

## Study Background and Objectives

### Background

The present study is a continuation of "Mountain Tourism for Local Community Development in Nepal," which was part of a study sponsored by the International Centre for Integrated Mountain Development (ICIMOD) on the current status of mountain tourism in the Hindu Kush-Himalayas of Nepal, India, and Pakistan (Banskota and Sharma 1994a). This previous study carried out an extensive literature review and identified various issues in the context of mountain tourism in Nepal. In the present study, some of these issues are further explored in two case study areas, namely, the Annapurna area, which is the most popular area for mountain tourism in Nepal, and the newly-opened Manaslu area.

The Himalayas harbour unique natural environments and are home to a large number of people who depend on the resources found in these environments for survival. Local demand for these resources is believed to be growing faster than the rate at which the environment can produce, thus leading to the latter's gradual deterioration. Local people have no option but to continue to use the resources, as development has not been able to mitigate poverty and generate new opportunities in these remote areas. On the one hand, poverty mitigation in the region requires accelerated use of the resources, and, on the other, their increasing use has accelerated deterioration. Furthermore, in areas where tourism is practised, tourism is believed to have added to the problem, although there is no denying that tourism has brought substantial benefits to some remote and inaccessible mountain areas. However, the dilemma nevertheless remains, for mountain development will require increasing use of the Himalayan resources, which will further increase the conservation and development challenges (Banskota and Sharma 1994a; Byers and Banskota 1993; Ives and Messerli 1989).

The resources found in the Himalayas are unique, and their potential value to local people in particular and to mankind in general is believed to be enormous. These resources also have significant economic value as well, which if properly utilised can provide a strong stimulus to mountain community development (Banskota et al. 1994; Thorsell and Harrison 1993). The development of these resources needs to be conducted in a manner that does not in any way jeopardise the environment. One way to harness these

resources is by maximising its non-consumptive uses through tourism promotion. In order to maximise the non-consumptive uses, the carrying capacity of the environment must be adequately understood, and tourism development in these areas must enable community development as well. Without local communities' participation in mountain tourism neither can mountain tourism development be successful nor can the environment be conserved. Therefore, both mountain community and mountain tourism development have to be addressed in the context of environmental resources, or what are referred to in this study as Himalayan Environmental Resources (HER). All forms of development carried out in the Himalayas have to be within the carrying capacity of HER for development to be sustainable. The integration of these factors has therefore necessitated the need to develop a methodology to conceptualise mountain community development (MCD) and mountain tourism development (MTD) in the context of HER. Mountain community and mountain tourism development will be addressed in the context of the carrying capacity of HER in the selected case study areas.

## **Major Issues in Mountain Tourism**

This section briefly summarises the issues identified in the previous study.<sup>1</sup>

A clear long-term policy on what is desired from tourism in the context of mountain development has yet to emerge in Nepal. For a small country like Nepal, tourism development must be defined in terms of national-level goals, and an appropriate growth path must be prioritised. There has been no concerted effort on the part of the government to perceive the mountain areas as potentially rich in a variety of unique natural resources that are not easily available and accessible to international tourists in other parts of the world, or to see that the non-consumptive uses of these resources can be promoted through tourism development to transform the state of the mountain economy in many parts of Nepal.

Tourism development cannot be viewed in isolation from conservation and natural resource management and mountain development, as it is the mountain resources that form the very basis of mountain tourism as well as the basis of survival of local mountain communities. This lack of realisation has resulted in a demand-induced tourism growth pattern, with local people responding to tourist needs, and it has not been able to contribute meaningfully to wider

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<sup>1</sup> See Banskota and Sharma 1994a and Banskota and Sharma 1993 for discussion on the following and other issues.

mountain development. The unique mountain environment found in the Himalayas is therefore becoming increasingly degraded, thereby reducing the tourist and visual appeal of the areas, and, at the same time, local communities that live amidst these rich environmental resources continue to lead a subsistence life. How to develop mountain tourism that can mitigate poverty and provide an impetus to mountain development 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 minimised and retention of benefits locally is enhanced.

Ever since the Tourism Master Plan (Ministry of Commerce and Industry (MCI) 1972) was introduced, diversification of sightseeing and adventure tourism has been a major thrust of all tourist policies. However, in actual practice, the operation of mountain tourism is centralised, and the benefits accrue to a few operators in urban centres. Mountain tourism is concentrated in a few pockets (e.g., Khumbu, Annapurna, and Langtang). Opening new areas and building rudimentary infrastructure have been the sole basis of tourism development. As a result, only small pockets have been able to benefit, and, in newly opened areas (e.g., the Manaslu area), local people are finding it difficult to derive benefits from tourism, as only group tourists are encouraged to visit such areas, and other forms of complementary investment programmes and policy actions have not been forthcoming. Some of the older tourism areas, with several years of mountain tourism operation, have provided substantial revenue to the government, but little attention has been paid to ploughing back some of this revenue in order to establish linkages between local and tourism development. The Annapurna Conservation Area Project is an exception in this respect.

Diversification of destinations alone will not suffice. Product diversification, with emphasis on quality, has not received due attention. Continuing to promote trekking tourism alone is unlikely to bring greater benefits to the nation or to local communities. There is a great deal of scope for developing new tourism products in the mountain areas of Nepal. New products must be oriented towards maximising visitor days and visitor expenditure rather than numbers, and the willingness of tourists to pay should be the fundamental basis of pricing for such products. *Ad hoc* pricing procedures (trekking permit fees, park entrance fees, visa fees, etc) must be replaced with scientific procedures. The true economic value of tourism, when measured in terms of willingness to pay is likely to be much higher than the current levels of expenditure by tourists (Wells 1993).

The national economic interest has always been how to increase foreign exchange earnings from tourism through growth in tourist numbers, with little or no attention paid to local needs and interests. Government policies for the private mountain-tourism sector are totally lacking, and preference towards tourism investment in urban areas prevails.

Tourism being a multisectoral activity, it requires strong and effective coordination between the various sectors, both private and public. Line agencies often narrowly conceive their area of jurisdiction and take care of only those problems that directly affect their sectoral interests. Policy weaknesses or failures arise from the fact that the direct and derived demands of tourism cannot be integrated into one category. Examples of this can be cited in the case of newly-opened areas where only group tourists are permitted who, being self-sufficient, provide little scope for local people to benefit from tourism. 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.

Also, 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. A major factor in controlling the use of firewood has been government failure to look upon tourist support staff that accompany tourists as well as the various tourist outlets, such as lodges and tea stalls, as tourism-related; demand for firewood by these units should be seen as demand for firewood by tourists, irrespective of whether tourists consume the firewood or not. Policy failure arises from the fact that this derived demand for firewood by tourists is not considered to be an integral part of mountain-tourism energy policy.

Nepal's mountaineering tourism is now suffering from self-glorifying and *ad hoc* policy changes. *Ad hoc* measures and inconsistencies appear in many policy formulations. Application procedures for mountaineering are too cumbersome. The practice of cash deposits for garbage disposal, despite a hike in royalties and attachment of government liaison officers to mountaineering teams, has been negatively perceived as an unnecessary hassle for mountaineers.

Besides the ACAP there is no institutional and participatory approach to mountain and tourism development. Tourism-led development has been an individual response to meet tourist needs, and community development has

been externally driven. The need to organise mountain communities in both community and tourism development has not been addressed.

There has never been an ongoing research programme to address the problems in the area of mountain tourism and community development. If research needs are not realised, the chances that problems will outstrip solutions will be high, and new efforts made will most likely fail or have little effect.

Efforts to develop tourism in the mountains without duly addressing the mountain environment and the economic value of the resources it harbours can do more harm to the environment and its economy than good. Therefore, tourism development should be an integral part of mountain community development.

In many places in the mountain areas of Nepal, conservation means modifying the traditional behaviour of local people as well as the behaviour of tourists. To the tourist, a change in behaviour for the sake of conservation may not be as severe as in the case of local people who depend very much on the use of local resources. In the case of Nepal, this has been witnessed in most protected areas where conservation has brought about a conflict between local people and the management authority. This conflict, in most cases, is related to modification of behaviour in the absence of alternative incentives to compensate for the changes local people have been forced to make due to policy intervention (Kharel 1993).

There are more regulations and command structures than economic incentives. Economic incentives are given little time to succeed, whereas regulations are given too much time to fail. Economic incentives and disincentives at the national and community level can play an important role in conserving mountain environmental resources. The main objective of using incentives is to smooth the uneven distribution of the social costs and benefits of conserving the mountain environment; these incentives are policy tools for correcting the problems resulting from market failure and misguided policies (McNeely 1988; Winpenny 1991).

Thus, the major problem in the context of tourism in the Himalayas can be stated as "***the lack of appreciation of the value of environmental resources and the lack of vision vis-a-vis mountain and tourism development.***" Without an appreciation of the value of environmental resources and a sense of vision for mountain development, permitting tourists to visit mountain areas cannot alone be considered as a panacea to improve the livelihood of the large



majority of mountain people. A great deal of work remains to be carried out in this area, and it needs to be carried out done urgently to conserve the environment in order to benefit local communities through tourism development.

## Objectives and Scope of the Study

The objectives of the present study are to address some of the above issues in the context of two mountain tourism areas in Nepal, namely, the Annapurna and the northern Gorkha areas (Map 1). The Manaslu area, which for many years was a restricted area, has been opened to group tourism since 1991.<sup>2</sup> The Annapurna area is Nepal's most popular mountain tourism destination, with nearly 40,000 tourists visiting this area each year. The King Mahendra Trust for Nature Conservation (KMTNC), through its Annapurna Conservation Area Project (ACAP), has been actively involved in addressing some of the issues identified above in this area. The Manaslu area in Gorkha district has only recently been opened for tourism, but neither a tourism plan nor any form of management exists for this region.<sup>3</sup> The above issues, however, cannot be addressed in isolation from the carrying capacity of environmental resources. This latter aspect has necessitated the development of a conceptual methodology to integrate HER, MCD, and MTD.

The specific objectives of this study are:

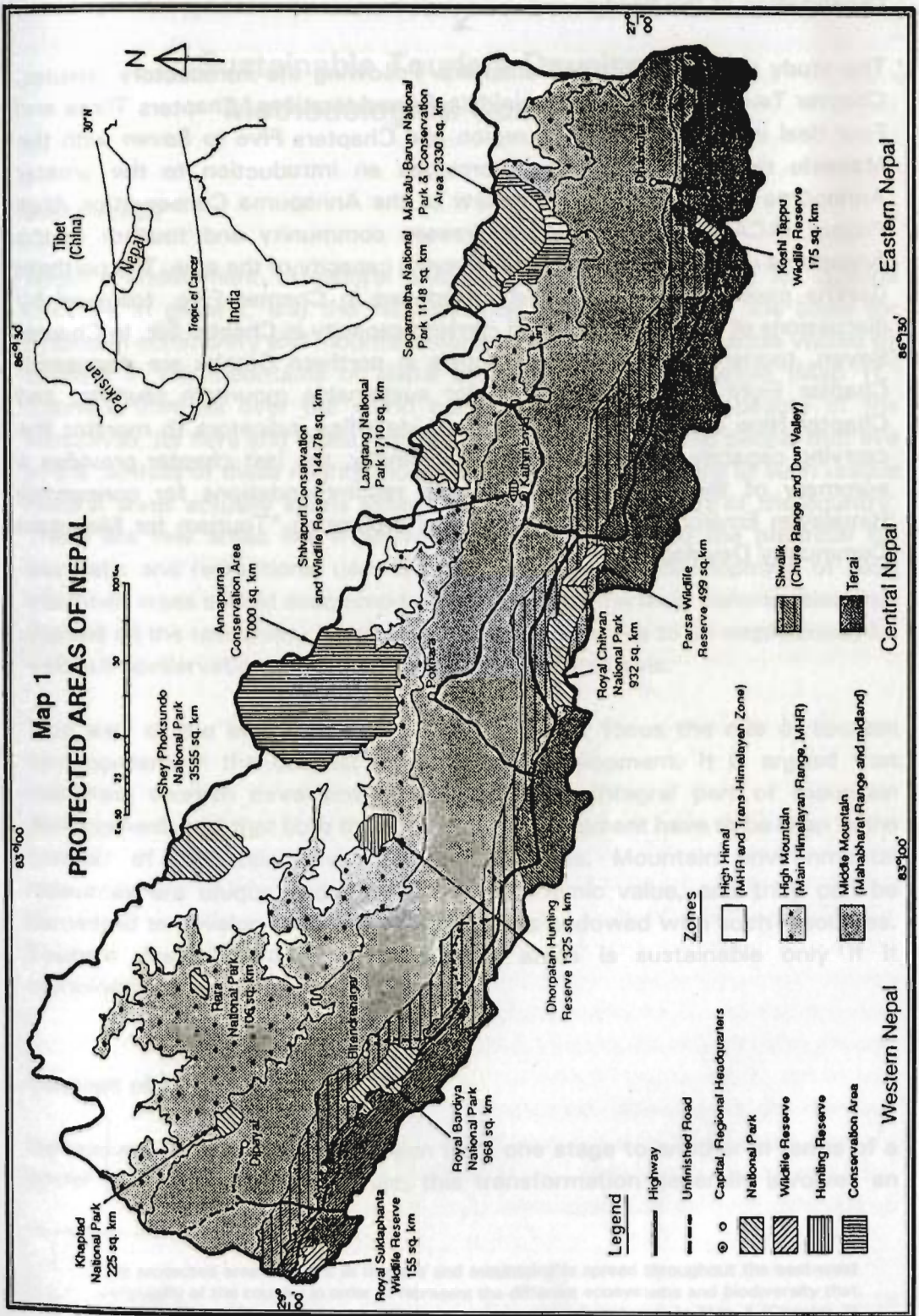
- to develop a framework to integrate environment, community, and tourism and to address the carrying capacity of the mountain environment for sustainable development;
- to assess the impacts and implications of mountain tourism in two case study areas; and
- to develop guidelines for sustainable mountain tourism and indicators for monitoring carrying capacity.

The methodology developed in Chapter Two is at this stage of a conceptual nature. Although efforts have been made to operationalise it in terms of both qualitative and quantitative analysis, this has not been fully completed, and a lot more work remains to be done in this area.

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<sup>2</sup> The northern Gorkha region or area as referred to in this study includes areas north as well as south of the Himalaya in Gorkha district, including the Manaslu area.

<sup>3</sup> Ministry of Tourism, HMG is currently drafting a tourism development plan for the northern Manaslu region.



## Organisation of the Study

The study is divided into ten chapters. Following the introductory chapter, Chapter Two deals with methodological considerations. Chapters Three and Four deal with the Annapurna region and Chapters Five to Seven with the Manaslu region. Chapter Three provides an introduction to the greater Annapurna region, including a review of the Annapurna Conservation Area Project (ACAP). Chapter Four addresses community and tourism in the Annapurna region and assesses the carrying capacity of the area. The northern Gorkha case study area is first introduced in Chapter Five, followed by discussions of tourism impact and carrying capacity in Chapter Six. In Chapter Seven, tourism development potentials in northern Gorkha are discussed. Chapter Eight outlines guidelines for sustainable mountain tourism, and Chapter Nine discusses monitoring and identifies indicators to monitor the carrying capacity of mountain tourism. Finally, the last chapter provides a summary of the findings and presents recommendations for conserving Himalayan Environmental Resources and promoting "Tourism for Mountain Community Development."