

# Nepal Study Tour Trip Report – December 2012

**Project Name:** Nepal Study Tour

## 1. Background

In December 2012 Plateau Perspectives and guests travelled to Nepal to study the tourism industry. Key insights and lessons learned will be used to effectively initiate a responsible tourism framework in the SNNR region.

## 2. Partner organizations

Plateau Perspectives, Qinghai Forestry Bureau, Sanjiangyuan National Nature Reserve, Norway

## 3. Team Members

Dr Marc Foggin – Plateau Perspectives  
Dr Jesse Montes – Plateau Perspectives  
Du Fachun – Chinese Academy of Social Sciences  
Yuan Yi – Shanghai Sports & Culture Development  
Cicheng Renqing – Gesar Tours  
Gongbuzeren – Peking University (PhD Candidate)  
Fan Wenbin – Huzhu Beishan Resort Owner  
Gazangben – Qinghai Normal University  
Pilip Steiner – Development Specialist  
Jiu Xie – Sanjianyuan National Nature Reserve

## 4. Schedule (see detailed schedule in Appendix B)

December 1st	Tour participants travelled to Chengdu
December 2 <sup>nd</sup> – 4 <sup>th</sup>	Travel to Kathmandu, Nepal. Tour participants attended briefings provided by TRC Tourism, Nepal Tourism Board, SNV (Netherlands Development Organization), International Centre for Integrated Mountain Development, The Mountain Institute, WWF Nepal, and the Department of National Parks and Wildlife
December 4 <sup>th</sup> – 6 <sup>th</sup>	Travel to Nuakot and Bandipur, briefings provided by staff of the Famous Farm and Old Inn establishments.
December 6 <sup>th</sup> –9 <sup>th</sup>	Poon Hill Trek in Annapurna Conservation Area

**Trip Report:  
Nepal Study  
Tour**

*Dates:  
December 1-15  
2012*



*Author:  
Jesse Montes*

December 9 <sup>th</sup> -10 <sup>th</sup>	Pokhara. Briefings provided by Annapurna Conservation Area Project and Tiger Mountain Pokhara Lodge
December 10 <sup>th</sup> -12 <sup>th</sup>	Travel to Chitwan National Park. Briefings provided by Tiger Tops Tharu Lodge staff
December 12 <sup>th</sup> -14 <sup>th</sup>	Travel to Kathmandu, briefings provided by Kopan Monastery, Dwarika's Hotel, and TRC Tourism. Travel to Chengdu.
December 15 <sup>th</sup>	Travel from Chengdu to final destinations.

## **5. Activities undertaken** (see detailed field notes in Appendix C)

### **In Kathmandu**

The majority of the briefings given during our time in Kathmandu involved organizations/entities that have played a major role in the development and delivery of the tourism industry in Nepal. Government, private sector, and non-government organizations provided key insight to the history of tourism in the country and how efforts are being made to deal with shortcomings. A major theme among their comments included the importance of pro-poor community development initiatives and how tourism can be used to improve this area. There are actions at each level of stakeholders that must be put in place to ensure that community members are properly consulted and benefit from tourism. Cooperation from all stakeholders is critical.

### **In the field**

Tour participants had the opportunity to explore a range of tourism establishments, from trekking teahouses to high-end lodge experiences. This range of activities allowed participants to see numerous strategies and ethos in how tourism is conducted and how benefits are routed back to benefiting local communities.

## **6. Cost of Work** (see detailed expenses in Appendix A)

Flights	94824
Food & Lodging & Visas	11399
TRC Tour Package	134013
Professional Fees	15750
Reimbursement	-1108
 Total Cost	 254,878 RMB

## Appendix – Schedule

**Nepal Ecotourism Study Tour for Plateau Perspectives Sanjiangyuan National Nature Reserve, Qinghai Province, PRC  
2 to 14 December 2012**

Date	Itinerary	Overnight
Sunday  Dec 2nd	1255 Met at the airport from Xining and Chengdu flight and transfer to Hotel Tibet.  1430 Introductory briefing and scene-setting at the hotel by Ms Lisa Cheogyal, TRC Tourism.  1600 Welcome briefing at the Nepal Tourism Board (NTB) office arranged by Mr. Uday Bhattarai and Mr. Lila Baniya, Manager of the Sustainable Tourism Development Unit with the Acting CEO Mr. Subash Nirola and representatives from the NTB, Ministry of Culture Tourism and Civil Aviation including representatives from the private sector tourism associations (i.e. HAN, NATO, NATTA, TAAN etc.) for welcome and briefing of ecotourism overview in Nepal.  1730 Welcome reception at Nepal Tourism Board to meet some of the key people involved in Nepal ecotourism.  Group dinner at a popular restaurant in Thamel.	Hotel Tibet  Kathmandu
Monday  Dec 3rd	0900 Briefing by Mr Paul Stevens Tourism Manager or his representative at SNV Netherlands Development Organisation ref the SNV tourism programme in Nepal including Great Himalaya Trail Development Programme.  1030 Briefing at ICIMOD Marjorie van Strien Tourism Advisor on ICIMOD's regional tourism programmes	Hotel Tibet  Kathmandu

	<p>Lunch in the Patan Museum which is considered one of the best in South Asia, housed in a 17<sup>th</sup> Century palace reconstructed with assistance from the Austrian government. Plus a brief tour of Patan Durbar Square, a UNESCO World Heritage Site, which is celebrated as one of the finest streetscapes in the world.</p> <p>1400 – Visit Swotha, a converted Traditional Home near Patan Durbar Square that has become a model of successful reuse of domestic houses for tourism to restore value to Nepal’s unique cultural heritage</p> <p>1500 – Briefing by Mr Ang Rita Sherpa at The Mountain Institute ref their community tourism and environmental programme in Nepal including how they address climate change issues in local communities.</p> <p>1630 – Briefing with Mr Anil Manandhar or Dr Ghana Shyam Gurung WWF Nepal about their long-term programme using tourism to strengthen conservation in Nepal.</p> <p>Group dinner in Bhojan Griha Restaurant, a Nepali cultural experience in a former Rana palace, with briefing by Mr. Bharat Basnet, CEO Explore Nepal Group, leading ecotourism private sector operator. Bharat or one of his Managers will explain how he runs his group of businesses in partnership with local people to conserve the traditional culture and natural environment.</p>	
<p>Tuesday Dec 4th</p>	<p>1000 Meeting at the Department of National Parks and Wildlife Conservation Department with Director General NPWCD Krishna Prasad Acharya or his representative for briefing ref overview of tourism and conservation issues in Nepal and how they have been addressed with concession and buffer zone management systems AM free for personal shopping, packing and/or additional meetings.</p> <p>Drive from Kathmandu to Nuwakot, an ancient Newari town, and stay at the delightfully renovated Famous Farm in a locally converted home. In the afternoon a tour of King Prithivi Narayan Shah’s historic fortress palace and temple. This is approximately a three hour drive, so arriving mid afternoon. We will arrange a box lunch for the drive.</p> <p>Dinner at the Famous Farm.</p>	<p>Famous Farm Nuwakot</p>

Wed Dec 5 <sup>th</sup>	<p>Early start for the drive to Bandipur. Boxed lunch provided by the Famous Farm.</p> <p>PM Briefing by Bandipur Social Development Committee representatives (as set up by former EC-funded Bandipur Eco-cultural Tourism Project) and visit Bandipur village, a model of community based tourism with private sector partnership in Nepal.</p> <p>Dinner at the Old Inn</p>	<p>The Old Inn</p> <p>Bandipur</p>
Thursday Dec 6 <sup>th</sup>	<p>Drive from Bandipur to Pokhara, approximately a two hour drive.</p> <p>From Pokhara start a four day/three night trek in the Annapurna Conservation Area (ACAP). The trek support services will be provided by the 3 Sisters Adventure Trekking company who will also brief the group on their work training disadvantaged women in remote areas (Empowering Women of Nepal programme).</p> <p>Lunch at the 3 Sisters Guest House on Lakeside before driving to the trek start point.</p>	<p>Trekking Lodge</p> <p>Annapurna</p>
Friday Dec 7 <sup>th</sup>	<p>Trekking in the Annapurna Conservation Area.</p>	<p>Trekking Lodge</p> <p>Annapurna</p>
Saturday Dec 8 <sup>th</sup>	<p>Trekking in the Annapurna Conservation Area.</p>	<p>Trekking Lodge</p> <p>Annapurna</p>
Sunday Dec 9 <sup>th</sup>	<p>AM Trek ends and return drive to Pokhara.</p> <p>Briefing by National Nature Trust for Conservation (formerly KMTNC) on their pioneering work on community-based tourism in Annapurna Conservation Area (ACAP) and a visit to the International Mountaineering Museum</p>	<p>Tiger Mountain Pokhara Lodge.</p> <p>Pokhara</p>

	<p>Late morning drive to the award winning Tiger Mountain Pokhara Lodge, an ecotourism model situated on a spectacular hilltop ridge a thousand feet above the Pokhara Valley with panoramic views of Machhapuchhare and three of the world's fourteen 8,000m peaks, Dhaulagiri, Annapurna I and Manaslu. Activities available from the Lodge include a ridge-top walk visiting local villages, naturalist-guided nature and bird watching walks; or relaxing in Col. Jimmy Robert's Library reading about some of the more famous mountain expeditions. An award-winning swimming pool is located in a strategic site at the end of the ridge and reflects the high mountains and dropping away to the Bijaypur river far below.</p> <p>Lunch at Tiger Mountain Pokhara Lodge.</p> <p>Evening briefing by Mr. Marcus Cotton, MD of Tiger Mountain Pokhara Lodge and trustee of International Trust for Nature Conservation (ITNC) to include TMPL partnerships with the local community and conservation projects.</p> <p>Dinner at Tiger Mountain Pokhara Lodge</p>	
<p>Monday Dec 10<sup>th</sup></p>	<p>AM Tiger Mountain Pokhara Lodge activities and site visit to villages and ITNC projects.</p> <p>Drive to Tiger Tops Tharu Lodge on the edge of Chitwan National Park. Constructed in the style of the local Tharu people, activities focus on village tourism, local culture and agricultural activities.</p> <p>Packed lunch taken from Tiger Mountain Pokhara Lodge.</p> <p>PM Normal guest activities at the Lodge include wildlife viewing from elephant back, jungle walks, bird-watching, landrover drives, river safaris, and an evening cultural show. A briefing by Tharu Lodge manager about the Tharu Lodge community programmes including the Swissair School and clinic.</p> <p>Dinner at Tiger Tops Tharu Lodge</p>	<p>Tiger Tops Tharu Lodge. Chitwan</p>

Tuesday Dec 11 <sup>th</sup>	Activities at Tiger Tops Tharu Lodge  Dinner at Tiger Tops Tharu Lodge	Tiger Tops Tharu Lodge.  Chiwan
Wed Dec 12 <sup>th</sup>	After early morning activities at Tiger Tops Tharu Lodge, transfer to Bharatpur airport and fly to Kathmandu.  Drive to Kopan Monastery on the edge of the Kathmandu Valley. Here the group will be briefed on the operations of a successful guesthouse within a working Monastery. Kopan offers Buddhist study courses and meditation sessions that attract students from all over the world.  Lunch at the Kopan Monastery  Transfer to the Tibet Hotel and the group are then free on their own dinner arrangements.	Tibet Hotel  Kathmandu
Thursday Dec 13 <sup>th</sup>	Day on own arrangements or optional visit to World Heritage Sites of Bodnath and Swayambhunath,  Lunch on own arrangements.  1830 Briefing by representative from Dwarika's Hotel group about their tourism and conservation philosophy, and how it appeals to the high-value markets. This unique heritage hotel's extensive collection of carved windows and doorways, columns and masterpieces from demolished old houses are blended into its complex of buildings and courtyards. With an active cultural heritage restoration, the acclaimed Dwarika's group of hotels and resorts proves that tourism can help combat the severe environmental stress of uncontrolled modernization  1900 Farewell dinner in the award-winning Krishna Pan Restaurant at Dwarika's Hotel	Tibet Hotel  Kathmandu
Friday Dec 14 <sup>th</sup>	0900 Closing workshop of the Study Tour with discussions of lessons learned, conducted by Lisa Choegyal TRC Tourism at Tibet Hotel.  1115 Departure transfer to airport for 1355 departure of international flight to Chengdu and Xining.	

## **Appendix – Field Notes**

### **Nepal Study Tour Notes**

**December 2, 2012**

#### **Introduction – Lisa Choegyal**

TRC Tourism, our host in Nepal, is a Wellington based company working in tourism and sustainable development. They see tourism as a force for development and use it to help communities and enforce local culture. TRC Tourism has been very active in Nepal where tourism started in the 1960s. Before that time, Nepal remained a closed country. Small in size and not having an abundance of natural resources, the people were extremely poor. Tourism became a way for the country to take advantage of the natural resources they did have and provide economic benefit. Tourism saw its peak in the 1990's, however a 10 year political insurgency greatly impacted the industry. Since peace was instated tourism has come back very quickly. Numbers have grown not only from the west, but from mainly two new markets, China and India. These relatively close market bases have provided a new type of traveler in which guests stay for a shorter amount of time in the country and spend less money. So there is a need for developing strategies to retain more value from such travelers, so that profits can be more widely spread to local communities. One way that benefits have been distributed more widely, is the creation of strategic marketing schemes that target regions, rather than specific destinations. The Great Himalaya Trail was created in partnership with SNV Nepal and has focused on areas outside the highly popular Everest and Annapurna trail systems. The idea is to bring new trekkers into more areas of Nepal, and build a convenient network of trails and services. Above all, the main priority is to benefit locals and environmental awareness.

#### **Nepal Tourism Board**

Prior to 1998 a government office called the Department of Tourism largely dictated the development of the industry in Nepal. However, the government realized that much was dependent on investment from the private sector and so decided to adopt a new model of which such stakeholders could take a part in the decision making processes. In 1998, the previous government department was dissolved and the Nepal Tourism Board (NTB) was established. The board was made up of government staff from the Department of Culture, Tourism, and Civil Aviation, National Parks, Ministry of Finance, as well as the private sector ( in total 11 board members, 5 from private sector). The make-up of the group is quite strategic as many of these key players rely on each other to operate. For example, National Parks creates regulations that may allow/disallow tourism in certain areas. Cooperating with them allows entry permission to various areas of key interest.

When considering a new proposal for tourism development, the NTB prepares a budget that is very much influenced by the private sector and in turn is more likely to succeed. So if the private sector does not see potential, then the project will not proceed. Private sectors which are active on the NTB include the Mountain Rescue Association, River

Rafting Private Association, Food Industry (which also covers hygiene), and more. The major role of the NTB is to aid in marketing and promotion of Nepal, and supports the development of policy and legislation conducted by the department of Culture, Tourism, and Civil Aviation. Last year there were more than 700,000 tourists with major markets being seen from India and China.

The board has also recognized that there has been a number of negative impacts on culture. However, they hope that much of this will be offset due to revenues from the industry being invested back into communities for health, education, etc. And for more remote and sensitive areas, pricing mechanisms are in place to control the volume to these areas.

## **December 3, 2012**

### **SNV – Mim Hamal, Value Chain Development Advisor**

After 2007 tourism in Nepal improved greatly as the 10 year insurgency came to a close. And SNV began to ask how remote areas of Nepal could benefit from the tourism industry. This was a question they felt could not be answered by government and private industry found in Kathmandu. SNV found it critical that locals should create their own plans for development and strategies that would direct travelers ‘off the beaten path’. This is how the idea of the Great Himalayan Trail was born. Through this strategy, tourists would be directed to less well known areas, bringing economic benefit to communities that wouldn’t have it otherwise, thus harnessing the power of tourism to bring development and poverty alleviation.

The program partnered with national entities, local districts, the tourism industry, the NTB, and others. They also worked on capacity building with local communities to improve ability for business development and service implementation (cooking, homestays, web marketing etc). These partnerships were key in developing the new trail network. For example, there were many private sector companies that were able to connect current activities to new trails offering more unique trail experiences. As well, the NTB is very aware of the low economic yield with current visitors, so they are helping generate more opportunities to keep visitors longer, which is also reliant on the private sector.

Every 2 weeks a working committee meets to implement policy created by a steering committee. Much of the implementation is being conducted by SNV due to a lack of capacity among partnering ministries. They have helped communities along the trail develop action plans and ways to uniquely promote their areas. And because tourism is expanding to new areas, a justification is also created for infrastructure improvements such as bridges, microhydro, trail improvement, and more, all of which also improve local livelihoods. Funding for much of this comes from foreign aid, but local communities also contribute.

The challenges that exist is that they are trying to promote tourism in remote areas that currently don’t have the needed infrastructure. There is a lack of operators willing to go

to certain areas, no industry in place, no clear system of permits, and trademark registration. Some of these areas require trekking, national park, and other fees making it confusing to travelers. Waste management is also an issue that we are trying to find sustainable options for. We may adopt incinerators as an option, or may also adopt bond options which require hikers to pay a bond on everything they take into an area. If they fail to bring something back, then a fee is paid from the bond. Trekking agents must also be responsible in promoting a 'pack-in pack-out' policy.

In 2009 an analysis was completed to determine the benefits of tourism to locals. They found that less than 5% spent by tourists came to locals. As a result, they found a number of problems with current buying practices of tourists and tourist agencies. Often companies would purchase all supplies, including food, from Kathmandu, and travel with the supplies. In this case, a huge potential for food sales was lost to areas being visited. So local guides and cooks can also be trained to prepare food and manage local sites. So programs are now in place to promote more agriculture and meet the growing demand of tourists.

#### **ICIMOD – Professor Wu Ning**

- In Chinese

#### **ICIMOD – Marjorie Strien, Tourism Specialist**

ICIMOD sees tourism as an opportunity for development in mountain communities. While isolation and remoteness can often limit in area for development, such assets lend well to tourism as people want to see such areas for their natural beauty and unique features. The economic benefit that results then strengthens local adaptation by offering increased livelihood opportunities. So while climate change may impact the lives of many potatoe farmers for example, they now have alternative sources of income from the tourism industry. Tourism is also a tool for integrated development as it is connected to so many projects, so it effects large sections of a community. Looking at tourism from a value chain approach allows us to look at the products involved and makes clear changes needed to improve products, local benefits, and how key members of a community, which may have been overlooked previously (elderly, single women, children, etc.), can be included in the product chain.

In the region of Upper Mustang, Nepal most of the residents rely on agriculture and livestock. Tourism does add some value, but previously the local people received very little benefits from the industry. Food was often brought into the area by groups, thus a missed opportunity for locals to sell and make a profit from their food production efforts. Collaboration has been between ICIMOD, the NTB and 5 trekking operators so that solutions could be found. The trekking companies have agreed not to bring food from outside areas, which in turn has reduced much of their costs to provide the trekking services. So there has been a realized opportunity by the companies to save on costs, as well as provide benefits to locals in Upper Mustang. Currently many food service providers can be found along the trail, making use of local resources.

This example shows that planning is critical to any sort of tourism development. If planning is not done properly then we lost benefit. Another example is how one plans for various sectors in the tourism market. Domestic tourists travel very differently than international guests. Domestic travelers don't like trekking, and they have a different concept of waste management. Planning for various sectors will help you gain the most benefit from that sector.

As a national policy Myanmar wanted to employ tourism as a strategy to make it a better place to live. Out of this, goal, they developed action plans. In one area, a big lake was home to much boating tourism with employed the use of motors. While they called it ecotourism, they found that the pollution was immense and impacted the water quality. There was also the added impact of many lodges around the lake. So the industry is growing fast, but not necessarily controlled, which is a real threat to the sustainability of the area. As well, while there are 36 villages in the area, 15 are on the lake and therefore involved in tourism. But how can the remaining 21 villages access the market and be involved? There are value chain opportunities such as products used by hotels (food, handicrafts, etc). In the end, this example shows that tourism can be an opportunity and a threat. But key to minimizing the threat is proper planning. And hopefully this planning can be aligned with a healthy government policy in place promoting responsible tourism.

In Sikkim, India there was a region prone to logging. But in this community they saw that they had much value in their environmental resources that could be used to attract ecotourism to their area. And they also had cultural experiences to attract visitors as well. So they learned that there was an economic justification for protecting the environment.

One way or another, key to tourism, is accommodation. However, some communities find this invasive, or are too shy of foreigners. So they have to find ways of meeting the demand for accommodation. If homestays are not ideal, they can also arrange community run guesthouses, tented camps, etc. Tour operators may also have an interest in investing in community ventures so that quality is assured for their guests.

Community involvement is ideal in any sort of tourism venture. If they know what is happening, then they can provide the necessary inputs, be engaged, and therefore have ownership over what is taking place. It may also be best to create a community's tourism 'product' around something that they are already familiar with. It may be something the community doesn't recognize as a product, but could be adapted and scaled appropriately for visitors. This is why the private sector is critical as they can provide input on what tourists want, they can provide the expertise on the expectations and needs of tourists.

Maintaining the balance of development and environment may be different for every scenario. There will be a balance point unique to a given situation and will need researchers and economists to examine in thoroughly. Will need to consider earnings from the industry and what is justifiable in terms of environmental damages. There may be great benefits in the first few years of tourism, but if the threats to the natural resources are great, then it will not be justified due to the likely demise of the 'product'. So we must explore, what are the long-term economic benefits? And what level of

impact can the environment cope with? Including locals at this stage is important, as they will have key insights. In turn, economic benefit must be shifted to communities, so that in the end less stress is put on the environment compared to previous scenarios in which outside companies saw much of the benefit.

### **The Mountain Institute – Anrita Sherpa**

The Mountain Institute (TMI) was established in 1985 in eastern Nepal. At the time there was a need for a core group of scientists to study the national parks as there were many conflicts arising due to local peoples and the protected areas. Local peoples were not being allowed access to areas that were previously open to them, causing a breakdown in livelihood opportunities. Therefore TMI was created as a way to help manage needs of local peoples, without resorting to the army as a means of control. Initially the locals didn't see the value in the research, but over time TMI was able to earn their trust. Local people became involved in the research and management and their unique knowledge was used to find and promote more successful management options. The locals became better educated, and many were employed by the parks, utilizing their local knowledge.

To combat illegal harvesting that continued to take place, instead of punishing them, TMI began to hire local children as scouts. So by employing the children, the parents now had a reason to stop hunting. This also added to joint monitoring efforts further deepening the relationship between the communities and the protected areas. Buffer zones have also been created in areas to help with the resource harvesting issue.

Nepal has eight of the world's highest peaks, 326 peaks open to mountaineering. And much of the bulk of tourism is centered in three regions, the Annapurna, Khumbu and Chitwan. These areas account for 94% of the tourists. And in these areas, locals have become aware that their areas should reflect the natural beauty that tourists expect to see. So for example communities around the Everest area, have coordinated the color of their rooftops to have a much more pleasing aesthetic look. Areas are also banned from juniper harvesting as it is destroying the landscape. The juniper was being used for firewood, but it grows so slowly and was shown to be unsustainable. But now TMI has helped communities find other sources of fuel. In addition TMI has created employment for guides, porters, pack animals, hotels, lodges trading and various services. As a result tourism has improved the health, education, and cultural heritage of these areas.

Threats are also seen however. The increased number of lodges, refuse disposal, firewood collection, and other impacts have caused serious problems to areas. As well, the lack of infrastructure and even the addition of helicopter visits has impacted the value the area has to offer. These impacts have made us aware that visitors must be encouraged to see lesser known sites. Promoting opportunities in these other areas will promote economic benefits to these more remote areas, and will also lessen the impact to the environment in these highly congested areas.

In the Everest region there is a Sacred Sites Trail. People used to go straight to Everest base camp and back, but now new points are being developed for people to explore. This

way the income is distributed off of the main route. Creating this involved much participation with locals to implement. It involved educating locals on environmental and cultural values, and encouraged them to develop products and programs. Consulting with locals and having them participate in planning must not be overlooked.

### **WWF – Raj Batta – The Work of WWF in Nepal**

Initially WWF began its work with a focus on species conservation, specifically large species. But over time the focus changed and there was a movement towards community involvement in conservation efforts. This led to an integrated conservation model of development in which conservation areas adopted buffer zones. So today, the focus of WWF is very much on the landscape level of conservation, no longer just focusing on species level. However, the landscape models still views species conservation as critical, but also expands into forest management, fresh water ecosystems, climate change and energy.

Communities have been a big part of this transition and have become involved in various ways. For example, in research and monitoring of snowleopards. They are involved in camera traps, helping set up livestock insurance schemes, reforestation, etc. And with the establishment of 73 cooperatives, they have benefited through more sustainable livelihoods and capacity building exercises. WWF has partnered with them to sell carbon credits internationally and install biogas plants. In addition, other livelihoods have been created including juice production, chamomile industry, homestay villages, and elephant dung paper production.

Key to the progression of these efforts will be in education. By educating the youth a mindset will be installed to continue such conservation actions, and WWF hopes to see these efforts cross international boundaries as they partner with China and India.

### **WWF - Ang Puri Sherpa – Tourism in Nepal**

WWF Nepal does not invest directly into tourism, but there are areas they have invested in that do impact the industry. In general, WWF adopts the definition of Community Based Tourism (CBT) which involves a significant control by local people. And in turn such tourism must be 'responsible' as to conserve habitats. So the key areas that WWF Nepal has committed to include: infrastructure improvement, alternative energy (solar, micro-hydro, biogas), capacity building (training, lodge management, cooking, nature guides, mountaineering), income generation, campaigns (climate change, responsible tourism), education (signs, meetings, etc), and policy & coordination (park plans, buffer zones, community forestation projects). From these activities it is expected that there will be a decrease in threats to biodiversity, and increased awareness of responsible tourism, and increased opportunities for local communities.

Locals have been trained in wildlife monitoring and related activities and have been shown to be capable of such duties. They are being promoted as citizen scientists and play an important role in managing conservation sites. Because these sites can be very remote, it doesn't always make sense to hire employees of the park. This is why locals

are well suited for the job. They live in the area, they know the area, and are accustomed to what the environment demands. There is also a link for tourism revenues to improve conservation efforts, and in turn livelihood enhancement.

With such efforts, there is still reason to be concerned. Increased numbers in tourism is feared to be making an impact on biodiversity and degrading the ecosystems of Nepal. The government must step in to mitigate these effects.

## **December 4, 2012**

### **Dept of National Parks and Wildlife Conservation – Barna Bahadur Thapa, State of Ecotourism in the Protected Areas of Nepal**

There are many types of ‘ecotourism’ present in Nepal ranging from ‘soft’ ecotourism with teahouse trekking, home stays, and safari lodges to ‘hard’ ecotourism with camping and remote trails. The Department wants to motivate locals through economic investment and provide conservation awareness, and benefit locals through infrastructure upgrades. We have seen a development since the mid 1990’s where there was an evolution from adventure tourism, to cultural, to nature based, and finally to pro-poor rural tourism.

In Nepal there are 5 categories of protected areas present based on IUCN categories: national parks (10), wildlife reserves (3), hunting reserves (1), conservation areas (6) and buffer zones (12). Nepal has very diverse climatic conditions and these areas incorporate many geographic formations, cultural heritages, and rich biodiversity. So there are unique selling points that the region has in terms of tourism. The Everest region being the rooftop of the world, the Sherpa people are well known, glaciers, tropical forests, wildlife, trekking, religious places, etc. These unique features are also expanded to include various activities for guests to interact with the environment, through safaris, birding, rafting, cultural tours, trekking, sky diving, etc. In protected areas there have been hotels, restaurants, visitor centers and other facilities constructed. There has also been a push for education programs such as brochures for visitors and audiovisual programs.

Buffer zones are established around the PAs to keep the core areas protected. Before, locals were used to using the natural areas without any restrictions. So this has caused some hostility when restrictions were placed on the use of these areas as they feel it is their area. The buffer zones were a way to harmonize this disagreement and minimize the pressure on the core zones. Creating the buffer zones was difficult as one needed to determine the appropriate size. It was necessary to take into account appropriate size of areas needed for wildlife, discussions with locals, political boundaries, etc. The average buffer zone area is 3km, although specific areas may vary according to various specificities.

50% of the revenue that is created from protected areas is given directly to the community from the government. This money is used for various development activities and motivates local communities to take part in management of the areas. The Park

Warden coordinates activities with stakeholders to promote conservation and helps distribute funds. Money can be used on education, development, income generation, conservation and more, and there are usually some restrictions on how much can be spent on each category.

One of the major weaknesses present is that there is a lack of specific institutional setup for ecotourism in protected areas. So there is no set of guidelines, coordination of activities, finances for infrastructure, or organized human resources for visitor facilitation and impact monitoring. This being the case, there is a real threat from the concentration of visitors, overuse of resources, unplanned roads destroying trails, climate change, and a loss of culture. So there must be more thought put into the planning of activities in these areas so that more benefits are received by local people and the surrounding environment. The way forward must have clear policy, coordination, so that responsible community based ecotourism is promoted.

**December 8, 2012**

### **Participant Roundtable Discussion in Hille**

#### **LEWIS**

Practical matters rather than policy.

1. When trekking was developed, sharing income was a problem.
2. Environmental protection. No real work is done at this level. Waste management problems with guesthouses.
3. Traditional culture has been taken over by meeting tourists' needs.
4. Animal protection is on the books but not actually carried out.

These are all things to take into consideration when thinking about developing tourism in Qinghai.

Cultural impacts: Cultural relics – housing adapted for tourism is not as traditional as before. Young people have their minds open to the outside world. Traditionally Hindu. Seating places were built by local people as remembrances for dead ancestors. When porters get to these places, they sit and rest. Trees planted in the middle give joy to resters and that joy helps the ancestors in the afterlife. But the young generation is not carrying on the tradition and making new seats.

#### **GONGBU**

Community-based tourism. Communities can play a role in tourism development and in developing tourism products. The guesthouses and food in ACAP are local.

Coexistence of livelihoods and the nature reserve, as opposed to resettlement in Sanjiangyuan. Value of local people as means to protect environmental resources.

Governance. Different vertical and horizontal levels cooperate in ACAP. In China, the government is so powerful they don't want anyone else's help. But here you've got participation from all stakeholders and that's something to work on and research.

Diversification. Planned for on plateau by government by resettlement. But that is totally changing livelihoods rather than diversifying from existing livelihoods and social organization. Here we see the latter diversification. On the plateau,

maybe porters will prefer to use yaks and not carry stuff on their backs...or maybe just dig caterpillar fungus.

#### **KELSONG**

Lots of NGOs and government agencies in Nepal, and cooperation among stakeholders in ecotourism development is very good. In order to facilitate that cooperation, maybe the government youth bureau could coordinate environmental projects. Or establish in universities. In any case, enable more young people to participate in environmental protection.

Lots of people are involved in the tourism industry – tour operators, guides, cooks, guest house operators, porters. Lots of services are needed in the plan for development. More training and planning is needed. Trainings should be based on local capacity and understanding.

In Tibetan areas there are similar places to trek, but they are not developed. Bad trails, no information about length of treks or services available along the way. Try to expand the network wider. Planning by doing.

#### **CHRIS**

In Kathmandu there's lots of trash. But not so much in ACAP. Want to return, which is an accomplishment of ACAP. Teahouse/guesthouse system is good because it allows everyone from kids to old people to participate. Each guesthouse employee is good at relating to people and has self-confidence. This extends to porters and guides too.

One disabled guesthouse owner started his own business without external investment other than the free use of his uncle's house. Now he has 9 employees. Rent is about 15,000 RMB a year and he's still profitable.

Villagers used to cut wood from the forest. They now protect the forest for the sake of the tourism.

Ownership. They have independent income. Opportunity to meet people from around the world. Each individual family has invested in the tourism sector rather than one big government investment. They can learn from more successful neighbors. This would be a good model for Sanjiangyuan.

#### **DU FA CHUN**

First time to Nepal, thought that it was undeveloped and backward. But coming to ACAP, has seen that the quality of people is higher than in China, and the people are more globalized/international. There are lots of natural resources. The people have high qualifications, great personality, excellent language skills to interact with tourists. Perhaps that is partly because of well-preserved cultural diversity that influences people's thinking and behavior to help them interact with others not like them. People have natural understanding, natural belief in their religion – it's not forced.

Ecotourism: economically affordable, socially acceptable, environmentally sustainable. Great definition.

Lots of NGOs, both local and international, are working here. Sanjiangyuan should seek or permit such participation. Coexistence and cooperation between organizations at all levels is key. Now Sanjiangyuan is too closed. Only the government can operate. Here, for instance, there is a Norwegian NGO involved in waste management.

What's the unique characteristic of a place? What is it for the plateau? For Sanjiangyuan? It needs to be identified. Landscape? Culture?

**FAN WEN BING**

Has seen and learned a lot and will benefit a lot from this trip. Has the opportunity to apply what he's learned immediately.

Wants to help Sanjiangyuan develop hotels, etc., similar to his in Huzhubeishan. Several points:

1. Construction. Construction is distinctively local in style. It adds interest and lets you know you're somewhere besides your home. That's why people travel. In Nepal, they are using stone and wood and local techniques.
2. Famous Farm has the patina of a lived-in, well-aged home. Old things are maintained, renovated, and restored rather than torn down.
3. Trails are interesting. There are different styles of trail in different places rather than standardization. They also blend into the environment.
4. Practical and functional. Hand-painted maps and signs, small shops and restaurants. But they offer all the service you need. There is information, food, viewing platforms. There is good food, and the flavors aren't too strong for a wide range of customers.
5. Comfort level is not very good at many places. Famous Farm's beds, pillows, and comforters were not comfortable. Interior decorations could be better. It should be easier to find a place to charge your phone and camera batteries. Reliable hot water for showers is important.
6. Guest house locations. Some guest houses don't have any customers because they're poorly placed. Guest house operators need to consider where people will eat, sleep, and rest.
7. Landscaping. Beautiful and comfortable. Very natural with plants and flowers.
8. Scale/scope. All the places we've been are small except for Hotel Tibet. But in Sanjiangyuan you will need bigger places. You need to consider the number of tourists who will come.
9. Smiling service. People are friendly and hospitable. It's not like a business relationship – people here treat customers like friends. Even the porters and guides are happy to talk and help in any possible way.

Suggestions: In Sanjiangyuan or Yushu, concentrate resources rather than scattering them, because those areas are so large.

Training. 3 Sisters' training has benefitted a lot of Nepal. Effective training is important.

Cooperation. In Yushu and Zhiduo it's very poor. The service, availability, etc. is poor. Need to cooperate with outside NGOs and outside investors. Communities need to cooperate among households, too.

**JESSE**

The Nepali government is limited in resources, so it has to rely on outside help (NGOs, etc.). In China, the government wants to do everything and thinks it can. That's our situation.

Planning is so important. Waste management's an afterthought. It's the type of thing you have to think about now for Sanjiangyuan.

When planning, you need to build the ability to grow into the plan. Entrepreneurs are going to bring new ideas to bear so you also have to have flexibility in the plan.

The empowerment of women is very important. Keep that in mind, think about what it means and what it will look like in our context. We can learn a lot from 3 Sisters.

**PHIL**

Ownership. It seems that if ownership is in the community and tourism is mainly done from the grassroots up, then the benefits will also largely accrue to the community. It also increases the chances that tourism development will be done in ways that are acceptable to the community.

Cultural preservation. It should be directed by those within the culture, not by outsiders who want to preserve the quaintness of a foreign culture for their own benefit/pleasure/voyeurism.

In ACAP, some communities have done better than others at trash management. It seems that routes used heavily by locals have more trash alongside them than do routes used primarily by tourists.

The tourism product in ACAP is well-developed but probably what we see is a *result* of tourism as much as it was a cause of it. The first trekkers camped in tents. Teahouses were a response to a market opportunity, not a planned venture from the top down. The ACAP protected area made it all viable, though.

I think it's wonderful that guesthouses are all run by locals. If a group of 50 tourists wants to stay, they can stay in several guesthouses in the same area. There is absolutely no need for hotel monstrosities, which would change the place's character and the landscape that is the primary tourism product.

Tourism probably started out as only viable for the hardcore backpackers willing to rough it. But with teahouses it's now viable on this route for families with kids as well as for older people. But within ACAP there are still plenty of places for hardcore trekkers. The local tourism industry has broadened its market to include more market segments.

Where government is visible, it's local government. The power seems to have been divested to the local people and as a result the communities feel very organic, natural, local.

**December 9, 2012****Annapurna Conservation Area Project**

One of the main roles of ACAP is to ensure that development in this region is environmentally sustainable. These efforts are largely supplied by income from entry fees to the area and international donor partners. ACAP does not conduct development work itself, but rather facilitates development by approving committee plans from each of the key areas in the region. Each of the 57 villages found in the region have a community development committee, which submits management proposals to the ACAP committee. Each of the committees have 15 members, of which 30% of the make-up must from women members. Through ACAP efforts the forested area in the region has been increasing. As a general principle they look to have the area managed by local people and that the locals will benefit economically from such efforts.

ACAP has helped many villages obtain electricity, such as through micro hydro projects. This has led to better living conditions than is found in most other parts of Nepal. Roads have also been built allowing easier access to markets for various products. However,

this in turn has necessitated the surveying of additional hiking routes, which can maintain the spirit of what first made the area attractive.

Human-wildlife conflicts are also trying to be managed in the region as biodiversity is an important aspect of the region. Black bears and the common leopard are the biggest culprits and compensation to locals for their losses are often not sufficient (at times only 25% of actual damages). ACAP is helping by providing preventative measures such as through electric fencing and trying to reduce the reliance on livestock farming. Solar lighting projects in Upper Mustang have also allowed locals to light their corrals at night to deter predators.

### **Tiger Mountain Pokhara Lodge – Marcus Cotton**

The Tiger Mountain Pokhara Lodge is a high-end lodging facility that hopes to embody the principles of ecotourism. There is a 38 member staff team that has very little turnover and has been operating for 14 years. Core values of the lodge include community and environmental benefit. For example, there is a specific staff member that works to instigate and manage community programs. In this way, there is a partnership with local residents and the lodge gives back and becomes part of the community, rather than merely being present.

The lodge began during the time when trekking had started and adopted a more African style safari theme. In fact the name was adopted from the first resort they established in Chitwan National Park in southern Nepal. Both lodges have aimed to work with the communities and enhance the environment in a meaningful way, so not just environmental protection. To do this, responsible tourism must be achieved and this includes a number of key elements. It means that the supply chain for tourism must be examined and determined how benefits can be brought locally. And such fundamental knowledge should not remain with us, but also to our competitors so that the area as a whole benefits, not just our business. This adds a much more community feel to our area and is attractive from a marketing standpoint.

Working in a community has some challenges, and as a business it is not always our role to force changes that the community may not be ready for. We start small, perhaps build necessary pieces of infrastructure like bridges. And as a company gains the trust of a community you can move onto more controversial topics that may challenge common practice and social norms. As a business we can gently encourage such actions.

When the government of Nepal adopted forest as property of the government, massive deforestation occurred. This was due to the fact that it made the idea of community ownership obsolete, which led to a depletion of the resources as it wasn't seen to 'belong' to anyone. Once the government saw the fault in this type of management they began to lease out sections of forest for use to community committees. But the forest use was often dictated by a proposed plan, a plan which was not developed to meet unique contexts for a given site. What really needs to happen is the development of partnerships and working with communities and industry associations. This is a long view in terms of

planning and wanting to evolve good management of resources as well as a solid tourism network. And eventually this attitude is embedded into the culture and community.

There is a classic argument that foreign high-end budget businesses often take value outside of a community and that local businesses keep the value in the community. But this is a simplified argument. For example, as a business we see the value in taking portions of our returns and infusing them back into the community through teacher salaries, funding capital projects, waste management efforts, etc. And we don't just do this as 'handouts' to keep the locals happy, we do this to encourage action and come beside them in bettering the community. So we don't just buy things for them, but we come along side and partner in some meaningful way without taking away their ownership.

As a private company operation on private land, we have looked into community share holding opportunities. For example at the sister lodge, Tiger Tops, it is a public asset, so not on private land. So there is some benefit to locals. In a similar way we want to explore how benefits should go back to the wider community, perhaps through a trust fund, dividends for staff or other vehicle. We had started to consider these options before the insurgency, but a hold was placed on many things during that 10 year span.

When operating in a community we need to have realistic expectations and commitments. It is easy for a private business to make many promises to a community, which if unfulfilled create resentment between the community and business. As a business, we need know what can be offered and communicate it clearly and also be honest about the negatives and threats, and then deal with them and find out how to mitigate them. In the same way, the community needs to have realistic expectations of the business and not think that the establishment will somehow drastically improve life for everyone in the region. A 2-way dialogue needs to be established in which issues are dealt with in an honest and fair way.

## **December 13, 2012**

### **Dwarika Hotel, Kathmandu**

The Dwarika hotel was initially started by a local man who saw the value in local antiques and began restoring them. He collected local woodwork and furniture and restoring them for use in his residence. Later he started a workshop and hired apprentices to help him with numerous pieces he began to collect. At one point a friend had suggested building a room to allow a guest to stay on the property. The first guest enjoyed the stay so much that eventually it led to a 5 room establishment. Then in 1975 , ruing the coronation of a new king, foreign dignitaries came and guests were not able to fit in local hotels, so the owner was given a 10 day warning that guests would arrive. So they vacated their own home and created more rooms for visitors. In 1977 they officially started the Dwarika Hotel and have been expanding since. Today there are 85 rooms. The goal of the hotel remains the same, to preserve and restore cultural artifacts. They still to this day purchase broken items, but encourage locals to continue to use the items

that are still useable. While the current owner realizes that modernity demands a change in style, they still feel the necessity to preserve their culture alongside it. And tourism is a great vehicle for preserving culture as it is attractive to visitors looking for unique experiences.

### **Wrap-Up Meeting – Lisa Choeygal**

Institutions are an important aspect of setting up a tourism network as they support the development and maintenance of such endeavors. The NTB isn't perfect and still has problems, but serves an important role in promoting tourism in Nepal. These institutions provide the necessary coordination between the public and private entities. T

he products and the marketing of an area all say something about the destination and should be honest in how they are displayed. To create a successful product and market appropriately, it will require strategic training and capacity building of the key stakeholders involved. During our time in Nepal there was a highlight of how local materials could be used to promote a local style and provide a unique experience for visitors. This allows visitors to experience something out of their normal day-to-day experiences, but also allows locals to use their expertise in creating high quality products. When creating a product, one needs to keep in mind what their clients want to see and experience, and how this can be achieved by local materials and expertise.

Nepal as a country has very few resources, little infrastructure etc, but they've made a habit of making local practices/culture/food/environment as marketable items. And the Nepal tourism market has successfully met the needs of multiple market segments, from low to high-end tourists. And even if not directly involved in tourism products, locals have numerous other opportunities to be involved in directly such as through handicrafts, construction, service jobs, etc, which has also created much opportunity for less advantaged segments in the population such as women and elderly.

From low to high-end tourism opportunities we see a range of benefits coming to local communities. Often backpacking tourism is seen as being less harmful, but in the end very little benefit is gained from this segment. In fact, high-end tourism often drives a larger market for quality food, services, etc. So many more services are being rendered, and in addition such clients often have spin off benefits of sponsoring communities in other ways through education, infrastructure, etc.

Planning is key successful tourism. It should involve as many stakeholders as possible to avoid future problems that will occur. The 4 major sectors that should be included are government, private sector, resource managers and local communities. The Great Himalayan Trail is one planning concept that has helped market an area successfully. It doesn't target just one location, but rather a region, thus bringing awareness to numerous communities. Planning will also include building into the capacity of a community to incorporate high quality products and services. In our time in Nepal we experienced very confident and friendly guides which in turn afforded them much trust on behalf of

ourselves as visitors to the various locations. These guides were often locals and very wise in the local environment and practices, this added much to the visitor's experience. Using locals as guides helps keep people in rural areas and promotes job security in the communities.

And when creating a successful marketing strategy we must think about the iconic images of our destination and be honest with how we 'pitch' expectations.

Tourism can be seen as a strategic way to help communities adapt to new livelihood opportunities. For example the coexistence of a community, and their role in an area improves the potential of successful resource management. Recognizing the value in local managers and their expertise and role in environmental protection is key for conservation efforts.

#### **MARC**

The Great Himalayan Trail concept is great. Regional concept gets people to the area and creates a market for a whole range of entrepreneurs.

#### **FAN WEN BING**

Lots of good cooperation between government, communities, business, and resource managers. In Huzhubeishan, there's government, the forest bureau, and industry. No local community level. Small operators have problems communicating with the government. The government has asked Fan to take the lead. He will work on that when he returns, and will try to establish a community-based board to communicate with the government.

#### **LEWIS**

Hotels don't create as much trash as in China (toothbrushes and toothpaste provided, etc.) at Tharu lodge. Great locally produced soap. Dwarika shows that families can do a top-level hotel. The servers at Dwarika were wearing clothes appropriate to their own ethnic group. They were not homogenized. People in the service industry in Nepal are confident and display no sense of inferiority.

#### **CHRIS**

Guides in Chitwan are locals. The reliance on local human resources is good.

#### **GONGBU**

The concept of community-based natural resource management can be adapted to Qinghai. Adaptation in Nepal means to develop and base on existing livelihoods, culture, and skills. The Chinese nature reserve system exacerbates environmental degradation. Nepal's recognition of local people's value in protecting the ecosystem is vital. Herders in Sanjiangyuan can play a very important role in management. And they're important to tourism too.

Managers should learn from locals.

Community-based tourism development committees join together to ensure access to resources and markets. Giving local voices opportunity for input into management strategies through committees in ACAP.

Tour guide training is so important. Chinese tour guides are generally bad. They don't know the area or the people or the culture and often just make stuff up. Locals get annoyed at their misrepresentations.

What are the actual threats to that areas that have been set aside as nature reserves?

Sanjiangyuan needs to define what kind of nature reserve it wants – one with people one without?

“Communities benefitting from tourism” rather than “community-based tourism.”

## **JESSE**

Opportunity for policy impact by us who've been on the trip.

So much work to be done at the policy level in China. On the verge of marketable vs. overrun. How do you limit numbers to what you can manage?

Market segments evolve. Be in control rather than victimized by it as things move from off the beaten path to being the beaten path's destination.

## **PHIL**

We've seen and heard anecdotal evidence for various models in which communities benefit from tourism, but we could also find anecdotes where each model has failed to produce positive results, and incidences where each model has produced negative results. It would be good to have data on which models are *statistically most likely* to produce positive results for communities, and which factors are necessary for those models to have the greatest chance of success. If possible, policy recommendations should be based on a combination of both quantitative and thorough qualitative analysis rather than simply drawing conclusions from this trip. This trip has been very valuable, but we must recognize that it has been a quick two-week overview of many different models, and the people we've had the opportunity to ask questions of have had vested interests in presenting their own ventures in the best light and downplaying negatives or shielding us from some of the harsher realities.

I would like to know which models of tourism development are most likely to benefit the community most in the long run; the effects each model has on community ownership of their economy and culture; the risks each model carries with it; which models have proven to offer communities most stable and reliable model for development, etc. Drawing policy recommendations from outliers (if the models we have seen are in fact outliers) is a risky strategy unless we can confidently identify those factors which have been essential in making the instances of tourism development we have seen successful.