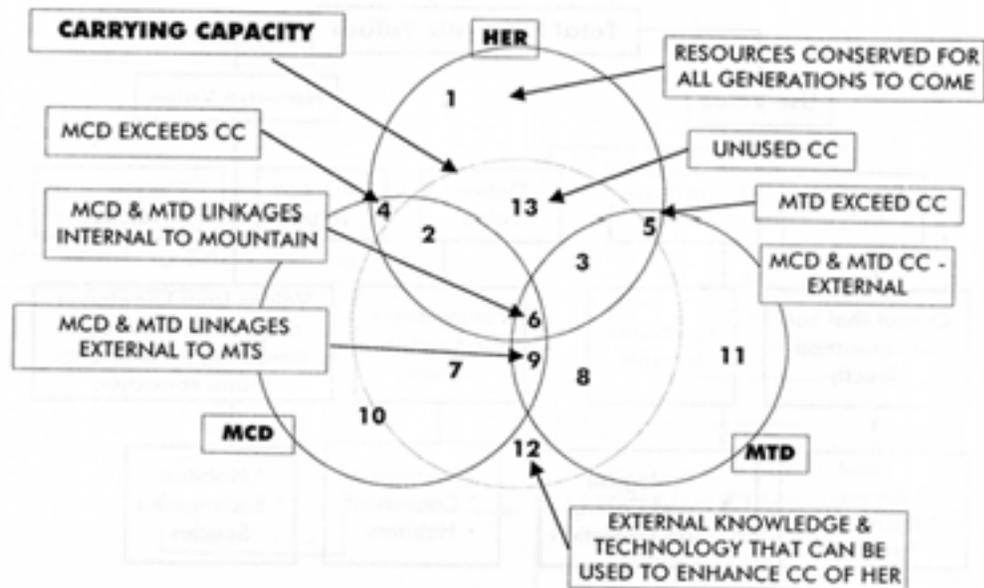
Figure 3.6: Relationship between HER, MCD, and MTD



*Area 1: Strictly Protected Areas and Resources*

- Identify important and endangered resources that need to be conserved or preserved for all future generations to come. These resources (HER) include both natural as well as man-made resources.

Figure 3.7: Carrying Capacity (CC) of HER for MCD and MTD



*Areas 2 and 3: MCD and MTD dependence on HER*

- When carrying capacity is considered, the scope for different forms of development is reduced in fragile mountain environments; hence, the need to identify comparative advantages.

*Areas 4 and 5: Exceeding the Carrying Capacity*

- Carrying capacity of the mountain environment decreases because of encroachment upon sensitive ecosystems; the lack of appropriate technological opportunities, planning, and management; lack of coordination between different agencies; lack of improvement in human capital and other physical infrastructures; institutional bottlenecks; wrong investments; gaps in knowledge; and market and policy weaknesses or failures.
- New technology, improved infrastructure and management, etc., can be introduced to increase the carrying capacity while avoiding the damage that can take place in mountain areas.

It may not always be possible to completely eliminate such excesses, since there will always be gaps in knowledge. Thus, within the context of HER, each form of development has an upper limit which needs to be realized. There are several ways to deal with carrying capacity (See Box 3.4).

*Area 6: Internal Complementarities of MCD and MTD*

- Integration or linkage between tourism and mountain community development means that both forward and backward linkages are established and multiplier effects are activated. The pressure on HER is reduced and, at the same time, import leakage is minimized and greater opportunities for retaining benefits from both forms of development are derived.

*Area 7 and 8: Interregional Linkages of MCD and MTD*

- MCD depends on external factors of the mountain community but remains within the national context.

### Box 3.3 Carrying Capacity

One approach to sustainable mountain tourism development is to understand the carrying capacity of Himalayan Environmental Resources. Carrying capacity is a key concept in planning for sustainable mountain development (community and tourism). Carrying capacity seeks to establish an ecological and behavioural balance in which the quality of life of the mountain people does not deteriorate and the visitor has a good experience. Carrying capacity can also be seen in terms of the environment, society, and economy.

### Box 3.4: Control Methods to Avoid Risks of Saturation (Carrying Capacity)

Control methods fall into two conceptual categories: regulation of volumes by rules and by prices.

Regulation by rules has the following elements:

- permits,
- queuing,
- space allocation to activities, and
- time rationing.

A surprising number of accessible public goods are not priced, which is why they are over-used and abused. In a society with large differentials in income, it is justifiable to charge more to higher income groups for access to public environmental goods. Income groups are frequently easy to identify on the basis of transport used by them. Taxes are needed that externalize impact by users. However, to be fully effective in promoting repair and maintenance of tourism assets, more taxes need to be collected and returned to the communities bearing the costs in a direct and transparent manner. Penalties can control littering and are frequently more acceptable than jail sentences for minor damage to environmental assets commonly used by tourists and local communities.

Jalaly and Nazeer 1995: "Tourism for Local Community Development in the Mountain Areas of NWFP and the Northern Areas of Pakistan. Phase Two - Case Studies of Kalam and Hunza." Development Research Group for International Centre for Integrated Mountain Development (ICIMOD).

- MTD depends on the external factor as well, which is a source of leakage. This leakage is, perhaps, unavoidable.

#### *Area 9: External Complementarities of MCD and MTD*

- Complementarities of MCD and MTD extend beyond the mountain environment.

#### *Areas 10 and 11: Beyond the Himalayan Environment*

- Besides HER, both MTD and MCD depend on external factors as well. Imports will be required to meet community and tourist needs which represent macro-linkages of both forms of development with the external world. They need to be internalized to promote MCD and MTD.

#### *Areas 12 and 13: Potential Carrying Capacity*

- There is always scope to increase carrying capacity through use of research and technology, planning and management, infrastructural improvement, institutional development, and so on. Area 12 is external to the mountain environment, whereas area 13 is internal.
- Internally, inappropriate policies, behaviour, and gaps in knowledge result in under utilization of carrying capacity.
- Externally, there is knowledge and technology to be internalized to increase carrying capacity.
- However, it may never be possible to fully optimize carrying capacity because of many factors.
- Hence, carrying capacity can never be a static concept and will change over time.

The above illustration suffices to bring home the point that the best possible scenario is one where MCD and MTD complement one another to the greatest extent possible. It may never be possible to fully optimize carrying capacity as it is constrained by many factors. An illustration on dimensions of carrying capacity in the Indian Hindu Kush-Himalayas is provided in Box 3.5. Important factors to be considered in assessing the carrying capacity of camp sites is presented in Box 3.6. A summary of the above methodology applied in the case of the Annapurna area in the Nepal Hindu Kush-Himalayas is provided in Box 3.7.

Box 3.5: Dimensions of Carrying Capacity in Kinnaur District and Badrinath Tourist Zone: The Indian Hindu Kush Himalayas			
Area	Environmental Factors	Socioeconomic Factors	Institutional and Managerial Factors
Kinnaur District	<ul style="list-style-type: none"> <li>Waste disposal</li> <li>Drainage</li> <li>Littering of slopes</li> <li>Shortage of water</li> <li>Land degradation</li> </ul>	<ul style="list-style-type: none"> <li>Security for cultural assets</li> <li>Changes in construction practices</li> <li>Already visible inequalities</li> </ul>	<ul style="list-style-type: none"> <li>No local institutional mechanism</li> <li>Shortage of accommodation</li> <li>Expensive and scarce local travel</li> </ul>
Badrinath Tourist Zone	<ul style="list-style-type: none"> <li>Waste disposal</li> <li>Expansion of settlements</li> <li>Encroachment</li> </ul>	<ul style="list-style-type: none"> <li>Temple opening</li> <li>Austerity among pilgrims</li> </ul>	<ul style="list-style-type: none"> <li>Information system</li> <li>Transport uncertainties</li> </ul>

Source: Sridhar, R., 1995. *Mountain Tourism for Local Community Development: A Report on Case Studies in Kinnaur District H.P. and the Badrinath Tourist Zone*. Academy for Mountain Environments for International Centre for Integrated Mountain Development (ICIMOD), MEI Series No 95/10.

### Critical Factors' Approach to Carrying Capacity

Understanding the full extent of carrying capacity is, perhaps, never possible. A critical factor approach can be taken to assess carrying capacity using experts in the field of environment/ecology, sociology, and economics (Box 3.8).

Critical factors can have negative or positive effects on HER, MCT, and MTD. Negative factors result in the deterioration of HER, MCD, and MTD and positive factors improve their current state.

Critical factors could be:

- resources (flora, fauna, water, cultural, historical, etc.);
- areas;
- behaviour;
- infrastructure; and
- institutions.

### Critical Area and Critical Resource

Critical resources can also be harnessed to promote development and conservation (e.g., water to produce electricity). Mt. Everest is a critical resource which has helped the development process of the Solukhumbu area. Likewise, the Phewa Lake and the Annapurna range have helped develop Pokhara.

Generally, critical areas are characterized by critical resources that increase the biodiversity and cultural value of the area and are necessary for survival. They are sensitive to human intervention. Both critical area and resources have similar characteristics. They:

- experience relatively greater stress;
- are relatively more sensitive to increased human interference;
- are relatively more scarce;
- are characterized by extreme poverty and lack of critical resources; and
- have critical resource development (comparative advantage).

### Box 3.6: Determining Carrying Capacity of a Camp Site

The following factors need to be assessed:

- available camping space,
- water supply,
- fuel/food supplies for local porters,
- capacity to recycle biodegradable garbage, and
- garbage and waste disposal management.

Source: Shrestha, MEI Series No. 95/4, ICIMOD.

<b>Box 3.7: Examples of Assessing Carrying Capacity in the Annapurna Conservation Area - Nepal Hindu Kush-Himalayas</b>		
Carrying Capacity Issues	Situation Before	Situation Now
Area 1: Caring for future generations	Deforestation, hunting, cut throat competition among lodges, etc. prevailed.	Setting aside different management zones, formulation of new rules and regulations, and formation of local institutions to manage HER.
Area 2 & 3: MCD and MTD Dependence on HER	Households depend on firewood and fodder (consumptive uses). The Ghorepani rhododendron forests had been completely wiped out.	Forests are protected. There is reporting of increasing incidence of livestock depredation by wildlife. Electricity production (productive use) has helped mitigate some dependency on HER.
Areas 4 & 5: Exceeding the carrying capacity	Lodges were not realizing profits, deforestation was on the increase, wildlife sightings were getting fewer, etc.	Lodges are better managed and unnecessary competition has reduced. Price standardization is enforced.
Area 6: Internal complementarities of MCD and MTD	Imports to meet tourists' needs accounted for over 80 per cent of the income made by lodges.	Although not very strong, tourism income leakages have declined as the local community is able to supply the tourism sector with vegetables, meat, furniture, etc.
Areas 7 & 8: Interregional linkages of MCD and MTD	Market fragmentation, economic isolation, and limited mobility of resources due to inaccessibility.	Interregional linkages and integration with the mainstream greatly increased after the Pokhara-Baglung road was opened, making the area relatively more accessible, thus promoting MCD and MTD.
Area 9: External complementarities between MCD and MTD	When the number of international tourists to Nepal declined, the number of visitors to the ACAP area also declined, and partnership among stakeholders dealing with MCD and MTD at the national level became weak.	Linkage between MCD and MTD is likely to strengthen now with the formation of the Tourism Development Board. This board will likely be influential in tourism development in remote areas.
Areas 10 & 11: Beyond the Himalayan environment	Many items for MCD and MTD will always continue to depend on imports.	Leakages can only be minimized but never eliminated.
Areas 12 & 13: Potential carrying capacity	The use of modern technology and knowledge was almost non-existent. Local institutions which could deal with new problems related to environmental deterioration and tourism did not exist.	New energy saving gadgets, production of electricity, training for lodge owners, the formation of the Community Development Committee, <i>Ama Toli</i> (local institutions), forest protection, land zonation, etc. have improved carrying capacity to some extent. The carrying capacity still remains critical due to poor economic situations.

*Banskota, K., And Sharma, B., 1995b. "Tourism for Mountain Community Development. Case Study Report on the Annapurna and Gorkha Regions of Nepal". Centre for Resource and Environmental Studies (CREST) for International Centre for Integrated Mountain Development (ICIMOD). Discussion Paper No. MEI 95/11.*

### Box 3.8: Identifying Critical Factors

- Resources become critical where human interference can lead to stress, and some areas are more prone to stress, due to the fragility of the environment, than others. Here, conservation is needed to make resources sustainable.
- Regions and areas refer to those areas that are relatively more fragile and prone to stress, and hence to degradation caused by tourism related activities.
- Attitudes and behaviour become critical when individual and collective actions increase the level of stress felt by the area. Institutions play a critical role in providing the facilities that are essential for the development of tourism.
- Infrastructures play the role of providing the necessary essentials concomitant to development.
- Social development here refers to the level of development in the social indicators of the local population, particularly education, training, and HRD.
- Economic security is critical if the community is to engage in a trade-off between the use of resources to meet their basic needs and the conservation of non-renewable resources.

*Jalaly and Nazeer 1995. "Tourism for Local Community Development in the Mountain Areas of NWFP and the Northern Areas of Pakistan. Phase Two - Case Studies of Kalam and Hunza." Development Research Group for International Centre for Integrated Mountain Development (ICIMOD).*

## Mountain Tourism for Local Development

### *Critical Behaviour*

- If people do not follow rules and regulations, conservation efforts, tourism, and local development cannot be successful. Attitudes and perceptions toward conservation and development are reflected in human behaviour.
- Some human behaviour is more desirable than others. Management is needed to motivate desired behaviour and to discourage behaviour that is not desirable.
- It is important to identify such critical behaviour of host and visitor populations. Local people, i.e., the host population and lodge owners, are both producers and consumers of resources, whereas visitors and their support staff are only consumers.
- Economic incentives and disincentives can be used as policy tools to motivate desirable and undesirable consumption and production behaviour. Even in the absence of a written code of conduct, a community generally adheres to right behaviour. Deviation from such accepted norms is a form of critical behaviour that can generate either positive or negative outcomes.

### *Critical Infrastructures*

- A critical infrastructure is one that reduces stress on or promotes the environmental, economic, and social carrying capacity and promotes the welfare of the host and visitor populations.
- If tourism is considered to be a driving force for economic growth in the area, attention should be given to identifying critical infrastructure (trails, camp grounds, lodges, etc) to promote tourism development. This development should be integrated with community development.

### *Critical Institutions*

An institutional base at different levels is a key to ensuring social sustainability of all forms of development (MCD and MTD). An institution becomes critical when it is participatory in nature, encompassing the following crucial elements of social capital formation.

- Participation of all stakeholders in the decision-making process.
- Emerging sense of solidarity and collective will/action and conflict resolution.
- Shared learning and accountability and participatory monitoring.
- Interdependencies and coordination, both horizontally and vertically, with other institutions.

Especially when common property is being shared by many stakeholders, the lack of an effective participatory institution can lead to the property deteriorating (Box 3.9). An example of qualitative assessment of different dimensions of carrying capacity using the critical factor approach in the case of the Royal Chitwan National Park and Lo Manthang -Upper Mustang is provided in Boxes 3.10 and 3.11a through 3.11c.

#### **Box 3.9: Conflicting Use Values of Phewa Lake Environmental Resources**

Presently, many lodges use the lake for laundry. Local people also use the lake to bathe and wash. Tankers collect water from the lake for selling purposes. Buffaloes wallowing and grazing are other activities conducted in and around the Phewa Lake environment. According to HAAN, the municipality does not control such activities. The municipality argues that local people do not support the initiatives and actions taken by it. Local people argue that they must have alternatives, if they are to abandon the use of the lake area. Once the municipality introduced a penalty of Rs 500 for those caught bathing and doing their laundry, but the regulation could never be effectively enforced. An alternative site for bathing and doing laundry could be developed below the dam site on the Burundi *Khola*, but this suggestion from the local people does not appear to have been taken up seriously by the authorities. Such conflicting uses of the lake environment are affecting its tourism value.

Source: Banskota and Sharma, 1997. *Capacity Building for Mountain Tourism and Management: Study Methodology and Case Study Reports*. Submitted by the Centre for Resources and Environmental Studies (CREST) to ICIMOD.

### Box 3.10: A Critical Factor Approach to Understanding Threats to Biodiversity Resources of the Royal Chitwan National Park (Nepal)

The Royal Chitwan National Park is rich in biological diversity. The park is endowed with three principal types of vegetation - namely - grasslands, *sal* forest, and riverine forests. Over 40 species of mammals, 486 birds, numerous reptiles, and amphibians have been recorded. Also, 185 different plant species are known to have medicinal values, 97 are edible species, 57 ceremonial plants, 8 oil-bearing plants, 7 poisonous plants, 135 fodder species, and 15 useful for making handicrafts. The global significance of this park has been recognized as it is one of the World's Heritage Sites. Over 60,000 tourists visit the park annually. Its recreational value is therefore of global significance. The park also has local significance as over 40,000 households live around the park and benefit from it in different ways. At the national level, the park generates substantial revenue for the government from fees, royalties, etc. Annually, the park generates an estimated income of US\$5 million. Despite the different values of the park, the park's carrying capacity is constantly threatened. Some important indicators of the erosion of carrying capacity are listed below.

#### **Succession**

Succession is a natural process in which a plant species gradually encroaches upon other species and eventually colonizes an area. Two types of succession are going on inside the park. The first of these is encroachment by tall grasses, which are displacing short grass species, such as *Imperata cylindrica*. The second encroachment is by fire resistant riverine tree species, such as *Bombax ceiba*, *Ehretia laevis*, *Cordia dichotoma*, *Syzygium operculata*, and several shrubs, which have begun to form savanna type vegetation in some areas adjoining the flood plains inside the park. Changes in species' composition threatens different species that are dependent upon it.

#### **Illegal Grazing**

There is a continued shrinking of forest outside the park because of its use by the local people and the growing number of unproductive animals. In the absence of alternatives for grazing their animals, local people have no other choice but to graze their animals.

#### **Fodder and Firewood Demand Pressure**

Current wood biomass demand (firewood and timber) in all VDCs surrounding the national park is greater than the wood biomass that can be sustainably harvested and supplied from existing forests (both public and community forests) of these VDCs. Illegal harvesting of firewood and fodder from the park is thus on the rise. This situation is perhaps directly related to the increasing frequency of (as reported by local people) livestock depredation and crop raids by wildlife in the surrounding VDCs.

#### **Poaching**

The frequency of poaching of endangered species such as tigers and rhinos is also a serious threat to the park's ecological balance and value.

#### **Pollution**

Pollution of the Narayani River, which passes through the park, by industrial effluents is becoming another threat to the park. Testing water quality (temperature, saturation, pH, turbidity, phosphate, nitrate, coliform bacteria, oxygen, etc) from time to time helps determine the pollution level for corrective action. The pollution can affect the entire aquatic ecology of the Narayani River in the long run.

#### **Poisoning**

Poisoning is a dangerous threat to the biodiversity of RCNP. Poison has killed animals, birds, and fish inside the park.

Source: Banskota, K., Sharma, B., Sharma, U., and Rijal, A., 1997. *Royal Chitwan National Park after Twenty Years: An Assessment of Values, Threats, and Opportunities*. Centre for Resource and Environmental Studies (CREST) for King Mahendra Trust for Nature Conservation (KMTNC).

## Mountain Tourism for Local Development

**Box 3.11a: Critical Factors and Indicators of Social Aspects - Lo Manthang**

Broad areas	Indicators	Current Status of Indicators	Perceived Impact			Remark
			Minor	Moderate	High	
Host's perception towards tourism	Well-off people	favourable	x			The poor do not see how they can benefit.
	Poorer sections	bewildered		x		
Cultural heritage	Religious monuments	rich but dilapidating		x		Despite the rich cultural heritage, a great deal of renovation is needed. Crafts could be promoted to benefit people, but presently it does not exist on any commercial scale.
	Religious values	high		x		
	Dance, music, festivals	fair	x			
	Crafts	scant	x			
Social indicators	Crime and theft	low	x			Although crime and thefts have not been reported so far, they are possible if management is lax. Present schooling and curriculum is not helping people to find employment.
	Overall literacy	very low	x			
	Female literacy	very poor	x			
Visitor related	Visitor satisfaction	moderate		x		Little interaction between the host and visitors. More needs to be done to develop interaction with the host population. Dance performance is a step in the right direction.
Visitor perception	Cleanliness	moderate	x			
	Hospitality	moderate	x			
	Information	moderate	x			
	Quality of services	moderate	x			
	Maintenance of tourism assets	moderate		x		
	Conservation efforts	moderate		x		
Institutional development	Quality of services	moderate	x			
	Effectiveness of traditions institutions	fairly good	x			The poor are at a disadvantage. People are gradually realizing the need.
Decision-making process	Development of new institutions	fairly good	x			
	Traditional institutions	fairly good	x			Not always favourable to the poor.
People's participation	New institutions	poor	x			
	Planning and implementation	poor	x			An appropriate incentive mechanism not developed. Local people, especially the poor, have to receive tourism benefits.
	Repair and maintenance	poor	x			
Enforcement	poor	x				
Coordination between institutions		poor	x			Virtually does not exist at any level.

Note: The results in the above table should be interpreted as follows: for example, under the broad heading, crime and theft are indicators. Its occurrence currently is believed to be fairly high. The sign indicates that the current status on crime and theft has high (negative) influence on the social carrying capacity.

Source: Banskota and Sharma, 1997. *Capacity Building for Mountain Tourism and Management: Study Methodology and Case Study Reports*. Submitted by the Centre for Resources and Environmental Studies (CREST) to ICIMOD.

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**Box 3.11b: Critical Factors and Indicators of the Economy - Lo Manthang**

Broad Areas	Indicators	Current Status	Perceived Impact			Remark
			Minor	Moderate	High	
Agriculture	Cultivated land	Scarce		X		Limited potential for diversification, agricultural productivity declining. Animal dung, the main source of energy, is replacing its use in agriculture as manure. Animal husbandry becoming less viable.
	Agricultural productivity	Low			X	
	Irrigation facility	Limited	X			
	Manure availability	Declining		X (?)		
	Livestock population	Fairly high			X	
Food sufficiency	Percentage of households	Very low			X	Growing magnitude of deficit.
Poverty	Percentage of households	Very high		X		It is rampant.
Migration	Percentage of households	Fairly high		X		High but not among the poor.
Dependency on trade	Percentage of households	Fairly high		X		Enhances carrying capacity. Labour productivity low in off-farm activities.
Employment opportunities	Tourism induced	Very poor	X			
	Off-farm activity induced	Very poor	X			Group tourism does not provide local people with an opportunity to earn an income. Off-farm activity income very low.
Income opportunities	Tourism activity induced	Very low	X			
	Off farm activities	Relatively higher	X			
Linkages between tourism and the community	Traditional sector	Nonexistent	X			Linkage has to be induced through innovative efforts.
	Tourism sector	Very poor	X			
Income disparity	Community	Very high			X	Disparity between rich & poor visible.
Knowledge and technology	Human resource development	Very poor	X			Mass illiteracy. Scope for introducing new technology to save firewood.
	New technology	Almost nothing	X			

See notes from Box 3.11a

## Mountain Tourism for Local Development

Box 3.11c: Critical Factors and Indicators of the Environment - Lo Manthang						
Broad Areas	Indicators	Current Status	Perceived Impact			Remark
			Minor	Mode-rate	High	
Forestry	Forest cover	Sparse			x	Regenerative capacity is low. Scope for community plantation is limited. Firewood saving stoves have scope. Animal dung is used increasingly for cooking and energy. Some community plantation. Overgrazing visible.
	Firewood supply	Deficit			x	
	Fodder supply	Deficit	x			
Private tree plantation	Number per household	Low			x	Scars of erosion.
Pasture land	Livestock/ha	High density	x			
General landscape	High visibility	Attractive	x			Mostly visible in tourist areas.
Littering/garbage/pollution	Perceptive visibility	Fairly low	x			
Wildlife habitat	Quality	Fairly good	x			Damodar Kund area rich. Endangered species found and need protection. Livestock depredation reported.
Unique fauna	Density	Fairly good		x		
Unique flora	Density	Declining	x			
Alternative energy	Installed capacity (hydro)	Low	x			Electricity for lighting purposes only. Kerosene too expensive. Other new gadgets may be too expensive unless highly subsidized.
	Potential capacity (hydro)	High	x			
	Kerosene consumption	Low	x			
	New energy saving gadgets (per/hh)	Low	x			

See notes to Box 3.11a

### However - Keep In Mind

The concept of carrying capacity is dynamic rather than static. Carrying capacity is a function of a variety of internal and external factors and thus changes over time with the changes in management parameters, local factors, visitors' characteristics, and their activities/behaviour. Over time changing both external and internal forces are likely to influence how much change the host community and tourist are prepared to accept.

#### *Step 1: Defining the Explicit and Measurable Management Objectives and Standards.*

Since carrying capacity is rather a relative condition that varies according to management objectives and standards, operationalizing the concept first requires defining the management objectives and, in particular, the adoption of the indicators that can be monitored. Only then will it be possible to determine whether management objectives are being met.

*Step 2: Identification of the critical factors associated with environmental, economic, and social dimensions of carrying capacity or sustainability.*

It is seldom easy to assess carrying capacity in its totality and hence the critical factor approach is useful. Use experts and discuss with local people to establish the critical factors.

*Step 3: Assessment of status of indicators and their degree of impact on different dimensions of carrying capacity.*

After identifying the critical factors, indicators need to be developed to arrive at a baseline situation of the carrying capacity. The basis of monitoring, which is also provided, needs to be monitored periodically by the management.

# ***SESSION 4***

***DURATION: ONE AND A HALF HOUR***

## **Planning and Management of Sustainable Mountain Tourism Development**

### **Objective**

To familiarize policy planners with the basic elements of a perspective plan on sustainable mountain tourism and the role of different partners and the institutions required

### **Contents**

A Brief Review of Past Tourism Plans  
    Gaps in the Policy Programme Implementation Continuum  
Need for a Mountain Tourism Perspective Plan  
    Basic Elements of a Perspective Plan  
Role of Partners in Tourism Planning and Development  
    The Government  
    The Business or Private Sector  
    The Non-profit Sector (NGO)  
    The Organized Local Community  
Supporting Institutions and Policy Coordination between Tourism and other Sectors

### **Methodology**

Presentation and group discussion

### Objective

**To familiarize policy planners with the basic elements of a perspective plan on sustainable mountain tourism and the role of different partners and the institutions required**

Many mountain areas of Nepal are endowed with rich HER that besides consumptive use values are important for meeting the basic needs of the local community and have non-consumptive use values which provide strong basis for tourism development. Tourism development can provide a strong stimuli (i.e., multiplier effects) to mountain community development in mountain areas that are endowed with tourism assets, if properly planned. HER have to be harnessed for sustainable mountain tourism development, appropriate infrastructure and human resources and conservation efforts have to be planned so that local communities are able to maximize the benefits from their development. The needs of the local communities also have to be addressed, since not all forms of MTD can complement MCD. Efforts have to be made to maximize possible complementarities to the maximum extent possible. As such, mountain tourism development complemented with community development can be an important source of employment and income to a large number of mountain people in poverty stricken mountain areas where opportunities are extremely scarce and difficult to develop otherwise.

Mountain tourism planning involves the allocation of scarce resources (at the local, regional or national levels); equitable distribution of opportunities through maximization of output, income and employment, conserving the environment; and providing visitor satisfaction. Since tourism is governed by international and domestic market forces, mountain tourism planning should be market-oriented in that the forces of demand and supply must be carefully understood and integrated into the plan. However, market forces may not always allocate environmental resources in the most efficient way and hence government intervention may be essential.

In the absence of planning, mountain tourism development in Nepal so far has followed a haphazard course. In Session 1, some selected dimensions of tourism in general and mountain tourism in particular were discussed. Note that, despite the growth in numbers (about 6% per annum), neither have visitor nights nor real per capita visitor expenditure increased. Various mountain tourism impacts - negative as well as positive - were discussed in Session 2. Important issues emerging in the context of mountain tourism are also identified and discussed in this Session. In Session 3, the concept of carrying capacity was introduced. The carrying capacity framework provides a basis for formulating a sustainable mountain tourism development plan. Addressing the issues in a piecemeal manner is unlikely to help bring about sustainable mountain tourism development. A perspective plan with a vision is necessary to guide mountain tourism development. This session provides a brief review of past planning efforts made in the area of tourism and highlights the basic elements of a perspective plan for sustainable mountain tourism development.

### **A Brief Review of Past Tourism Plans**

Tourism as an important sector in the Nepalese economy was first realized in 1959 with the establishment of the Department of Tourism during the First Five Year Plan period. Yet, it was only during the Third Five Year Plan period (1965-70) that the establishment of hotels and extension of aviation facilities were emphasized. The Fourth Five Year Plan period (1970-75) sought to enlarge the scope of tourism along with trade as an important source of increasing national income and foreign exchange earnings, but adequate and clearly formulated policies were not forthcoming. The Fifth Five Year Plan (1975-80) focussed on the preservation of historical, cultural, and natural attractions of the kingdom to promote tourism and sought to spread tourism to other parts of the country besides Kathmandu. The Sixth Five Year Plan (1980-85) set its main objective as increasing the foreign currency reserve to improve the balance of payment situation of the country. The Seventh Five Year Plan (1985-90) emphasized retention of foreign currency earnings, creation of more employment, and diversification of tourism activities. Emphasis was also given to protecting and conserving environmental, historical, religious, and cultural resources and promoting import substitution industries. All subsequent periodic plans since the fourth plan have been largely guided by the Nepal Tourism Master Plan (1972) (Box 4.1). Similar experiences have been observed in both Pakistan and India (Boxes 4.2 and 4.3).

### Box 4.1: The 1972 Tourism Master Plan

As far back as 1972, the Tourism Master Plan provided the first comprehensive guidelines for policy and programmes in the tourism sector with emphasis on developing supply guided tourism and projecting Nepal as a unique destination through concerted efforts of both the government and the private sectors.

- The plan proposed five different types of tourism in Nepal, namely, sightseeing tourism, trekking tourism, Nepal style tourism, recreational tourism-primarily from India, and international pilgrimage tourism.
- Kathmandu was seen as the nerve centre of tourism activities with an emphasis on the preservation of monuments and the rich cultural traditions of the valley and the development of mountain view points on its periphery.
- To increase the duration of tourist stay, sightseeing tours east and west of the valley and the development of resort areas with appropriate recreational facilities were recommended.
- Priority was placed on the development of pilgrimage centres at Lumbini, Muktinath, Barahachhetra, and Janakpur whereas development of national parks in Langtang, Khumbu, Annapurna, and Dhaulagiri was suggested for promotion of mountain adventure tourism.
- The plan also recommended conservation and management plans for natural and environmental resources, including the protection of wildlife.
- On the institutional front, the master plan recommended the establishment of an authoritative body for overall planning, promotion, and development of tourism. The creation of investment flow from the public sector was envisaged for necessary infrastructure and directed from the private sector to industries for facilities such as accommodation.

However, without adequate and proper planning, tourism took a haphazard course of development because of the failure to foster a strong partnership between the public and private sectors. Infrastructural facilities to diversify tourism to important market segments were not laid properly to meet the needs of the time, and markets began to develop in accordance with the dictates of the buyers. This demand induced development resulted in uncontrolled development and proliferation of low cost and low quality establishments. Most recommendations contained in the 1972 Tourism Master Plan have yet to materialize conceptually and functionally.

Source: Banskota and Sharma 1995a

### Box 4.2: Government Policies, Incentive Structure, and Institutional Development in Pakistan

The tourism policy of the government in Pakistan was not sensitive to the mountain conditions and imperatives. If tourism was to be regarded as an important element in the agenda of mountain development, sectoral policies needed to be responsive to the need of the tourism sector. In institutional terms, the central and provincial governments were expected to play the key role in the provision and expansion of the basic infrastructure and accommodation facilities. In the NWFP, the Sarhad Tourism Corporation was created essentially to deal with the promotion of domestic tourism but is not fully operational as yet.

There are two overriding concerns that should be the cornerstones of the tourism policy and initiative in Pakistan. These are needed to view the role of tourism in the context of mountain development and to analyse the structure of the tourism industry with the local mountain communities in mind. There are a number of imperatives for sustainable mountain tourism development. These include skill and human capital formation in the local community, greater incentive for local participation in related sectors, and helping local communities to respond effectively to tourist needs by developing their agricultural livestock and horizontal bases. Improvement of the linkage of tourism with the local economy and facilitative, supportive, and regulative interventions might be required. Finally, assessment of the tourism carrying capacity needs to be an essential element in orienting policy initiatives.

Source: Jalaly and Nazceer 1995

### Box 4.3: Government Policies, Incentive Structure, and Institutional Development in India

In both HP & UP, the tourism development agencies emphasised tourism development, promotion, administration, and even the provision of tourist facilities. Comparatively, the UP hills suffered from a policy void, although a number of steps to encourage tourism had been identified by the government such as promoting tourism during the off-season, diversifying tourist destinations, and ensuring tourism benefits accrue to the local people. In spite of these policy statements, the central government had not followed the policy-plan-programme-action continuum. The management of tourism was carried out in an *ad hoc* manner. The government, on its part, had not undertaken a detailed assessment of the tourist resources. Tourism had not been put in perspective in relation to larger development concerns. Also, the incentive provided by the government had very little impact on the tourism sector as it only created subsidy skimming. The majority of investments came from outside and the government was completely devoid of equity considerations. Local environmental concerns, particularly land degradation caused by resorts as well as pilgrim centres; water supply constraints; and the rising demand for fuelwood remained completely neglected. The lack of concern for local community development has meant that the benefits of tourism were not reaching the poor and disadvantaged groups of society.

Source: Sridhar 1995

His Majesty's Government (HMG) has set the goal of poverty alleviation through rapid economic growth in the Eighth Five Year Plan (1992-97). The Eighth Five Year Plan places an emphasis on promotion of environmental, historical, and cultural assets through tourism promotion and developing linkages between tourism and other sectors of the economy, among other things. A strategy envisaged to achieve this goal has been made possible through a partnership approach between the public and private sectors. More recently, the Nepal Tourism Development Programme has made a thorough review of past plans and programmes in the tourism sector and prepared a set of action plans related to growth and promotion of tourism to establish Nepal as a premium tourist product.

The existing institutional framework in the tourism sector is made up of public and private sector organizations that interact to varying degrees. There are many public and private sector institutions that operate in the tourism industry. What has been realized is that, despite the institutional elements for developing tourism properly, Nepal lacks institutional capabilities that effectively bring together the government and private sectors to address product development, international marketing, and promotion.

#### *Gaps in the Policy Programme Implementation Continuum*

The studies commissioned by ICIMOD in Nepal, India, and Pakistan identified a number of issues and thematic areas in which there was a need for deliberate efforts and programmatic interventions on the supply side for sustainable promotion of mountain tourism. The perception of tourism as an element in the strategy of sustainable mountain development was found to be largely lacking due to poor knowledge and awareness among different actors or stakeholders in the tourism policy-plan-program-action continuum.

#### **Need for a Mountain Tourism Perspective Plan (MTPP)**

Despite a call for a perspective plan, it is also important to emphasize that if plans are to end up in the bureaucrat's desk like the 1972 Master Plan, there is in fact no need to have a PP. HMG has recently revised the tourism policy to make this sector more modern and vibrant. The formation of the Tourism Development Board, represented by both the public and private sectors, has already decided who will serve as the apex body in tourism development. It can only be hoped that this board will play an effective and dynamic role in tourism development throughout the country.

The PP must be comprehensive and must not undermine the fact that tourism functions as a system: how services are provided; how well designed sites are developed and managed; and how tourism products are attractively developed, marketed, and promoted.

## Mountain Tourism for Local Development

Mountain tourism issues in Nepal do not appear to be integrated in any way with mountain development programmes. Although several public and private sector agencies are involved in addressing tourism development in the country, there is no direct coordination in mountain tourism planning and implementation between these institutions. There are also no agencies at the macro- or micro-level that deal solely with the development of mountain tourism in an integrated fashion. Institutional responsibility for mountain tourism is spread over many entities such as ministries, line ministries, sectors, and sub-sector entities. Some NGOs are involved in the promotion of mountain tourism for some destinations. However, there is no comprehensive and sustainable mountain tourism planning in Nepal.

The formulation of a long-term Perspective Plan for Sustainable Mountain Tourism (PP) is perhaps what is necessary in Nepal's context. PP is useful for devising successful policy strategies for integrating mountain tourism into an overall planning process of mountain development. Without such a plan and policy neither will there be a basis for formulating medium and short-run plans nor basis for assessing the gaps in the tourism policy-plan-programme-action continuum. Moreover, the absence of such a plan also makes it difficult to estimate future investment/allocation decisions in mountain tourism. It is no wonder mountain tourism in Nepal has taken a haphazard course. India and Pakistan have similar experiences. In the context of mountain tourism in Nepal, a PP should focus heavily on the supply side of mountain tourism (Box 4.4).

### *Basic Elements of a Perspective Plan*

The Perspective Plan (PP) has to be comprehensive at this level since there are more institutions and stakeholders involved. The planning horizon must encompass a longer time frame, and planning at the national level is essential for better integration. Well-designed sites and destinations are key attractions to investors since private investors are generally interested in investing at the site and destination levels. Other tourism plans can be developed if tourism is to expand many times more than its current level, and a variety of products can be developed within a destination. A PP should address the following basic elements:

- *Classify key destinations in terms of their tourism assets and develop operational policy guidelines for sustainable mountain tourism development* (Box 4.5)

The mountain areas of Nepal with their immense natural beauty, rich cultural heritage, and biological diversity manifest natural comparative advantages for developing unique destinations for sightseeing, trekking, mountaineering, and various other adventure sports. For example, the Phewa Lake, Annapurna Conservation Area, and Langtang National Park as destinations are totally different from the perspective of tourism assets. Lake areas most likely need to have a different set of parameters to judge their sustainable use patterns. The Annapurna area has a fairly dense settlement and Langtang National Park has to adhere to park rules and regulations, including for those who live within the park. Each area differs in its re-

### **Box 4.4: Types of Tourism Planning**

There are many types of planning for tourism. Promotional planning focuses on how more travel can be sold without paying attention to marketing plans. Marketing planning includes both improved supply side development as well as its marketing. Supply side planning can range from policies and guidelines to specific action strategies for physical and programme development.

### **Box 4.5: Destination Zone**

A destination zone may be defined as a geographic area containing a critical mass of development that satisfies traveller objectives. A critical mass usually means a large enough and diverse enough area or a unique attraction. Different activities can be built around a unique attraction to attract visitors with different interests. Unless a critical mass exists, it may not be possible to involve many local people in tourism and also investments, especially in infrastructure, may not be worthwhile. Also, a fairly large critical mass is essential to establish tourism links with the community and promote mountain community development through tourism.

Destination zones can not be singularly defined but are rather generalized areas that have broad and soft edges. They are not of one type but can be expected to be different from one another depending on the specific resources of each place. Destination zones can best be created by the joint efforts of NGOs, the government, and the private sector. A tourism destination can remain stable if it includes an industry and services.

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source endowment, uniqueness, and tourism assets. The resource utilization pattern, as well as human interference, differ. Hence, these factors need to be taken into account in classifying areas in broad categories and developing destination zones and management parameters accordingly. Such an approach is useful in the sense that operational guidelines are available in developing new areas. For example, if area development guidelines were developed in the context of Phewa Lake, new lake areas would have to follow these guidelines.

- *Set standards and limits of acceptable change necessary for environmental conservation*

Without setting standards and limits of acceptable change, it will not be possible to set planning and management objectives, carry out monitoring, and conduct evaluation or even develop an effective enforcement system. It becomes therefore necessary to identify critical environmental concerns in the destination area and determine their limit of acceptable change from the perspective of both visitors and the host population. Once the limits of acceptable change and the safe minimum standard have been established, the planning goal can be set so that tourism development will stay within these limits. In this process, it is equally important to decide what steps need to be taken to achieve and maintain the acceptable level of environmental changes.

- *Integrate and facilitate the complex interactions of mountain tourism development and identify the role of various institutions or partners in developing different components of tourism products in different cycles of the project*

Tourism by its very nature is a very complex multidisciplinary service industry that requires strong partnership and well-coordinated efforts and programmes between various institutions (the government, private sector, and NGOs etc). This issue acquires importance as, ultimately, the government cannot assume management responsibility for tourism destinations. Therefore, it becomes essential to first identify the main stakeholders, their interest, power, and influence in order to clearly define their roles in supporting the goal of SMTD. Clearly, a central tourism agency at the highest level of the government must be formed to be the catalyst for continuous planning, implementation, and monitoring of sustainable tourism development. This body must coordinate and facilitate activities with other sectors, ministries, and departments as well as other relevant organizations. It must play the role of an advocate for environmental and mountain community development. Such an agency must be supported by the government and must be given wide ranging powers to make it an effective institution. The newly formed Tourism Development Board will hopefully serve this purpose. Stakeholders need to be involved in planning and management.

- *Develop pilot investment plans for destinations and tourism products*

Natural and cultural resources have to be developed *in situ*. Investment plans (destinations and products) must be available from which private investors can choose. The merits of a good policy attract investors. There has to be strong promotion of destinations and products in international markets so that visitors are attracted to visit destinations promoted.

- *Identify the legislative reforms to achieve SMTD*

Existing laws may not all be conducive to SMTD and new laws and legislations may be required. For example, what additional legislative reforms are needed to make the recently enacted buffer zone bye law more effective is an issue that warrants attention.

- *Identify the human resource development required for SMTD*

An important component of SMTD is the identification of manpower skills and planning required to achieve the goal of SMTD.

- *Identify the necessary infrastructures required for SMT*

Many mountain areas that are rich in natural and cultural resources are remote and inaccessible. The nature of international tourism indicates that visitors are beginning to enjoy short and frequent trips.

## Mountain Tourism for Local Development

Thus, infrastructural development, especially in transport, is necessary. Other infrastructure for promoting the economic growth of the community and tourism must also be provided, e.g., energy.

- *Enforcement, monitoring, evaluation, and research*

Are the supply side agents adhering to the standards set so that the quality of tourism is being maintained? The enforcement mechanism must be effective and efficient. Without appropriate monitoring, effective and efficient monitoring is not possible. Besides, to correct mistakes and take corrective actions monitoring is essential. The development of new products, retaining tourism benefits locally to the maximum extent possible, increasing visitor satisfaction, etc require constant monitoring and research. Finally, evaluation provides the basis for judging how local communities are benefitting, whether leakages are being minimized, how benefits to local communities can be further increased, and how visitors' satisfaction can be maximized. Also note that carrying capacity is not a static concept and with good management and external knowledge and technology it can be improved. Thus, evaluation and research become necessary for sustainable mountain tourism development.

### Role of Partners in Tourism Planning and Development

There are essentially four partners that have responsibilities in achieving the goal of sustainable mountain tourism:

- the government,
- the business sector,
- non-profit organizations, and
- the local people.

These partners become tourism developers and make their own specific decisions, according to their roles in tourism, to produce goods and services on the supply side. Note that, within each partner, there are many individuals, organizations, agencies, etc that need to integrate themselves to produce various goods and services. What should be the roles of different stakeholders in tourism planning and development?

Tourism development is complex given the interdependencies between different sectors and partners within and across each component of tourism. What needs to be done is something that must be agreed upon by the partners themselves, since it is only the partners that "know where the shoe pinches." Therefore, it is necessary that there first be an understanding among the different partners as to their roles in sustainable tourism development. Then the roles and responsibilities of various partners must be agreed upon and be made effective through appropriate policy actions. Each partner must also develop its own institutional mechanism to address different aspects of the supply component sector of tourism. To achieve such coordination, it will be essential for partners to form a coordinating committee that represents a broad collection of such persons including those involved with different supply components.

#### *The government*

It is essential for the government to ensure that all these parties closely coordinate their efforts and programmes towards a common goal. Such coordinated efforts and programmes will become possible through a high-level tourism coordinating committee or tourism development board that meets regularly to exchange information, coordinate activities, and pursue programmes of common interest. The recently constituted Tourism Development Council and Board in Nepal through the partnership between private and public sectors is perhaps expected to fulfill this gap, although the issue of how effectively it will function with coordinated roles and responsibilities is yet to be seen.

The role of the state is to ensure that resources are conserved, that development is consistent with the resource base, that human resources or mountain cadres are used, and that there is equitable distribution of benefits.

### *The Business or Private Sector*

The role of the business sector in developing different components of tourism products is the most difficult, to define, yet very important. This difficulty arises from the fact that tourism itself is not a single industry or sector but rather multidimensional in nature.

### *The Non-profit Sector (NGO)*

Thirdly, the non-profit sector is beginning to play an important role in the development and conservation of mountain areas by following a grassroots' philosophy. Ways and means have to be assessed to make such organizations more effective. NGOs have especially demonstrated their ability to play the role of a catalyst to mobilize communities and resolve conflicts. This role cannot be played by other partners, and NGOs should be further strengthened to ensure the sustainable promotion of mountain tourism development.

### *The Organized Local Community*

The participatory planning and management approach presents the scope to improve links between the community and tourism as well as to build the capacity of local people in mountain tourism development. The participatory approach appears to acquire importance in mountain tourism development, given the larger number of stakeholders and their diverse interests, power, and influence over tourism programmes and policies at different levels and ownership and control over natural resources. The involvement of stakeholders in decision-making, especially when many stakeholders are involved, is believed to be a right step towards achieving sustainability of development projects.

### **Supporting Institutions and Policy Coordination between Tourism and Other Sectors**

In a multidisciplinary service industry, such as tourism, policies and subsequent activities by other agencies have a discernible bearing. Travel and tourism industries use simple agricultural products at one end of the scale to the latest high-tech machines and equipment at the other. Because this sector has a broad spectrum of linkage activities, policy level coordination of related sectors is necessary for its progress and smooth functioning. Large numbers of government as well as private agencies are involved in tourism directly or indirectly (Tables 4.1 and 4.2 below).

Functionally, the Ministry of Tourism and Civil Aviation (MTCA) is the apex body in the country's tourism administration. It was created in 1977, following the recommendation of the Master Plan to create an organ of government which would be "responsible for key activities related to tourism to include comprehensive development planning and analysis, implementation and execution, and promotion." Ideally, the Ministry's role is to formulate policy and planning, on the one hand, while maintaining interministerial coordination in the planning and implementation of projects on the other. In actual practice, the duties and responsibilities of the Department of Tourism and the Ministry are often duplicated with a vague demarcation of actual responsibilities. The Ministry has not been able to become a policy and planning organ for the tourism sector, but has rather dwindled into an additional bureaucratic tier in a simple decision-making process.

Other key agencies with which the travel and tourism sector is distinctly related in its day-to-day activities are as follow.

- Department of Industry (DOI)
- Department of National Parks and Wildlife Conservation (DNPWC)
- Department of Immigration (DIM)
- Department of Archaeology (DOA)

All travel and tourism industries are required to come into contact with both the DOT and DOI for licensing purposes. In the case of travel and trekking agencies, licenses are issued by the DOT only after the firm is registered with the DOI on its own prior recommendation. The reason for this duplication is not clear. It has certainly created a situation of shifting responsibility between the two agencies and unnecessary hassle among firms. If tourism is a distinct industry and a fully-fledged Ministry is

**Table 4.1: Public Sector Institutions**

Agencies	Main Functions
Ministry of Tourism and Civil Aviation, Department of Tourism	<ul style="list-style-type: none"> <li>• Expedition permits, liaison officer, licensing travel agencies, promotion</li> </ul>
Department of Customs and Tax	<ul style="list-style-type: none"> <li>• Provides duty concessions and tax holidays or rebates to travel and tourism industries on the recommendation of the Department of Tourism</li> </ul>
Department of Archaeology	<ul style="list-style-type: none"> <li>• Cultural heritage sites, monuments, certification of objects of arts</li> </ul>
Department of National Parks and Wildlife Conservation	<ul style="list-style-type: none"> <li>• Permits to national parks, administers and manages Nepal's national park regulations to protect wildlife.</li> </ul>
Department of Immigration	<ul style="list-style-type: none"> <li>• Visa, trekking permits, security</li> </ul>
National Planning Commission	<ul style="list-style-type: none"> <li>• As the apex body for central government planning, monitoring, and evaluation, it makes policy adjustments and coordination of plans and programmes to integrate the tourism sector with other development sectors.</li> </ul>
Department of Transport and Communication	<ul style="list-style-type: none"> <li>• Transport and communication services.</li> </ul>
Department of Local Development	<ul style="list-style-type: none"> <li>• Community Development Activities.</li> </ul>
Department of Forests and Soil Conservation	<ul style="list-style-type: none"> <li>• Conservation of forests and biodiversity of Nepal to increase the appeal of the landscape to tourists.</li> </ul>
Nepal Rastra Bank	<ul style="list-style-type: none"> <li>• Exercises its influence in the field of foreign exchange permits and transactions and adjusts regulations pertaining to foreign exchange.</li> </ul>
Royal Nepal Airlines	<ul style="list-style-type: none"> <li>• Flies to many international and all internal destinations, facilitating the movement of tourists.</li> </ul>
Nepal Industrial Development Corporation	<ul style="list-style-type: none"> <li>• Extending loans to tourism industries especially capital-intensive hotel projects in the tourist areas of Nepal.</li> </ul>
Non-governmental Organization (NGO)	
King Mahendra Trust for Nature Conservation (KMTNC)	<ul style="list-style-type: none"> <li>• Permit to the Annapurna Area</li> </ul>

there to look after it, why are the functions of registration or licensing and monitoring and facilitation not under the same umbrella? In other words, it is essential to establish a one window system for the tourism sector.

DNPWC manages and administers eight national parks, five wildlife reserves, and two conservation areas which cover 14 per cent of the total land area of the country. Tourism in these areas has provided revenue and increased motivation for the cause of conservation. Coordination between these two important institutions until now has been ritualistic.

Tourism operations in mountain areas are controlled through trekking permits issued by the Department of Immigration (DIM). Likewise, the opening of new areas for trekking activities in the mountain areas falls under the Ministry of Home Affairs. The practice of controlling tourist numbers has therefore relied on the simple administrative procedures of trekking permits and thus has not helped reduce pressure on fragile areas.

Three critical institutions appear to be important in mountain development. The local community has to become a participant in the development of its environment. Some external institutions such as NGOs have to work with the local people to identify critical issues and plans. The agency should be

**Table 4.2: Private Sector Institutions**

Agencies	Main Functions
Trekking Agents Association of Nepal	<ul style="list-style-type: none"> <li>• Promotes mountain tourism, primarily trekking and mountaineering, conservation of the mountain environment</li> <li>• Cooperates with the Ministry of Tourism and Civil Aviation in formulating new policies regarding mountain tourism</li> </ul>
Nepal Association of Travel Agents	<ul style="list-style-type: none"> <li>• Helps the development of tourism and the travel profession</li> <li>• Ensures a professional code of conduct and promotes cooperation among travel agents</li> <li>• Organizes seminars and conferences for the growth and promotion of tourism</li> <li>• Suggests policy changes and adjustments to concerned public sectors</li> </ul>
Hotel Association of Nepal	<ul style="list-style-type: none"> <li>• Provides direct tourist services, promotes the hotel industry, and protects the lawful rights of its members</li> </ul>
Nepal Mountaineering Association	<ul style="list-style-type: none"> <li>• Provides climbing permits for 18 selected trekking peaks, mostly in the Khumbu and Annapurna areas</li> <li>• Maintains worldwide contacts with alpine associations</li> <li>• Lobbys for policy changes in mountain tourism</li> <li>• Organizes basic and advanced level mountaineering courses</li> </ul>
Hotel Management and Tourism Training Centre	<ul style="list-style-type: none"> <li>• Provides hotel management and tourism training</li> </ul>
Himalayan Rescue Association	<ul style="list-style-type: none"> <li>• Reduces casualties in mountain tourism, especially in mountaineering and high altitude trekking</li> </ul>
Nepal Association of Rafting Agents	<ul style="list-style-type: none"> <li>• Protects, develops, and promotes river rafting as a key component of the country's tourism industry</li> <li>• Organizes river guide training in association with HMTTC and an annual rafting picnic to popularise river rafting</li> </ul>
Tourist Guide Association of Nepal	<ul style="list-style-type: none"> <li>• Promotes quality tourism experiences for tourists and contributes indirectly to the preservation and upkeep of heritage sites</li> </ul>
Tara Gaon Development Board	<ul style="list-style-type: none"> <li>• Promotes Nepalese culture and traditions for tourism</li> </ul>
Restaurant and Bar Association of Nepal	<ul style="list-style-type: none"> <li>• Upgrades the restaurant and bar business to international standards</li> <li>• Collaborates with HMTTC to organize training for staff of member establishments</li> </ul>

able to bring in external resources and knowledge and act as a liaison between the local people and other external institutions — including the government. Finally, there has to be a responsible agency in the public sector to monitor the mountain environment, set standards, and devise policies.

Monitoring must be carried out to determine how well tourism is functioning and to provide feedback for policy change or reform purposes. Clearly, it is not a new institution that will develop tourism but rather a clear definition of the roles of existing institutions, with each institution effectively executing its role in supply management. Equally important will be the development of new products in relation to market demand. Thus, understanding market trends has to be part of the planning process.

A central tourism agency at the highest level of government must be formed to be the catalyst for continuous planning, implementation, and monitoring of sustainable tourism development — including mountain tourism. This body must coordinate and facilitate activities with other sectors, ministries, and departments as well as other relevant organizations. Such an agency must be supported by the government and must be given wide-ranging powers to make it an effective institution. The formation of a tourism development authority at the highest level of government is essential if policy guidelines and the planning and implementation of sustainable mountain tourism development are to come about. Such an authority must have representatives from all four partners who play an active role in tourism

development: researchers in tourism, environment-related organizations, local pioneers, and perhaps others. All these partners must be involved in central-level decision-making related to planning and policy formulation and must also facilitate coordination across different levels, namely, sites and destinations as well as at the national level. Thus, an important concern of this authority should be to reform policies aimed to facilitate sustainable mountain tourism development.

# ***SESSION 5***

***DURATION: ONE HOUR AND 45 MINUTES***

## **Importance and Utility of Monitoring and Evaluation**

### **Objective**

To familiarize project managers with the importance and utility of monitoring and evaluation for sustainable mountain tourism

### **Contents**

Relationship between Monitoring and Evaluation  
Monitoring Policy and Institutionalization of Monitoring Practices  
Information Needs of Mountain Tourism  
Scientific Sample Surveys  
Management Objectives for Monitoring Sustainable Mountain Tourism

### **Methodology**

Presentation and Group Discussion

### Objective

**To familiarize policy planners with the importance and utility of monitoring and evaluation for sustainable mountain tourism**

Monitoring and evaluation in development work of any nature have been realized to be important elements of the development process itself. With growing concern over sustainable development, in which the environment is an important focus, monitoring development has become even more necessary as well as complex. However, lessons learned to date suggest that the more monitoring and evaluation are integrated into the project and built on the existing information system, the more the real objective of improving the project's performance can be achieved. Experience also suggests the need for flexibility in the M and E system to ensure better performance of the project over time through corrective actions based on M and E findings.

Information is essential at all stages of mountain tourism development - from the planning to the implementation stage. After planning is completed, information is essential to monitor if tourism development is achieving the objectives that were set out. There is a constant need to assess if visitors are satisfied with the tourism they are paying for. At the community level, it is essential to find out whether tourism is having the desired positive effect on the community. Likewise, the state of the environment and the critical HER need to be constantly monitored. The negative factors and their causes need to be properly assessed from time to time, for which research becomes essential. Corrective actions can then be planned to make mountain tourism sustainable.

Information gathering is not always easy and it can be an expensive task. While the collection of baseline data requires a survey of limited duration, monitoring and evaluating mountain tourism and its sustainability require continuous assessment and data collection and processing. Information on both the demand and supply side of tourism, including the key attributes of natural and cultural resources, has to be collected periodically through surveys based on scientific methods. The data collected have to be cleaned, edited, and useful studies conducted to yield important feedback for policy formulation, monitoring, and impact evaluation. In tourism, research, monitoring, and impact evaluation are all related and necessary for guiding tourism to sustainability.

Research is the search for new knowledge. Knowledge is a form of capital which, over time, gradually depreciates and its productivity declines. Hence, research is necessary to find new ways of doing things and solving problems more effectively. Often new knowledge is embodied in new forms of technology, the application of which contributes to improved environmental and living standards. In Session 3, it was pointed out that new knowledge and technology are essential to enhance carrying capacity. In the Annapurna area, the introduction of kerosene depots, electricity, back boiler stoves etc. — forms of new technology — have contributed to a relatively better natural environment as well as having helped improve the quality of mountain tourism.

A sound M and E system should not only rely on quarterly reports and ongoing evaluations, which has generally been the case, but also on participatory evaluation conducted by the beneficiaries of the project. Both monitoring and evaluation are tools used to manage a project better, and they are basically meant to ensure that a project is progressing according to plan and that the objectives (purposes) are being realized as scheduled and desired.

Monitoring everything will never be possible and, hence, there is a need to set priorities by monitoring selected attributes of the mountain environment that are of primary relevance to mountain tourism. The critical factor approach already discussed provides a strong basis for developing monitoring indicators.

Although monitoring and evaluation should focus on all important aspects of natural and cultural resources and MCD and MTD, it will not be possible for one single institution to monitor all aspects. Hence, in the context of mountain tourism, it is essential to identify the main dimensions of natural and cultural resources and MCD related to MTD for monitoring and evaluation. The institutions should, however, develop a network with other institutions to obtain information on a timely basis and be aware of the other aspects of natural and cultural resources and MCD that they do not monitor directly.

## Mountain Tourism for Local Development

Case studies may be required from time to time. Therefore, the monitoring indicators should concentrate only on mountain tourism and those aspects of community development that have a link with tourism development, which refer to areas 2, 3, 4, 5, and 6 in Figure 3.7 (carrying capacity).

### Relationship between Monitoring and Evaluation

Monitoring is usually understood to mean the following.

- The process of providing timely information on the progress and problem of the project in the process of implementation.
- It is the continuous assessment of both the functioning of the project activities in the context of implementation schedules and the use of the project inputs by a targeted population in the context of the design expected.
- The assessment of the efficiency with which the programme is implemented, including the measurement of the quality and timing of the input delivered and output produced.
- The tracking of both the financial and physical activities through regular quantified reports.

Evaluation is considered as the assessment of the result of implementing the programme. It determines how effectively a project and its components are in attaining the project goal. It is customary to distinguish between ongoing evaluation, terminal evaluation, and ex post evaluation.

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Ongoing evaluation takes place when the project is taking place. Its main concern is to analyze the continuing relevance, efficiency, and effectiveness of activities. The primary goal of an ongoing evaluation is to provide managers and policy planners with information about the individual and community affected and provide corrective action to make the programme more effective.

Terminal evaluation takes place at the termination of the project when external funding is over. It is usually carried out six to 12 months after the project is terminated. Sometimes terminal evaluation also serves as a substitute for ex post evaluation.

Ex post evaluation is conducted when the completed project or programme is assessed for its overall impact and achievement. In contrast to monitoring and terminal evaluation, ex post evaluation requires a substantial amount of data, sophisticated methodology for data collection and analysis, and considerable financial and computing resources. Because of these reasons, ex post evaluation is not considered to be a function of the monitoring and evaluation unit.

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Often monitoring and evaluation are treated together but some treat them differently. In fact, monitoring and evaluation must be treated as complementary. Both monitoring and evaluation are management tools used to steer a project, i.e., to judge if the project is progressing according to plan and if the objectives (purposes) are being realized as scheduled and desired. Thus, both monitoring and evaluation should be relevant, timely, and accurate. The system must be a continuous and systematic activity within the project. Monitoring and evaluation are generally carried out differently at the project, sectoral, and national level.

### Monitoring Policy and Institutionalization of Monitoring Practices

Continuous monitoring and evaluation of the effects/impacts of the tourism policy are essential for the reformulation of effective tourism policies. Many countries in the HKH region, however, do not have clearly defined policies for regular monitoring of tourism-related activities. Besides, very little or no attention is being paid to periodic research and maintenance of database on tourism on a regular and scientific basis. *Ad hoc* policies and inconsistencies and the absence of central-level monitoring agencies supported by law are clear manifestations of lack of such monitoring policies in many HKH areas. For example, then, the establishment of clear cut national guidelines for social, economic, and environmental impact assessment is necessary for measuring the impact of the tourism policy on the environment. Given the close interdependence between policy governing tourism and the monitoring system, the full benefit of the monitoring system can be realized only through efficient policy and management

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which are often difficult to achieve without an efficient monitoring system. The absence of institutions limits the prospects for addressing the following critical aspects/issues of monitoring.

- i. What is to be monitored? (the selection of the indicators that will reflect the effect of the project).
- ii. How and how often should the project be monitored? (the methods and instruments to be used in collecting monitoring information and their periodicity).
- iii. Who is to do the monitoring? (people's self-evaluation and internal and external monitoring).

Different Components of Project Monitoring: Purpose and Timing		
Study	Purpose	Time
Performance monitoring	To track the use of project inputs and production of outputs and to identify delays and problems	Report produced monthly or quarterly throughout the period of project implementation
Financial monitoring	To monitor the correct use of fund disbursement and internal cash flow and implement cost effectiveness.	Weekly, monthly, quarterly, and annually.
Diagnostic studies	To understand why implementation and sustainability problems have occurred and propose solutions	Follow up to examine problems identified in performance monitoring or conduct examinations periodically to assess implementation performance
Mid-term assessment	To assess the overall progress of the project in order to identify key issues and required project changes	Mid-point of the implementation phase.
Project completion report and project audit	To assess project implementation performance of the executing agency followed by an extent to which loan agreement terms are being met	PCR prepared within six months of the final loan disbursement; audit follows submission of PCR
Monitoring operation, maintenance, and sustainability	To assess the capacity of projects to continue delivering intended services and benefits throughout its planned economic life	Once a project's operational studies can be conducted on a periodic basis or at one point in time (for example after 5 years)

Institutionalization of monitoring and evaluating tourism activities generally implies a three-pronged approach.

- Institutionalization at the Local Institution Level (a local people's organization that aims to enhance the capacity of these groups to monitor and follow up on their planned activities as well as to enable them to assess their self-help performance).
- Institutionalization at the Programme or Project Implementing Agency Level (run by the government and/or non-government organizations) which means improvement of the already existing information and monitoring system.
- Institutionalization at the National Level which means basically improving the capability of national-level monitoring agencies for continuous monitoring and evaluating the effectiveness and sustainability of policies related to tourism sectors. Institutionalization at this level also means integrating the project-level monitoring system into the national monitoring system and establishing the feedback system. Besides the selection of the monitoring indicators and data base creation/maintenance, it is essential to have a regular system of sharing information through regular meetings with line Ministry/agencies and NGOs working for MCD, MTD, and the environment in mountain areas.

## **Mountain Tourism for Local Development**

### **Information Needs of Mountain Tourism**

The information needs of mountain tourism may be broadly grouped into four principal headings namely:

- environment (HER);
- socioeconomic and community level;
- visitors; and
- tourism facilities.

These four groups are considered separately and the basic information needs are first identified. The various methods for collecting the information are discussed in a later section.

#### ***Environment Related or Natural and Cultural Resources***

Not all information needs to be collected from primary sources. In most cases, secondary information will generally be available. Appropriate sources are to be also identified. Also, note that HER include society's man-made assets as well, and hence are included below.

- Geomorphological: special focus on hazardous areas, epicentres, GLOF, slope stability, soil creep, landslide areas, etc.
- Soil: productivity trends, erosion phenomena, soil profile, soil biology, etc
- Water: water source catchment conditions, drinking water supply system, water contamination, and flood incidence
- Climate: rainfall/snowfall patterns and amount of rainfall, thunderstorm events, agroclimatic zonation, and natural vegetation zones
- Flora: mature forest types, regenerating forests, pristine areas/forest, grassland types, and local medicinal plants
- Fauna: common/rare birds and animals and endangered and rare species
- Cultural: ethnic composition, local taboos, cultural events and customs, artifacts, etc heritage sites/conditions
- Nature: scenic and unique spots, routes and trails, water sources, wildlife and bird spottings, etc

Management objectives and parameters for setting standards and limits of acceptable change on the environment become extremely important and are discussed briefly below.

#### ***Socioeconomic Survey***

The socioeconomic survey aims to gather information on the socioeconomic conditions of the households. Over time tourism and community development are assumed to bring changes in the living conditions of households. It is essential to understand what changes have occurred and whether the changes are as desired. It is essential to find out who are benefitting from tourism and how to bring an equitable distribution of benefits from tourism. A baseline survey on the socioeconomic conditions of households is essential before any development activities are conducted. The baseline survey should cover different areas. In other words, the socioeconomic information must be collected from sample surveys. Survey instruments for conducting household and community baseline surveys are easily available and hence are not provided.

#### ***Visitors***

Any tourism development must ensure that visitors are satisfied. This requires obtaining information directly from visitors through carefully conducted surveys. At the same time, periodic surveys are required to assess visitor demand. Assessing demand is a highly specialized work and requires experts. Estimation of demand provides parameters that are useful for policy formulation. A list of information that needs to be collected at destinations from visitors includes the following.

- Nationality, age, and sex
- Annual income of visitors
- Trekker type, group size, trek duration, and total stay in the country

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- Trekking arrangements and payments
- Types of facility used during treks, number of days used, and prices paid for accommodation and food
- Porters hired and wages paid by sex
- Breakdown of various expenses during treks
- Questions related to their perception of conservation, sites, hygiene, and sanitation, etc
- Their willingness to pay more for the level of facilities available and how much
- Questions related to tourism products and their standards and maintenance in specific destinations.

### Scientific Sample Surveys

Household and visitor surveys have to be specially conducted. There are several sampling techniques to ensure a representative sample of reasonable size. Determination of the sample size in an *ad hoc* manner often leads to unreliable/biased survey estimates (large sampling errors) defeating the whole purpose of the baseline survey for programme design and the future M and E process.

The choice of techniques for getting a sample depends primarily on the nature of the problem, the cost and time factors involved, and the desired precision or reliability of the result. There is no single principle which would lead investigators to choose a particular sample scheme to the exclusion of others.

### Management Objectives for Monitoring Sustainable Mountain Tourism

Carrying capacity is a relative concept that varies according to management objectives and standards (or management parameters) among other things. It therefore becomes important to define management objectives and parameters before operationalizing carrying capacity and effectively monitoring the different attributes that are influenced, to a large extent, by management. It is important to distinguish 'change' (actual impact) and acceptability of 'change' in order to prevent further degradation or erosion of areas and resources. Limits of acceptable change are often used to define how much and what type of change may occur and what management action is required to control it. Determination of limits of acceptable change basically involves four steps.

1. Identify relationships between existing conditions and those judged acceptable:
  - inventory of resources and socioeconomic conditions, and
  - specification of standards for resource indicators and socioeconomic indicators.
2. Specify acceptable and achievable resource parameters:
  - identification of critical factors,
  - description of opportunities, and
  - selection of indicators of resources and social conditions.
3. Identify management actions for:
  - alternative opportunities,
  - selected alternatives, and
  - selection of alternatives based on their evaluation.
4. Implement actions and monitor the environment and socioeconomic conditions.

Establishing safe minimum standards for both environmental and socioeconomic infrastructural facilities is essential for monitoring the changes and in order to be able to take timely management action (Box 5.1). Minimum breeding stock to guarantee the survival of unique and endangered animal species, minimal residuals of viable plants for revival of valuable plant species, and maximum rate of erosion per year are some examples of safe minimum standards for natural resources. Such minimum standards should also be set for infrastructure and tourist facilities, tour operators, and travel agencies so that it becomes possible to monitor the change and take management action accordingly.

Additionally, a number of feasibility studies with potential development in different pockets needs to be conducted based on the principle of comparative advantage of the area and plans formulated from the

### Box 5.1: Establishing Safe Minimum Standards

Safe minimum standards imply the avoidance of physical conditions that would make it uneconomical to reverse depletion. Safe minimum standards for both environmental and socioeconomic infrastructural facilities are essential for monitoring the changes and in order to be able to take timely management action. Some examples of safe minimum standards are given below.

Natural resources: minimum breeding stock to guarantee the survival of unique and endangered animal species, minimal residuals of viable plants for revival of valuable plant species, maximum rate of erosion per year, etc

Infrastructure and tourist facilities: sanitation and safety standards for lodges and camp grounds as well as for tour operators and travel agencies — All these standards need to be established based on expert opinion and after a detailed assessment of the environmental and socioeconomic conditions of an area.

feedback. Exploitation of such potential development or economic opportunities is essential for enhancing the economic carrying capacity of the area and promoting economic growth. Without a base standard it will not be possible to indicate the change. Both qualitative and quantitative standards can be used.

It should be further pointed out that technical issues that require elaborate studies should be subject to periodic evaluation, for which the management should be sensitive. It is the role of the management to identify and prioritize the necessary studies that have to be conducted at different periods of time. It should be said that identifying *critical opportunities* (factors) cannot be part of a monitoring exercise. Such opportunities should be identified through feasibility studies.

## ***EDUCATING VISITORS***

### **What visitors need to know**

It is important to inform tourists about various things such as local environmental conservation policies and rules, local customs, acceptable social behaviour, minimum environmental impact codes, how to conduct themselves in religious places, courtesies to observe in taking photographs, and other matters showing respect for local values and culture. Information for tourists should be available in places they are visiting: the attractions, facilities, and services. Tourists themselves also have an obligation to seek information. On the whole, the visitors' information system should be designed and used in such a way that tourists should be conscious of how best to promote sustainable tourism in their travels.

### **Tourists need to be informed in various ways**

#### ***Brochures***

- Make them colourful, attractive, and interesting
- Must allure visitors
- Must describe how to reach the place, identify any special requirements such as reservations, permits, equipments, etc
- Must outline cost, conditions, and facilities available in and around the site or destination
- Must provide a map and list of regulations

#### ***Visitor Information Centre***

- Have a visitor information centre to display exhibits (photos, maps, diagrams, etc)
- Have as much information as possible of destinations and sites being promoted through the centre
- Have books, souvenirs, etc on sale
- Preferable to have class or discussion sessions equipped with audio visual equipment

## ***THE HIMALAYAN CODE OF CONDUCT***

### ***Camp Site***

Remember that another party will be using the same camp site after you have vacated it. Therefore, leave the camp site cleaner than you found it.

### ***Limit of Deforestation***

Make no open fire and discourage others from doing so on your behalf. Where water is heated by using scarce firewood, use as little as possible. When possible, choose accommodation that uses kerosene or fuel efficient firewood stoves. You will help the cause greatly by taking with you some saplings and planting these on the trail.

### ***In a Safe Place Burn Paper and Packets***

Bury other waste paper and other biodegradable materials including food. Carry back all non-biodegradable litter. If you come across other people's rubbish, remove their rubbish as well.

### ***Keep Local Water Clean and Avoid Using Pollutants Such as Detergents in Streams or Springs***

If no toilet facilities are available make sure you are at least 30m away from water sources and bury or cover wastage.

### ***Plants Should be Left to Flourish in Their Natural Environment***

Taking cuttings, seeds, and roots is illegal in many parts of the Himalayas.

### ***Help Your Guides and Porters to Follow Conservation Measures***

Do not allow the cooks or porters to throw garbage in the nearby streams or rivers.

### ***When Taking Photographs Respect Privacy***

Ask permission and use restraint.

### ***Respect Holy Places***

Preserve what you have come to see, never touch or remove religious objects. Remove shoes when visiting temples and shrines.

### ***Refrain from Giving Money to Children Since It Will Encourage Begging***

A donation to a project, health center, school is a more constructive way to help.

### ***Respect for Local Etiquette Earns You Respect***

Loose light clothes are preferable to revealing shorts, skimpy tops, and tight-fitting action wear. Hand holding or kissing in public are disapproved of by local people.

*The Himalayas may change you, please do not change them.*

*Adapted by Union International Des Association D'Alpinisme (U.I.A.A.).*

## ***QUESTIONS FOR DISCUSSION***

- Session 1: Overview of Tourism
- Session 2: Mountain Tourism Impacts
- Session 3: Sustainable Mountain Tourism Development
- Session 4: Planning and Management of Sustainable Mountain Tourism Development
- Session 5: Importance and Utility of Monitoring and Evaluation

## Session 1 Overview of Tourism

### Objective

To provide an overview of tourism: focus tourist flow, its origin, purpose, etc and its contribution to the national economy

1. Review the importance of tourism in Nepal in general and in mountain areas in particular.
2. Why is understanding the demand side of tourism important for the host country?
3. In what ways can the host country influence tourism demand? What do you think Nepal has been doing in this respect?
4. What do you think the 'Visit Nepal 1998' campaign is attempting to do?
5. What are the main reasons for tourists visiting Nepal?
6. What are Nepal's main tourism markets and how are they likely to change in the coming century?
7. Which tourist markets should Nepal focus on? What are the important factors that influence tourists' expenditure and duration of stay?
8. What can be said about the quality of services being offered to tourists in the mountain areas?
9. Has the contribution of tourism to the Nepalese economy been encouraging?

## Session 2 Mountain Tourism Impacts

### Objective

To highlight the main impacts of mountain tourism.

1. What is meant by mountain tourism?
2. What are its different forms?
3. How can mountain tourists be classified and what types of mountain tourists are more popular in Nepal?

### *Environmental Issues*

4. What are the principal environmental effects associated with mountain tourism?
5. What are the main reasons for the observed negative impacts and to what extent can they be attributed to tourism?
6. How do the negative environmental impacts affect the mountain community's welfare?
7. Does the fact that mountain tourism is seasonal have any effect on the mountain environment? What options are there to ease out the seasonality problem? Is it desirable?

### *Economic Issues*

8. Can mountain tourism help mitigate poverty in mountain areas?
9. What are the important direct and indirect economic benefits realized by mountain people from mountain tourism?
10. What impediments prevent the distribution of tourism benefits to a wider mountain community?
11. Which tourist groups have stronger negative and positive impacts in mountain areas and why?
12. Should preference be given to promoting one tourist group over the other? Why?
13. How does society bear the costs of the negative impacts of mountain tourism?
14. What are some of the important reasons for the poor economic impacts of mountain tourism?
15. What are the ways to strengthen the linkages between tourism and mountain communities?
16. How can the economic impacts of mountain tourism be improved (linkages, leakages, tourist expenditure, duration of stay, seasonality).

### *Sociocultural Issues*

17. What have been the observed sociocultural impacts of mountain tourism?

## Mountain Tourism for Local Development

18. Have these impacts been positive or negative? What has been learned?
19. How have women been affected by mountain tourism?

### Policy and Institutional Issues

20. Do existing government policies on tourism give importance to mountain tourism?
21. What are the main impediments to the sustainable promotion of tourism in mountain areas? (List the main policy weaknesses and institutional bottlenecks).
22. What should be the role of the government in overcoming these problems?
23. Are there any institutions responsible for mountain tourism development?
24. Do you think there should be such an institution in the government? Why?

### Session 3 Sustainable Mountain Tourism Development

To understand the meaning of sustainable development and sustainable mountain development

To identify and emphasize the importance of HER as important tourism assets which are unique in the world and enjoyed by many international visitors

To demonstrate how mountain tourism can provide strong stimuli to mountain community development

1. How can some of the significances of HER be realised at the local, national, and global levels?
2. What are the three key dimensions of sustainable development?
3. What is meant by sustainable mountain tourism development (SMTD) and what is the goal and objectives of sustainable mountain tourism development in the context of Nepal?
4. What are the guiding principles?
5. What do we understand by saying that HER have economic value and what role do they play in mountain tourism development?
6. What are the different types of values associated with HER in the context of mountain areas?
7. Why is carrying capacity important for achieving the goal of SMTD?
8. What do you mean by the potential carrying capacity and what can be done to harness it?
9. What are the critical factors underlying the different dimensions of carrying capacity and how are they interrelated?
10. What factors influence how much the host community and visitors are prepared to accept change?
11. Why is it important to address mountain community and mountain tourism development simultaneously? Is this always possible?
12. How is carrying capacity influenced by knowledge and technology?
13. Review the three key dimensions of carrying capacity using examples from Annapurna, Lo Manthang, Phewa Lake, and Syabru Besi based on the critical factors' approach.
14. Carrying capacity analysis is both an art and science. Explain this.
15. Why is it important to measure carrying capacity?
16. "Carrying capacity is a dynamic and relative concept that varies according to the management objectives and standards." How can this be explained?

### Session 4 Planning and Management of Sustainable Mountain Tourism Development

#### Objective

To familiarize policy planners with the basic elements of a perspective plan on sustainable mountain tourism and the role of partners and required institutions

To familiarize programme designers and implementors with different components of tourism products and provide an idea about how to carry out the feasibility studies necessary for mountain tourism development.

1. What are the necessary steps involved in planning and management of tourism products?

2. Why is it important to lay down management objectives to achieve sustainable tourism development goals?
3. Why is it important to understand the planning scale at different levels for design and management of tourism for mountain community development?
4. What is a tourist product and why is it different from other market products?
5. Why is it important to develop all supply components of tourism simultaneously?
6. What methods are generally used to identify the environmental impact on EIA?
7. How can local people be involved in the EIA process?
8. What are the basic steps involved in carrying out financial and economic analysis in the development of tourist products (at the feasibility stage of EIA)?
9. What tourism products do you think can be developed in mountain areas? Please provide answers in relation to carrying capacity, linkages, and feasibility.
10. Should countries like Nepal go after high payoff tourism in remote and inaccessible mountain areas?

### Session 5 Monitoring and Evaluation

#### Objectives

To familiarize project managers with the importance and utility of monitoring and evaluation for sustainable mountain tourism

1. How are monitoring and evaluation different and how are they related?
2. Why are they both essential for promoting sustainable mountain tourism?
3. What are the main impediments to ensuring an effective monitoring and evaluation system in mountain tourism?
4. What are some of the key indicators in monitoring linkages between mountain tourism and the local economy?
5. Why are management objectives important in monitoring carrying capacity in tourist destinations?
6. Who should set carrying capacity standards? The manager alone or all stakeholders? Why?
7. Why is participatory monitoring important and what can be done to institutionalize such a system?

## *READING MATERIALS*

### **Session 1 Overview of Tourism**

#### **Main**

Banskota, K. and Sharma, B., 1995a. *Mountain Tourism in Nepal: An Overview*; Discussion Paper Series No. MEI 95/7. Kathmandu: ICIMOD.

Chapter 2: On the Demand and Supply Side of Tourism  
Chapter 3: On Mountain Tourism Development  
Chapter 5: On Objectives and Policy

Banskota, K. and Sharma, B., 1993a. *Performance of the Tourism Sector*. ADPI Series No. 4. Kathmandu: ICIMOD.

This study provides a comprehensive review of the literature and addresses a variety of macro-economic issues related to tourism in Nepal. The study synthesizes various other studies and provides a comprehensive picture of Nepal's tourism industry and policy issues.

#### **Additional**

Banskota, K.; Sharma, B.; Neupane, I.; and Gyawali, P.; 1995. *Evaluation of the Partnership for Quality Tourism Project*. Prepared for the United Nations Development Programme; Centre for Resource and Environmental Studies (CREST).

### **Session 2 Mountain Tourism Impacts and Issues**

#### **Main**

Banskota, K. and Sharma, B., 1995a. *Mountain Tourism in Nepal: An Overview*. International Centre for Integrated Mountain Development, Discussion Paper Series No. MEI 95/7.

Chapter 4: Mountain Tourism Impacts

#### **Additional**

Byers, A.C. and Banskota, K., 1993. 'Environmental Impacts of Back-country Tourism on Three Sides of Everest'. In *World Heritage Twenty Years Later*. Switzerland and Cambridge, U.K.: IUCN.

Case histories of three protected areas in the vicinity of Mt. Everest are reviewed

focussing on contemporary fuelwood and refuse disposal problems encountered in the approaches to the Everest and Makalu base camps. Included are discussions of Sagarmatha National Park, Nepal (established in 1976), Rongbuk glacier area of Qomolangma Nature Preserve, Tibetan Autonomous Region (est. 1988), and Makalu Barun National Park and Conservation Area, Nepal (est. 1991). Regardless of current conditions, however, it is suggested that all three sites will continue to face chronic problems of energy (fuelwood) supply, concurrent landscape degradation, and garbage disposal alternatives. Existing and proposed solutions to these problems are discussed.

Sharma, P., 1989. *Assessment of Critical Issues and Options in Mountain Tourism in Nepal*. Kathmandu: ICIMOD.

This study addresses the critical issues related to mountain tourism. It argues that a big problem in mountain tourism is the lack of an organization and management system that is able to deal adequately with mountain tourism. There is yet no route policy. The trekking agencies are run not by professionals knowledgeable about the broader implications of mountain tourism. Enhancement of organizational ability at the local level has been a completely neglected aspect in the promotion of mountain tourism in Nepal. With the exception of some innovative work in the Annapurna region, participation of the concerned community in activities and decision-making regarding tourism is virtually absent. The study concludes that mountain tourism can be an important source of off-farm employment only if a number of complementary activities are undertaken. The success of mountain tourism depends on the push it can provide and the conditions it can create for sustainable development of mountain areas. In Nepal, tourism has not been seen in terms of these multifaceted linkages and coordinated packages of location/region-specific policies and programmes.

Sharma, P.R., 1995. *Culture and Tourism, Defining Roles and Relationships*. MEI Discussion Paper Series 95/2. Kathmandu: ICIMOD.

This was a study commissioned by ICIMOD to analyze the impacts of mountain tourism on culture. The study synthesizes reports from various past studies and argues that tourism may not be helpful in preserving cultural diversity as it leads to conspicuous consumption. Tourism brings prosperity and can help preserve culture in a more static, appreciated, or valued way than preserving it aesthetically. Local people need to find their own terms to deal with tourism.

### Session 3 Sustainable Mountain Tourism Development

#### Main

Banskota, K. and Sharma, B. *Tourism for Mountain Community Development: Case Study Report on the Annapurna and Gorkha Regions of Nepal*. MEI Series No 95/11. Kathmandu: ICIMOD.

Chapter 2: Sustainable Tourism Development: Methodological Considerations

Chapter 3: Annapurna Conservation Area and the Annapurna Conservation Area Project

Chapter 4: Impact and Implications of Tourism and Carrying Capacity in the Annapurna Region

Banskota, K. and Sharma, B. *Capacity Building for Mountain Tourism and Management: Study Methodology and Case Study Reports*. Centre for Resource and Environmental Studies (CREST) for International Centre for Integrated Mountain Development (ICIMOD), 1997.

Banskota, K. and Sharma, B. *Tourism for Mountain Community Development: Case Study Report on the Annapurna and Gorkha Regions of Nepal*. MEI Series No 95/11. Kathmandu: ICIMOD.

## Training Manual for Policy Planners in Tourism and Related Areas

- Chapter 2: Sustainable Tourism Development: Methodological Considerations
- Chapter 3: Annapurna Conservation Area and the Annapurna Conservation Area Project
- Chapter 4: Impact and Implications of Tourism and Carrying Capacity in the Annapurna Region

Banskota, K. and Sharma, B. Capacity Building for Mountain Tourism and Management: Study Methodology and Case Study Reports. Centre for Resource and Environmental Studies (CREST) for International Centre for Integrated Mountain Development (ICIMOD) 1997

Banskota, K.; Sharma, B.; Sharma, U.; and Rijal, A. *Royal Chitwan National Park After Twenty Years: An Assessment of Values, Threats and Opportunities*. Study Submitted to the King Mahendra Trust for Nature Conservation by CREST, February 1997

This study is the first of its kind in the context of Nepal's national parks. The study analyzes the principal major stakeholders of the park, namely households, visitors, and the load-equating agencies. Although the park has been able to generate benefits, still some nagging problems remain which the park authority has not been able to address effectively. Because of increasing demand for firewood and fodder, the pressure on the park is increasing. There is increasing incidence of livestock degradation by wildlife. Government policies are found to be weak. Despite the problems, there is evidence that visitors are willing to pay more to enter the Park. Recommendations have been suggested to mitigate the problems.

Sharma, P., 1995. *Tourism for Local Community Development in Mountain Areas: Perspectives, Issues and Guidelines*. *Proceedings of the Hindu Kush-Himalayan Regional Workshop on Mountain Tourism for Local Community Development*. Kathmandu: ICIMOD.

This report synthesizes the studies conducted in the member countries (India, Pakistan, and Nepal) on mountain tourism for local community development. It then distills a set of guidelines for sustainable mountain tourism development in three key areas, namely: policy, linking tourism with local community development, and establishing monitoring parameters for assessing impacts. In addition, the report also provides overviews of mountain tourism policy in other ICIMOD member countries namely, Bangladesh, Bhutan, China, and Myanmar.

Serageldin, I., 1996. *Sustainability and the Wealth of Nations: First Steps in an Ongoing Journey*. Environmentally Sustainable Development Studies and Monographs Series No. 5. ESD. Washington D.C.: The World Bank.

### Session 4 Planning and Management Needs for Sustainable Mountain Tourism Development

#### Main

Gunn, C.A., 1994. *Tourism Planning: Basics, Concepts, Cases*. Washington D.C.: Taylor & Francis.

This book is a handbook for professionals interested in tourism planning. The book provides basic concepts and gives numerous examples in designing sites and destinations. It discusses sustainable tourism development at length. However, the examples in the book concentrate on more developed countries.

#### Additional

IUCN, The World Conservation Union, 1996. *EIA Training Manual for Professionals and Asian Managers*. Nepal: Regional Environmental Assessment Programme, IUCN.

This training manual provides a step by step guideline for EIA. The concepts introduced are generally followed by good examples from Nepal and hence the manual is easy to follow. With the increasing importance given to EIA, this manual is a must for all those working in the area of development.

### Session 5 Monitoring and Evaluation

Valadez, J. and Bamberger, M., 1994. *Monitoring and Evaluating Social Programs in Developing Countries: A Handbook for Policy Planners, Managers, and Researchers*. EDI Development Studies. Washington D.C.: The World Bank.

Prepared for a broad audience of policy planners, project managers, trainers, and researchers, this book provides a comprehensive review of the available techniques for monitoring and evaluating social programmes in developing countries. The book especially discusses such topics as methods of evaluating socioeconomic projects, methods of participatory and rapid assessments, quasi experimental designs, the relationship between qualitative and quantitative evaluation, stakeholder analysis, sustainability analysis, and the cost-effective method of estimating project impacts. The book also identifies potential beneficiaries and their information needs and discusses the role of NGOs in evaluating development projects.