

# **PROSPECT OF TOURISM IN NEPAL**

**(A Case Study of Nuwakot Durbar, Bidur Municipality-2, Nuwakot Nepal)**

**A Thesis**

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**Submitted By:**

**SANGITA THAPA**

**Roll No.: 339/065**

**Central Department of Economics**

**Tribhuvan University, Kirtipur, Kathmandu**

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## **LETTER OF RECOMMENDATION**

This thesis entitled “**STUDY ON SOCIO-ECONOMIC IMPACT OF TOURISM (A CASE STUDY OF NUWAKOT DURBAR AREA)**” has been prepared by Ms. Sangita under my supervision. I hereby recommend this thesis for examination by the Thesis Committee as a partial fulfillment of the requirements for the Degree of **MASTER OF ARTS in ECONOMICS**.

---

Lecturer Babu Ram Karki  
Thesis supervisor  
Central Department of Economics  
Kirtipur, Kathmandu

## **APPROVAL LETTER**

We certify that this thesis entitled "STUDY ON SOCIO-ECONOMIC IMPACE OF TOURISM (A CASE STUDY OF NUWAKOT DURBAR AREA)" submitted by Ms. Sangita Thapa to the Central Department of Economics, Faculty of Humanities and Social Sciences, Tribhuvan University, in partial fulfillment of the requirements for the Degree of MASTER OF ARTS in ECONOMICS has been found satisfactory in scope and quality. Therefore, we accept this thesis as a part of the said degree.

Thesis Committee

.....  
Associate Professor Ram Prasad Gyanwaly, Ph. D  
Acting Head of Department

.....  
Prof. Dr. Surbir Paudyal  
External Examiner

.....  
Lecturer Babu Ram Karki  
Thesis Supervisor

Date : \_\_\_\_\_

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## **ABBREVIATIONS/ACRONYMS**

UNWTO	:	United Nation World Tourism Organization
CBS	:	Central Bureau of Statistics
DDC	:	District Development Committee
GDP	:	Gross Domestic Product
HRT	:	Hospitality Recreation and Tourism
ICIMOD	:	International Center for Integrated Mountain
MOTCA	:	Ministry of Tourism and Civil Aviation
NTB	:	Nepal Tourism Board
VDC	:	Village Development Committee
WTO	:	World Trade Organization
T&T	:	Travel and Tourism
FEE	:	Foreign Exchange Earnings
FTA	:	Foreign Tourist Arrivals
NRB	:	Nepal Rastra Bank
N.P	:	No Place
NSSM	:	Nuwakot Sampada Samrakshyan Munch
NMT	:	Nepal Ministry of Tourism
FY	:	Fiscal Year



# CHAPTER-I

## INTRODUCTION

### 1.1 General Background of the Study

The origin of the word 'tourist' dates back to the year 1292 A.D. The word 'tourism' of tourist is derived from the Latin 'word' which means a tool for describing two circles or a turner's wheel (Bhatia, 1982: 95). It is from the word 'tornus' the notion of a round tour of a package tour has come in vogue. In 1643, the term was first used in the sense of going around of travelling from places to places around an excursion, a journey including visits to many places in circuit of sequence a circuitous journey embracing the principal places of a country or region (Negi 1982: 2). The term 'tourist' meaning "an individual who travels for the pleasure of traveling, out of curiosity" made its first appearance around 1800 and the word tourism was cited for the first time in the Oxford English Dictionary in 1811. Much later during the Middle Ages, people traveled mainly for religious purposes many pilgrims made pilgrimages to holy shrines in Rome. Santiago de Compostela and Canterbury were made and visited usually on foot in large groups and sometimes necessitating the crossing of whole continents. Aimeri de Picaud a French monk is generally credited as the author of the first tourist guide. Written in 1130 for pilgrims making their way to the Spanish shrine of Santiago de Compostela.

Tourism has basically developed after the end of last global conflict as the world began to settle down for some sheer readjustment. Tourism occupies a most important and vantage position to government as well as private sector. Tourism plays an important role in the national economy and its major source of foreign currency earning.

The word 'tourist' was used as early as in 1800 A.D. For Hindus in ancient Sanskrit literature we find 'attan' which means living home for something to another place. Other words are originated from the word 'atan' 'paryatan' paryatan means going out for pleasure and knowledge. The second word is 'destan' means going out to other countries for economic gain and the third word is 'tirthaton' means to go to the pay homage to religious importance. It proves that touristic activities has come into

existence from the ancient period in Indian Sub-continent.(oxford dictionary).

Tourism is smokeless, people, vacation decentralize, service multifaceted industry and legitimate industry. It is studied as a golden goose that lays golden eggs. It has cultural social interconnection between guests and hosts. Rural tourism takes many different forms and it pursued for different reasons. There are developmental reasons to promote tourism is a growth pole such as regeneration following agro-industrial collapse, or diversifications of a remote marginal agricultural area into adventure or culture tourism. Other reasons relate more to development of the tourism product such as diversifying a country's image or alleviation bottlenecks in popular sites (Updheya 2008).

Tourism is a recent phenomenon and travel is an ancient phenomenon. Tourism is not a new thing for Hindus. In Sanskrit literature there are three terms of tourism known as paryatan it means going out for pleasure and knowledge. Deshatan, it means going out of the country primarily for economic gains. Tirthatan, it means going to places of religious merits. Travel means the movement of people from one place to another.

Tourism can serve as an effective instrument in integrating this world into a single universe. The travel and hospitality a unique mixture involved in Tourism makes a tourist to develop a good impression of a country. A foreign tourist is a person visiting on a foreign passport for a period of not less than 24 hours and not exceeding 6 months for non-immigrant, non-employment tourist purpose such as business, pleasure etc. This process is called tourism.

Tourism is the total relationship and phenomena linked with the stay of foreign persons to a locality on condition that they do not settle there to exercise a major permanent or temporary activity of a lucrative nature.

Herman Van Schullard, a great Australian economist, was the first man who defined tourism in 1910. According to him, tourism is the sum total of economic operations, which is directly related to the entry, stay and movement of tourists. Tourism is the of foreigners inside and outside a certain country. In present international market the concept of tourism can be categorized as follows (Nerendra Kayastha, a employment in Hotel Industry of Nepal, CEDA, T.U., Kathmandu, Nepal, February 1985).

- i. A system of taking trips, tours, excursion of traveling to a new destination for holidays and recreation by individual voluntary groups and so on.
- ii. An organizational group of tourists and touring parties travelling from one country to another collectively under conducted four programs managed by travel and four organizations.

The curiosity about why do people travel is matter of concern in tourism study. People do travel for various reasons and purposes. Tourism can be classified on the basis of several factors such as geographical location, purpose of visit, the number of persons traveling etc. The basic distinction in tourism is viewed between domestic and international tourism.

### **Types of Tourism**

Satyal 1998 in his book has classified tourism on the basis of acidified which are listed below:

1. Pleasure tourism
2. Recreational tourism
3. Sporting tourism
4. Cultural tourism
5. Conference tourism

Nepal is a tiny land-locked kingdom of a Asia which lies between two Asian giants China and India. The average length from east to west is 885 km and its average breath from north to south in 193 k.m. which in the area of 1,47,181 square kilometers. A unique landscape unequalled in beauty and variety, cultural diversity aesthetically built monument, rugged beauty and tranquility of the snow capped shimmering mountain's serenity and placidness of the lakes and villages on unmatched collection of flora and wildlife, diverse races, ethnic groups dialects and language all combine to make Nepal a visitors dream come true. Nepal occupies a unique place in the comity of the nations. The kingdoms unique topography malarial infested jungle in the Terai of the south and snowcapped towering mountains in the north had selected as a shield with in which it remained unaffected. Having lived in

isolation from the rest of the world this country of smiling faces rugged beauty of its people and landscape its different regions had involved a life style which is unique. The country's altitude ranges between 60 meters above sea level. That is THE SAGARMATHA (Mount Everest) eight of these. So many tourists attractions found in Nepal. What Nepal has that others don't have the tallest mountain (Mount Everest and others 8 peaks), the highest lake (Tilicho) the highest settlement (Sherpas and Thakalis) the deepest gorges (Kaligandaki and glaciers) the only Hindu kingdom and never colonized history, unique flog, unique culture and mystique nature (rich biodiversity) home of brave Gorkhas living goddess kumari, gods more than people and temples more than houses, festivals more than the days in a year friendly people and social harmony. Nepal occupying only 0.1 percent of the total land mass of the earth is home to: 2 percent of all the flowering plants in the world. 8 percent of the world's population birds (more than 848 species) 4 percent of mammals on earth, 11 of the world's 15 families of butterflies (more than 50 species) 600 indigenous plant families,319 species of exotic orchids are found in Nepal. (Nepal Traveler's information' tourism board booklet, 2005).

The government of Nepal has declared 2011 to be Nepal Tourism Year, has begun with a slogan "Together for Tourism". This announcement anticipates at least one million international tourists in Nepal in the year 2011. Tourism is the largest industry in Nepal and the largest source of foreign currency and revenue. The tourism industry is seen as a way to alleviate poverty and achieve greater social equity in the country. Possessing 8 of the 10 highest mountains in the world, Nepal is a hotspot destination for the mountaineers, rock climbers and people seeking adventures. The Hindu and Buddhist heritage of Nepal, and its cold weather are also strong attractions ((MoTCA,2011).

The major tourist activities includes wilderness and adventure activities such as rock climbing and mountain climbing, trekking, bird watching, flights, paragliding and hot air ballooning over the mountains of Himalaya, exploring the waterways by raft, kayak or canoe, mountain biking and jungle safaris especially in the Terai region(NMT).

Tourism has become a popular global leisure activity. In 2010, there were over 940

million international tourists arrivals worldwide, representing a growth of 6.6 % when compared to 2009. International tourism receipts grew to US\$919 billion (693 billion pound) in 2010, corresponding to an increase in teal terms of 4.7%. As a result of late 2000s recession, international travel demand suffered a strong slowdown from the second half of 2008 through the end of 2009. After a 5 % increase in the first half of 2008, growth in international tourist arrivals moved into negative territory in the second half of 2008, and ended up only 2 % for the year, compared to 7 % increase in 2007. This negative trend intensified during 2009, exacerbated in some countries due to the outbreak of the hinny influenza virus, resulting in a worldwide decline of 4.2 %in 2009 to 880 million international tourists' arrivals and a 5.7 % decline in international tourism receipts (WTO 2010).

The foreign exchange earnings during FY 2009/10 increased slightly to become Rs. 28.1390 billion as compared to FY 2008/09. In the first six months of FY 2010/2011, foreign exchange amounting to Rs 13.51 billion was earned. This amount was 39.3 % of foreign exchange earned from the total commodity exports, 22.5% of foreign exchange earned from the total service exports and 7.5 % of the total foreign exchange earned by the country (Economic survey 2010)

The contribution of tourism to economic activity worldwide is estimated approximately 5 % whereas tourism's contribution to employment is considered as 6-7 % of the overall number of jobs worldwide. International tourism arrivals have expanded at an annual rate of 6.2 % growing from 25 million in 1950 to 940 million in 2010. Similarly, the income generated by tourists' arrivals grew at an even stronger rate reaching around US \$919 billion in 2010.

Three forms of tourism in its Recommendation on Tourism Statistics:

- i. Domestic tourism, involving residents of the given country traveling only within this country.
- ii. Inbound tourism, involving non-residents traveling in the given country.
- iii. Outbound tourism, involving residents traveling in another country. (UN 2000).

### **Introduction of Study Area**

Nuwakot Sattale Durbar with the area 240 m sq. was established from 1819-1824. It is

situated in Nuwakot which is about 76 km. west north from Kathmandu. When Prithvi Narayan Shah won Nuwakot then started to rule from there. Nuwakot district was used to be the capital of Nepal for 25 years before 200 years when Kathmandu valley was not unified to the present Nepal. The history, culture, architecture and the friendly people of Nuwakot makes it perfect place for tourism and educational stay. The height of the Durbar is approximately 25 m. In the eastern part of Durbar there is famous temple which is called 'Vairabi Mandir'. The environment of this area is good and greenery. There are also many hotel resorts and two hydropower in Trishyuli and Devighat, which makes tourists lure.

Along with all these attractions Nuwakot is not popular due to the lack of enough publicity and lack of technical knowledge of tourism to the local people. There is also not enough government effort. In a district Nuwakot where there has been little infrastructure development, particularly in the remote and village area tourism helps a lot of spread income and enrich the local economy. Almost all the parts of the district are village imposing nature's beauty as a gift, especially for tourism.

## **1.2. Statement of the Problem**

Tourism is the important sector to generate revenue for national development and enhancing the national economy. It also contributes to generate employment and government revenue. For a long run development of tourism in new area should be opened for tourists with abundant facilities and entire securities. The flow of tourists may also have negative impacts on the local people. It needs to be properly planned and managed for the national development and enhancing the economy. There are many places and sectors. Among them Nuwakot Durbar is such a place where Prithvi Narayan Shah had ruled from there in his period. It is a historical place. As a potential area for tourism development for this locality and its research is the essential issue.

Tourism not only creates benefits but also creates challenges such as cultural erosion, transmission, early marriage, dirtiness and so on. Despite of numerous opportunities, it has also emerging challenges as a byproduct, which affecting not only the social interaction but also the social fabric environment and biosphere as a whole. Those challenges further lead to the vulnerable condition and vicious circle of

poverty. By considering the fact that the situation of challenges reduction and opportunities increasing are the burning issue of the tourism sector. It is one of the main problems for the sustainable tourism development in the nation. The high population growth on the one hand and decreasing productivity in the agriculture sector on the other are retarding the economic development. For the compensation of decreasing productivity, cultivable land can be slightly increased on the high cost of ecological imbalance. Such conditions indicate that we cannot depend only on agriculture: some other economic pillars should be created to support the shrinking economic Yates. Tourism is one of the vital sources of economic strength. Tourism industry from where high returns can be expected in a small scale of skilled service. The achievement of economic progress is called development.

### **1.3 Objectives of the Study**

The main objective of the study was to gain an understanding of the nature and effects of tourism on the local socio-cultural structure and partly on environment and economy of the proposed area. The specific objectives of the study will be as follows:

1. To analyze the contribution of tourists in Nuwakot.
2. To highlight the historical, cultural and natural things of Nuwakot durbar area.
3. To examine the prospect and problems for tourism development in Nuwakot Durbar.

### **1.4 Significance of the Study**

No country can achieve rapid economic growth without development of tourism sector. It plays vital role in economic development of any country. This study provides in brief knowledge about tourism, socio-economic effect of tourism in Nuwakot durbar area, policies related to the tourism sector and problems facing by this area in tourism sector.

The historical place of Nuwakot located at 76 km. for west -north of Kathmandu has been regarded as an important place since ancient time. Before 1744 AD Nepal was divided into numerous tiny states. In order to build a single nation, king Prithvi Narayan Shah of Gorkha led the unification campaign form this region. During that

time, Nuwakot as a colony of Kantipur (Kathmandu) was regarded as the western main gate to enter the valley. This place was also popular as the main route for trade with Tibet. Nuwakot is famous for its historical, cultural, and natural beauty, its commercial center, and its public home. However, this place is not so developed like other touristic places. Therefore, this research is helpful for those people who take interest in tourism development, planners as well as local planners to emphasize upon it.

Thus, tourism development is the most essential element for our national development. It is regarded as a means of creating income generation and employment opportunities. It is also aimed at diversifying and improving local economies without exerting any adverse environmental and ecological impact. Tourism may also ultimately bolster national economy by making the visitors stay longer in the country. Furthermore, sustained tourism may not only check the prevailing problems of migration of rural people to urban areas but also help integrated community development by involving people in the wise use of natural resources and environment management supporting their livelihood.

It also provides the brief knowledge about socio-economic effects of tourism in Nuwakot Durbar area. So this study will be more beneficial to the readers, policy makers, general public who want to know about Nuwakot Durbar area and University students.

### **1.5 Limitations of the Study**

All research study is done to solve a particular research problem. So, the study cannot give all the information about the subject matter. This study is only focused on the Bidur Municipality ward No.2. This study will cover only Nuwakot Sattale Durbar area. Due to time bound and limited resources it is less feasible to examine the overall factors of tourism.

The study has been very specific of case studies. So, the finding from this study has been more suggestive rather than conclusive. The concluding analysis of this study may not be generalized in the context of national aggregate level because of limitations of time and area. For the limitation of study areas, following factors are regarded.



- i. The sample in this study has been taken from Bidur Municipality ward no.2, Nuwakot District which has not been taken as a representative of the whole country.
- ii. The study as an academic work, so it is observed as a case study of Nuwakot Durbar not based on impact evaluation report.
- iii. The study conducted within the given time frame and financial limitation.

## **1.6 Organization of the Study**

The whole study of the research has been divided into five chapters. The first chapter describes the introductory part which contains historical as well as statements of the problem; objectives limitation and significance of the study have been also presented in the chapter.

The second chapter associates with review of the literature on tourism as well as other related books and articles which is brought for fulfill the research work.

The third chapter is mainly associated with the research methodology, being an essential tools and techniques for the completion of research work.

The fourth chapter is concentrated on data analysis and defined the real situation developing tourism in Bidur Municipality ward no. 2 of Nuwakot Durbar specially relating with Nepalese rural society.

The last chapter contains summary, conclusion and recommendations. References and appendices are mentioned at the end of the study.

## **CHAPTER-II**

### **LITERATUR EREVIEW**

Different literatures have been studied regarding tourism in Nepal and its impact in national economy. Some relevant literature such as dissertation research article, research books etc. have been studied which make researcher easy to understand and analyze the impact of tourism in Nepal's economy.

#### **2.1 Conceptual Review**

Tourism grew gradually over the years as easier and faster means of travel became available. Mass tourism started in Europe only in late 19<sup>th</sup> century but it is a worldwide reality."Today tourism revolution is sweeping the globe, a revolution promising much and delivering a great deal. It has emerged as the most uncreative business of the world, having tremendous potentiality for earning foreign exchange, yielding tax revenue, promoting growth of ancillary industrially backward region through its various linkage effects (Sing 1994).

World Tourism Organization has defined 'tourist' is precise term as "Any person who travels to a country other than that in which he/she has his/her usual environment for a period of at least one night but not more than one year and whose main purpose of visit is other than the exercise of an activity remunerated from within the country visited. This term include people traveling for: leisure, recreation and holidays; visiting friends and relatives, business and professional, health treatment, religion/pilgrimages and other purpose" (WTO 1996:24).

Thus tourism comprises "the activities of the persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes"(WTO 2010).

Tourism has emerged as an industry which according to World Tourism Organization, in 1989 generated approximately 74 million jobs in its direct and service oriented industries, such as airlines, hotels, travel services and publications (Eadington and smith; 1994).

The World Trade Organization predicts that international tourism by the years 2000 and 2010 will involve 702 million and 1108 million visitors, respectively. This tourism will have significant economic and environmental implications worldwide (Nepal, 1997).

Nepal has the cultural and religious heritage as it has the combination of elements to attract the attention of visitors and provoke a visit by them. This combination represents the supply of Nepal tourist market. Nepal is not only a geological mosaic but also a human mosaic (Yajna Raj, 2000; 65). Tourism plays an indeterminate role in Nepal's economy. It has become a pillar for economic development in recent years (WTO 1996).

The Nepal Tourism Development Master Plan, 1972 has summarized the potentialities of Nepalese tourism as: organized sight-seeing tourism, independent Nepal style tourism and trekking and pilgrimage tourism. According to the master plan (1972), there is a high prospect of developing various types of tourism in Nepal. This plan focuses on the reality of the prospect of tourism in Nepal as Nepal has an enormous natural beauty, century's old cultural heritage to offer to the pleasurable and cultural tourists. Similarly, Nepal is the birth place of Lord Buddha and one Hindu Kingdom in the world which could attract large number of pilgrimage tourists.

## **2.2 Present Scenario of Global Prospective**

Wealthy people have always travelled to distant parts of the world, to see great buildings, works of art, learn new languages, experience of new cultures and to taste different cuisines. Long time ago, at the time of Roman Republic, places such as Baiae were popular coastal resorts for the rich. The world tourists was used by 1772 and tourism by 1811. In 1936, the League of Nations defined foreign tourist as "someone travelling abroad for at least twenty-four hours." Its successor, the United Nations, amended this definition in 1945, by including a maximum stay of six months.

World Tourism Organization Report (2010) mentions that in 2010, there were 940 million international tourists arrivals, with a growth of 6.6% as compared to 2009. In

the same way, in 2010 China overtook Spain to become the third most visited country. Most of the top visited countries continue to be those in Europe, followed by a growing number of Asian countries. As the report mentioned, the overall scenario of the tourist arrival and tourism receipts in the selected countries of world is as follows:

**Table 1.1: Overall Scenario of the Tourist Arrival and Tourism Receipts**

<b>Rank</b>	<b>Country</b>	<b>UNWTO Regional Market</b>	<b>International tourist arrivals (2010)</b>	<b>International tourist arrivals (2010)</b>	<b>Change 2009 to 2010</b>
1	France	Europe	76.8 Million	76.8 Million	+0.0%
2	United States	Americas	59.7 Million	55.0 Million	+8.7%
3	China	Asia	55.7 Million	50.9 Million	+9.4%
4	Spain	Europe	52.7 Million	52.2 Million	+1.0%
5	Italy	Europe	43.6 Million	43.2 Million	0.9%
6	United Kingdom	Europe	28.1 Million	28.2 Million	-0.2%
7	Turkey	Europe	27.0 Million	25.5 Million	+5.9%
8	Germany	Europe	26.9 Million	24.2 Million	+10.9 %
9	Malaysia	Asia	24.6 Million	23.6 Million	+3.9 %
10	Mexico	Americas	22.4 Million	21.5 Million	+4.4%

Source: WTO Report, 2010

Similarly, the report also mentions that international tourism receipts grew to US\$ 919 billion in 2010, corresponding to an increase in real terms of 4.7% from 2009. The World Tourism Organization reports the following countries as the top ten tourism earners for the year 2010. It is noticeable that most of them are on the European continent, but the United States continent to be the top earner.

**Table 1.2: The Top Ten Tourism Earners for the Year 2010**

<b>Rank</b>	<b>Country</b>	<b>UNWTO Regional Market</b>	<b>International Tourism Receipts (2010)</b>
1	United States	North America	\$103.5 Billion
2	Spain	Europe	\$52.5 Billion
3	France	Europe	\$46.3 Billion
4	China	Asia	\$45.8 Billion
5	Italy	Europe	\$38.8 Billion
6	Germany	Europe	\$34.7 Billion
7	United Kingdom	Europe	\$30.4 Billion
8	Australia	Oceania	\$30.1 Billion
9	Hong Kong (China)	Asia	\$23.0 Billion
10	Turkey	Europe	\$20.8 Billion

Source: WTO Report, 2010

The travel and tourism (T & T) industry directly contributes about 3.6% of the world's Gross Domestic Product (GDP) and indirectly contributes about 10.3% to it. As one of the biggest contributors to the global GDP, this industry directly employs nearly 77 million people worldwide, which comprises about 3% of the world's total employment. The T & T industry also contributes to indirect employment generation to the tune of 234 million or 8.7% of the total employment employing that one in every twelve jobs in the world is in the tourism industry. The industry also represents about 12% of the total world exports.

Global market trends indicate that long haul travel, neighboring country tourism, rural and ethnic tourism wellness and health holidays, cultural tourism spiritualism, ecotourism, sports and adventure holidays, and coastal tourism and cruises are a few emerging areas of tourist interest. From a geographic viewpoint, there has been remarkable rise in Asian tourists particularly from china and East Asian countries. Further, the average age of the international tourist has also been reducing representing a growing segment of young tourists who would typically travel to take a break from increasingly stressful professional lives.

Given the above factors, robust growth in tourism is likely to continue in the coming years. The World Tourism Organization (WTO) forecasts over one billion arrivals in 2010 versus approximately 693 million today. Worldwide long-distance travel is likely to grow faster (5.4% each year) than travel within regions (3.8%). Continuing world prosperity, growing recognition of tourism's contribution to employment and economic growth, availability of better infrastructure, focused marketing and promotion effects, liberalization of air transport, growing intraregional cooperation, and growing number of public-private- partnerships (PPPs) are seen as the key drivers for tourism in the next decade (WTO 2012).

### **2.2.1 Recent Developments**

That international tourism will continue growing at the average annual rate of 4%. With the advent of e-commerce, tourism products have become one of the most traded items on internet. Tourism products and services have been made available through intermediaries, although providers (hotels, airlines etc.) can sell their services directly. This has put pressure on intermediaries from online and traditional shops.

It has been suggested there is a strong correlation between tourism expenditure per capita and the degree to which countries play in the global context. Not only as a result of the important economic contribution of the tourism industry, but also as an indicator of the degree of confidence with which global citizens leverage the resources of the globe for the benefit of their local economies. This is why any projections of growth in tourism may serve as an indication of the relative influence that each country will exercise in the future.

Space tourism is expected to "take off" in the first quarter of the 21<sup>st</sup> century, although compared with traditional destinations the number of tourists in orbit will remain low until technologies such as space elevator make space travel cheap.

Technological improvement is likely to make possible air-ship hotels, based either on solar powered airplanes or large dirigibles. Underwater hotels, such as Hydro polis, expected to open in Dubai in 2009, will be built. On the ocean, tourists will be welcomed by ever larger cruise ships and perhaps floating cities. (UN WTO; 2009).

### **2.2.2 Latest Trends**

As a result of the late -2000s recession, international arrivals suffered a strong slowdown beginning in June 2008. Growth from 2007 to 2008 was only 3.7% during the first eight months of 2008. The Asian and Pacific markets were affected and Europe stagnated during the boreal summer months, while the Americas performed better, reducing their expansion rate but keeping a 6% growth from January to August 2008. Only the Middle East continued its rapid growth during the same period, reaching a 17% growth as compared to the same period in 2007. This slowdown on international tourism demand was also reflected in the air transport industry, with a negative growth in September 2008 and a 3.3% growth in passenger traffic through September. The hotel industry also reports a slowdown, as room occupancy continues to decline. As the global economic situation deteriorated dramatically during September and October as a result of the global financial crisis, growth of international tourism is expected to slow even further for the remaining of 2008, and this slowdown in demand growth is forecasted to continue into 2009 as recession has already hit most of the top spender countries, with long-haul travel expected to be the most affected by the economic crisis. This negative trend intensified as international tourist arrivals fell by 8% during the first four months of 2009, and the decline was exacerbated in some regions due to the outbreak of the influenza AHINI virus (UNWTO; 2009).

## **2.3 Present Scenario of Nepalese Prospective**

### **2.3.1 Tourism and Economic Growth in Nepal**

Tourism comprises the activities of persons traveling to and staying in places outside; their usual environment for not more than one consecutive year for leisure, business and other purposes (WTO 1999). Over the past several decades international tourism has gained distinct importance around the globe. World tourism recovered strongly in 2010 even exceeding the expectations. The tourist's arrivals grew by 6.7% in 2010 against the 4.0% declined in previous year - the year hardest hit by the global economic crisis (UNWTO; 2011). Similarly, tourism receipt remained at US \$ 852

billion in 2009 (WTO 2010). In Nepal, despite the belated start of formal tourism after the restoration of democracy in 1952, it gained remarkable growth over the years. In 1962, 6,179 tourists travelled Nepal (M<sub>o</sub>TCA, 2010). It is estimated to be around one million in 2011 including the arrivals of foreigners by land. Nowadays, Nepal caters more than half million tourists and earns foreign currency equivalent of about NRs. 16,825 million. The sector provides employment for about 20% of economically active population and contributes about 3.0 percent on Gross Domestic Product (GDP). Tourism is one of the productive business activities directed for the production of the goods and services. It provides goods and services to the customers (visitors generally foreigners) and employment and income to the locals. With this tourism business, enterprises and the people (related directly or indirectly) generated earnings from the operation of the tourism business activities. Further, tourism as an economic activity produces various direct, indirect and induced impacts in the economy. It ultimately increases the foreign exchange earnings, generates employment opportunity and increases income. Again, the resultant income flows being circulation in the economy, encourages for other economic activities to take place inducing many rounds of income. It also stimulates for the income and employment in other sectors of the economy (UN ESCAP, 2001). Tourism has various economic, social, cultural and environmental effects on tourism destinations (Vanhove, 2005) and the effect can be both positive and negative. Several studies tried to measure economic impact of tourism and concluded about its significance for the economy. Nowadays, the importance of tourism in economic development of many countries is well documented. However there is a dearth of literature in Nepal about the economic impact of tourism.

It is a matter of concern in terms of some estimates that future unemployment rate in Nepal would exceed 10 percent in 20 years. Even a higher GDP growth rate of 6.5 percent would take 30 years to address the unemployment problem (<http://www.nssd.net/country/nepal/nep06.htm>). By 2007, Nepal's tourism sector had directly and indirectly employed roughly 700,000 people. Similarly, data available for 2007 shows the direct and indirect contribution of tourism in GDP was 6.4 percent. The industry has also helped growth in other sectors as horticulture, handicrafts, agriculture, construction and even poultry.



Gross foreign exchange earnings in convertible currency during 2002-2006 do not show much progress. The earnings from tourism was USD 106,822,000 in 2002, which increased to USD 162,790,000 the highest earnings were USD 55,366 thousands from tourists and lowest was USD 9650 thousands from hotels. Since the year 2006 represented the historic event of comprehensive peace accord between the government and Maoists, the sector-specific contribution must have changed by now.

Except the elaboration of conventional tourism competitiveness index, not much work is found in Nepal that investigates the impact on poor especially at the household level. Therefore, it is difficult to presume right away that tourism development will eventually benefit the poor through the "trickle down" effect. Instead, the government should respond to media's criticism on environmental degradation and people's health. Otherwise, in the worst case scenario, domestic health and sanitation vulnerability may be accompanied by global pandemic any time soon by making beautiful but deeply troubled Nepal a "paradise-turned-hell".

Tourism is one of the fastest growing industries with a projected real growth rate of 4.3 percent per annum for the next 10 years. It is estimated that by the year 2020, there would be 1.6 billion tourists worldwide with the receipts worth US\$ 2 trillion. It is projected that tourism will create a job every 2.5 seconds. This sector promotes inclusive growth as travel and tourism accounts for 11 percent of global exports and 12 percent of global investment.

Tourism promotion is like "dream selling" and selling one's dream depends on the brand identity. Therefore, to keep tourism development initiative going and avoiding the possibility of exhibiting Nepal as a "discomfort zone", Nepal should strengthen ongoing brand of unique community based tourism initiative that has produced a model to exhibit its unique nature and heritage conservation, community benefit and sustainable funding mechanisms like the "Annapurna Tourism Development Project" and the Bhaktpur conservation project of the 1980's.

Tourism marketing strategy for Nepal 2005-2020 reveals that 25 percent of visitors come on a package, whereas 75 percent come to Nepal independently. No reliable data is available on the rate of growth of domestic tourism and their annual expenses.

Nepal does not have an up-to-date data on foreign visitors' expenditure either. It necessities undertaking visitor expenditure surveys regularly within the given timeframe to correctly estimate the demand and supply situation by integrating tourism into the wider economic development packages.(Pyakuryal, 2011)

### **2.3.2 Foreign Exchange Earnings from Tourism**

Ministry of Tourism compiles monthly estimates of foreign Tourist arrivals (FTAs) and Foreign Exchange Earnings (FEE) from tourism on the basis of data received from major airports. Following are the important highlights regarding FTAs and FEE from tourism in India during the month of April 2012.

Foreign Tourist Arrivals (FTAs) during the month of April, 2012 was 4.52 lakh as compared to FTAs of 4.38 lakh during the month of April, 2011 and 3.72 lakh in April, 2010. There has been growth of 3.3% in April 2012 over March 2011. Lower growth in April 2012 is also partly due to high base growth rate in April 2011 over April 2010. Foreign Tourist arrivals (FTAs) during the period January -April 2012 were 24.34 lakh with a growth of 8.3% as compared to the FTAs of 22.47 lakh with a growth of 12.1% during January-February 2011 over the corresponding period of 2010.(NMO T)

Foreign Exchange Earnings (FEE) during the month of April 2012 were Rs 6745 coror as compared to Rs. 5724 corer in April 2011 and Rs. 4518 corer in April 2010. The growth rate in FEE in rupee terms in April 2012 over April 2011 were 17.8% as compared to 26.7% in April 2011 over April 2010. FEE from tourism in terms during January-April 2012 were 31713 corer with a growth of 28.5% as compared to FEE of 24676 corer with a growth of 10.8% during January-April 2011 over the corresponding period of 2010. FEE in terms of US\$ during the month of April 2012 were US\$ 1305 million as compared to FEE of US\$ 1290 million during the month of April 2011 and US\$ 1013 million in April 2010. The growth rate of FEE in terms of US\$ in April 2012 over April 2011 was 1.2% as compared to the growth rate of 27.3% in April 2011 over April 2010. FEE from tourism in terms in US\$ during January to April 2012 US\$ 6274 million with a growth of 14.6% as compared to US\$ 5474 million with a growth of 12.4% during January to April, over the corresponding

period of 2010 ([www.incredibleindia.org](http://www.incredibleindia.org). 2012).

Improved tourist arrivals had led to a jump in Foreign Exchange Earnings. According to Nepal Rastra Bank (NRB), tourism income rose 29.8 percent to Rs. 7.28 billion in the first three months of the fiscal year 2012/13. Tourism receipts amounted to Rs 5.61 billion during the same period last year. Appreciation of the US\$ against the Nepali rupee and increased hotel tariffs have been cited for the growth in foreign exchange earnings from the tourism sector.

According to NRB, the Nepali rupee has been devalued by 9-10 percent against the greenback since mid-July which resulted in higher incomes from tourism in rupee terms. Hoteliers said the room tariff had gone up 20-25 percent. Tourism income dropped percent to Rs 24.61 billion last year, and industry watchers see the upturn in revenue as a sign of a revival in the industry. "Improved tourist arrivals including a stronger US dollar have helped the growth in tourism income," said NRB spokesperson Bhaskar Mani Gyawali.

Hoteliers have hiked the room tariff and added more facilities with the increased flow of tourists during Nepal tourism year 2011 resulting in higher foreign exchange earnings. All the five-star hotels had planned on quality and standards from the beginning of Nepal Tourism Year as their marketing tools. "We have made significant changes mostly renovation of our existing properties which has helped us increased our room tariff," said Shangri-La Senior General Manager Raju Bikram Shah. The Shangri -La has upped the hotel tariff by 20-25 percent for this season (from mid-September)for regular clients. The rates are higher for free individual travelers. The robust income boosted by high occupancy in the hospitality sector also means a growth in government revenue. "we collected record high revenues closing the November transaction with over 96 percent occupancy," Shah added. Similar is the case of the hotel de 1' Annapurna. "We have recorded the highest revenue in the month of November," said Paras SJB Rana, general manager of the hotel. According to him, high occupancy and high room rates have helped revenue growth. Tourists' arrivals by air reached an all-time high of 501,264 in the first 11 months of 2011. This is the first time in the country's tourism history that air arrivals have crossed the 500,000 mark. The last time Nepal received so many tourists was in 2010 when

448,769 visitors flew into the country. Considering the effect of the US dollar for Nepal, a stronger dollar means tourist income will go up even though it makes imports from third countries more expensive. In mid-July, the Nepali rupee was traded at Rs 71.55 per dollar that increased to Rs 78.80 in mid-October. Recently, the Nepali currency was devalued beyond Rs 84 per dollar which is expected to increase tourism income further (NRB; 2012).

## **2.4 Review of Previous Studies**

In the world, Travel is as old as mankind and by nature human beings are fond of travelling. Human travel has started since nomadic times when they travelled and migrated for food and shelter due to natural compulsions.

Tourism is one of the world's largest market sectors. Each year million of tourism travel within and outside their own countries. Compared to other Asian countries, tourism in Nepal has grown at a slow rate primarily, because Nepal doesn't fall within the main stream of various routs. Thailand with 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 has also been growing faster than Nepal. It has shown the Asian condition of tourism including Nepal.

According to Webster new international dictionary, 1975, tourism is "Traveling for Recreation." Similarly the term tourism was first defined as the sum total of operations, mainly of economic nature which directly relate to the entry, stay and movement of foreigners inside and outside a certain country, city or region. The function of tourism is to import currency from foreign resources into country. Its impact is what tourist expenditure can do to the hotelkeepers.

"Tourism in Nepal: Marketing challenges" the book by Hari Prasad Shrestha mentioned that tourists coming to Nepal gave high importance to culture and people of Nepal. They wanted to experience cultural difference in Nepal between different cultural values of its own.

"Tourism in Nepal: Marketing Challenges", a book by Hari Prasad Shrestha defined

"travel is as old as mankind by nature human being is fond of traveling.

Human travel started since nomadic times. They travel or migrated for food and shelter due to natural compulsion (Tiwari: 1994). The true consciousness and anxieties of human nature encouraged travelling for the new finding. Thus, "The original of tourist industry can be traced back to the earliest period of human habitation on the globe. Of course, there exist a difference between modern traveling and traveling during the early period. But it is the habit of traveling which has initiated the growth this industry. Traveling in those for off days was a must for the survival and existence of early men. But with the advent of civilization and change in the human outlook, the meaning has been shifted from the necessity to the desire of taking marvelous adventures thus, traveling as stated above gives an overall picture of the early existence of tourism and gradual but speedy development of tourism having various literatures related to tourism have given due emphasis to the condition of tourism factors effecting in tourism and sustainable tourism to improve the condition of local community through which community development might be flourished. Eco tourism is the prime concern if sustainable development of tourism as well overall development of country.

Well, talking about Nuwakot Durbar (palace), the place is at the top of a hill, 7 km away from the headquarter of Nuwakot district. The hill is full of huge Jungle. The road to the palace is concrete and there is good facility of transportation as well. Nuwakot Durbar is one of the historic with ancient wood carvings and sculptures that aged back to seventeen century were fabulous piece of artifact. Besides, Nuwakot Durbar there is Rani Mahal where dancers used to dance for the kings. The dancers were even from Lucknow. There are Telaju temple and Bhairavi temple at the side of this palace. Late king Prithvi Narayan Shah attacked the place during the process of reunion and had victory over the palace and the palace has changed to museum. It is open for all to see the past life of the Royals. Each floor of the palace has its own distinctive character. As the ground floor consists of main entry door, the second floor consist of the rooms where the guests of royal family were kept, on the third floor there was bed room of king and his queen which we can see easily till now where bed sheet and other equipments of bed room are safe keeping. On the fourth floor there is a meeting hall, the fifth floor was for keeping security forces of royal family always in

alert position, the sixth floor as custody for special criminals with strict monitoring and on the top most level is the bursa which is the smallest, the most beautiful and highest part of the palace from where different views viewed and siren blown from the place during the time of emergency to tell and gathering people (NC<sub>o</sub>C; 2009).

Nuwakot district itself has very unique and rare structure. This district is moon shaped in the map of Nepal. The middle of the district is very low at height where Trishuli river flows and the borders surrounded by huge mountains make the weather a unique one. The Trishuli River will make you feel calm and relaxed with its fresh air and melodious flow. The river also hides the most valuable metallic mineral, alluvial gold used for making jewelry, coin and gold plating in idol crafts. The river roars at night and it's the only sound heard from the very distance. It gives such a heavenly pleasure that anyone can have sound sleep and lost in the dreams of mysterious Nuwakot district.

Cultural practices of Malla period continue to be the main attraction for tourists in this area. Some of the cultural festivals observed even today are Bhairabi Jatra or Sindure Jatra, Narayan Jatra, Gai Jatra, Shipai Jatra, Devi Jatra, Lakhe naach, Fulpati and and krishna janmastami etc. (NSSM,2009).

## **CHAPTER–III**

### **RESEARCH METHODOLOGY**

Research methodology is the most important aspect of research work and away to systematically solve research problem. It facilitates the research work and provides reliability and validity to it. Research methodology employed in this study is presented below:

#### **3.1 Study Area**

Nuwakot Durbar, the former palace of King Prithvi Narayan Shah holds a historical and emotional value of Nepal as he is the first king of united Nepal. Situated near the Trishuli Baazar, this seven story palace of Nuwakot is now a destination for all the domestic and foreign tourists to trackback the Nepalese history as well as to explore the architectural beauty of durbar itself and natural beauty of the surroundings.

#### **3.2 Research Design**

This study attempts to identify the strength and weakness of tourism development in Nuwakot. For this study, the data and information collected for the field survey in Nuwakot and they are analyzed to get the answer of research question. This study is based on exploratory as well as descriptive research designs. Exploratory research was done to collect information about strength and weakness of tourism development in Nuwakot.

This study combines survey and analysis data on this study is collected through questionnaire from tourist, local shopkeeper and hotel owners of Nuwakot. The data collected through questionnaire were classified and tabulated according to the needs

of research.

### **3.3 Sample Size and Sampling Procedure**

In this study, descriptive as well as analytical research design is adopted. In the study area, there are altogether 200 households and this household's size has been the universe of the study. Random sampling method was used in the study. All samples were selected by this method. Sampling unit for this study is the tourist of Nuwakot, local shopkeepers of Nuwakot and hotel owners of Nuwakot. The logic using random sampling for the study is to get a better result. The sampling size of this study is 50 tourists, 20 hotels owners and 20 local shopkeepers.

### **3.4 Nature and Source of Data**

To fulfill the objectives of this study was based on primary and secondary data. Primary data was collected from the field with the help of various techniques of data collection e.g. interview, focus groups discussion and observation methods and secondary data was collected previous studies, published newspapers articles and library, T.U., CEDA, NTB, and government offices. Other unpublished documents etc. The data is both qualitative and quantitative in nature. Similarly, the secondary data collected for these following secondary sources.

- i. Nepal tourism board
- ii. Hotel records in Nuwakot
- iii. Hotel association of Nuwakot
- iv. Department of Tourism
- v. Related thesis

### **3.5 Techniques and Tools of Data Collection**

In order to collect the primary information pertaining to the issues and objectives of this study, questionnaire and key informant interview as well as focus group discussion were applied. Similarly, secondary data were also collected from books, magazines, and newspapers, published and unpublished documents of the concern institutions.

#### **3.5.1 Key Informant Interview**



The chairperson of Nuwakot sampada samrakshan munch, chairperson of Nuwakot chamber of commerce, former ward representatives, executive officer of the municipality and ward secretary have been selected as key informant to get the required information.

### **3.5.2 Observation**

Researcher observed the study area herself to collect the required information during the fieldwork. Everyday life of local people, historical palace and scenic beauty, involvement of people in economic activity, cultural and religious practices, festivals, social interaction and household activities in the study area were observed.

### **3.6 Data Analysis**

The collected data was processed and descriptively analyzed to make them more clear and scientific. To analyze the data simple tools i.e. Percentage, table and figures have been applied. Table and figures were used as tools and techniques of the data analysis. Descriptive method was used for qualitative data. The qualitative data was encompassed the study systematically and logically.

## **CHAPTER-IV**

### **PROSPECT OF TOURISM IN NUWAKOT DURBAR AREA**

#### **4.1 Study Area**

Nuwakot reflects the nine forts of the region namely Belcot, Bhairumcot, Kalicot, Malacot, Dhuwancot, Pyascot, Simalcot and Salyancot. Nuwakot is the center of all these forts. The history of Nuwakot spans more than two and the half centuries. Besides, Nuwakot bears special important in the history of modern Nepal as king Prithvi Narayan Shah the great the first king of modern Nepal Planned and launched several unification campaigns of Nepal from this Historic town. Nuwakot remained the capital of the king the great, until he moved to the Kathmandu valley in 1768.

Nuwakot palace is pyagoda style building popularity known as the seven story palace stand as the landmark of Nuwakot and it was built shortly after Prithvi Narayan Shah's arrival with it's strategic hill top view overlooking the coverage of Tadi and Trisuli rivers to all south and serving as a gate keeper to the main trade route north into Tibet via Kerung. An interesting historical footnote is that king Girban yuodha received the letter of credentials of Mr. E Gerdner, the first resident representative of Britain to Nepal in 1816 A.D inside this palace (Brochure of Bidur Municipality; 2009).

The climate of this region is moderate. This history, culture, architecture and the friendly people of Nuwakot makes it a perfect place for relax and educational stay.

#### **4.1.1 Cast Composition**

Those houses mainly represent the people from Chhetri, Brahmin, Newar, Tamang and others. The total numbers of household in Bidur municipality ward no.2 is 200. Most of the household was headed by Newar in study area.

**Table 4.1: Cast Composition of the Study Area**

<b>Cast</b>	<b>No. of HH</b>	<b>Percentage</b>
Newar	15	30
Chheti	11	22
Brahmin	13	26
Tamang	5	10
Others	6	12
Total	50	100.0

Source: Field Study, 2013,

The table demonstrates that there is domination of Newar. In Nuwakot Durbar area 30% of population are Newar out of 100% .But there is small proportion of Tamang i.e. 10%.

#### **4.1.2 Education Status**

Education makes a man perfect. All round development depends on it. In the study area, most of the people are literate and they have involved in job. The educational status is shown in the following table as follows;

**Table 4.2: Educational Status of Respondents**

<b>Type</b>	<b>No of People</b>	<b>Percentage</b>
Illiterate	30	11.53
Literate	230	88.46
Total	260	100.0

Source: Field survey, 2013.

The table shows that most of the people in study area are literate. On the other hand small proportion of people is illiterate. The only reason behind this may be this area lies on Bidur municipality which is headquarter of Nuwakot district. The proportions of illiterate and literate are 11.53%and 88.46% respectively.

**Table 4.3: Age of the Respondents**

<b>Age</b>	<b>Respondent</b>
20-30	10
30-40	15
40-50	13
50-60	11
above 60	1
Total	50

Source: Field Survey, 2013.

It is quite obvious from table that most of the youngest population live in study area and hardly find elderly population in this area.

#### **4.1.3 Occupation Composition**

Agriculture is the main occupation of the study area along with services earning. Thus, the major sources of income are agriculture and services. Since, most households are engaged on services (teaching profession, public service and private services etc) are taken as service holder. Following table shows the occupational composition of study area.

**Table 4.4: Occupation Composition of Respondent**

<b>Occupation</b>	<b>Total Household</b>	<b>Percentage</b>
agriculture	21	42
services	12	24
Business	9	18
live stock	8	16
Total	50	100

Source: Field Survey, 2013.

Above table shows that majority of the population of study area involve in agriculture as compared to other occupation. It means agriculture is their main occupation.

Similarly, service is second occupation which they have adopted. But lowest proportion of people want to do business and live stock.

#### 4.1.4 Income Source of Households in Nuwakot Durbar Area

Agriculture is the major occupation of the respondent and whatever they earn it is from agricultural production, but people has no knowledge about accurate annual cash income because they do not keep any exact record of income and expenditure. Due to lack of accounting system, the appropriate annual cash of income of the households was not found. Here income sources are present from various sources.

**Table 4.5: Annual Income of the Respondents**

Annual income (Rs. in '000')	Total Household	Percentage
0-20	5	10
20-40	6	12
40-60	7	14
60-80	7	14
80-100	10	20
above 100	15	30
total	50	100.0

Source: Field Survey, 2013.

The above table illustrates income distribution scenario of the study area. The majority of household earn more than 100 thousand annually ie. (30%). Household having income between 80000 to 100000 per annum is 20% and h only 10% household earn twenty thousands and less.

**Table 4.6: Potential Area of Study Area**

S.N	Potential area	Remarks
1	Nuwakot Durbar	Historical place
2	Bhairabi, Kalika Malika temple	Religious place
3	Dasai Ghar	cultural place
4	Baudha Bihar	Religious place
5	View tower, Taleju park	recreational place
6	Top khana, siddhi pokhari	Historical place

7	Historical Museum	Historical place
8	Natural side seen of nuwakot	side sinning

Source: Field Survey, 2013,

There are many potential areas to promote tourism. They carry their own importance. These places cover historical, religious, cultural as well as recreational places.

**Table 4.7: Problems of Tourism in Study Area**

S.N	Problems	Remarks
1	Local Transportation	As said by respondents during the survey time.
2	Public Toilet	
3	Local guide, trained manpower	
4	Hotels, Home stay	
5	Drinking water	
6	Investment	

Source: Field Survey, 2013

Nuwakot is not so far from Kathmandu but there is not enough facilities for tourism promotion. Being municipality there are lack of public toilet, local transportation, local guide, trained manpower, hotels, home stay as well as drinking water. In addition, due to lack of proper investment this area could not be highlighted as a tourist destination.

**Table 4.8: Tourism Protection Agencies for Tourism Destination**

S.N	Promoters Agencies	Remarks
1	Nuwakot sampada Samrakchhen munch	30
2	Nuwakot chamber of commerce	25
3	centre archaeological Department	20
4	Bidur Municipality	15
5	District development committee	10
Total		100

Source: Field Survey, 2013.

Many institutions are doing work from their own side to protect and to promote this area. These institutions have mentioned in above table.

## **4.2 Prospects of Tourism**

### **4.2.1 Potentialities of Tourism**

#### **I. Nuwakot Durbar**

Nuwakot palace built in 1762 A.D., it is of extreme historical importance. The palace is strategically located and impressively built. With towering seven storeys high, the palace was built to withstand the strongest of forces. The wooden window frames and the verandah, which allow visitors to walk around the palace have carving of the past. King Prithvi Narayan Shah used this fortress to plan and organize his campaigns of unification. After the unification, the king returned here many times to speak to the citizens from the sightseeing around the palace is extremely interesting and breathtaking. Looking from Nuwakot to the east are views of the Himalayan foothills, the Tadi River as it winds through the valley below, and on the river's bank are the lush green fields of the agricultural farms. From the same point looking west are views of the Trisuli bazaar, the narrow market streets of Trisuli bazaar, views of the Bagh bagaincha and the traditional trekking route of Gorkha. From Nuwakot vantage point beautiful scenes of Ganesh and Langtang Himal are seen to the north, and areas of Devighat, Battar and confluence of the south. It is also possible to view these scenes easily from the recently made Kuwapani Tower or from Kalika Mountain. These are located about two kilometers north of the palace. (DDC profile).

#### **II. Potential Area of Tourism in Nuwakot Durbar and its Surroundings Area**

##### **Historical Palace**

Most popular saattale Durbar (Seven storey palaces) was built by Prithvi Narayan Shah by evicting labors from Lalitpur in 1762 and still it is regarded as a model of architecture. It is a wonderful old building and you can go inside and visit all the rooms including the amazing turret room on the roof. This used to be tropical place and it is notable that the King Rana Bahadur Shah met the British representative Mr. William Kirkpatric at this place in Saat Tale Durbar. Here is a west facing palace made of oily bricks, called Rangamahar. It was built as a recreational spot for the



three Malla Kings of Kantipur Valley. There are dabalas and rest houses which were built with religious and social purposes.

### **Cultural and Religious Palace**

The people of Nuwakot take great pride in their history and culture. There are many ethnic groups, Newars are being the largest. Tamangs also make a sizeable population. The culture of Nuwakot is highly influenced by the culture of medieval Kathmandu. Various monuments and the festivals reflect the influence of Kathmandu. The folk songs and dances of Nuwakot specially Tamangs Selos are famous throughout Nepal.

Near the Nuwakot palace there is temple period of Prithvi Narayan Shah. Bhairabi temple is the centerpiece of the local religious practice. Like the Nuwakot Durbar, this temple also represents an important part of history of Nepal. Many success of Nepal's military campaign of those days were attributed to the blessings of the Goddess Bhairavi. Taleju temple is situated on a small hill in the middle of Nuwakot bazar. It is believed that have been built during the reign of Ratna Malla King of Kathmandu (14<sup>th</sup> century). Taleju is famous as a family deity (Kul Devkota) of the Maallas - the rolling dynasty of medieval times in Nepal.

Similarly, in this study area, there is cultural diversity. Nuwakot Bhairabi temple is most popular for the Hindus and Nuwakot Bhaudha Bihar is Famous for Buddhist people.

### **Scenic Beauty**

Nuwakot is naturally gifted area having scenic beauty and others nature gifted assets which are not results of human efforts. Scenic beauty exerts a strong fascination for the tourists.

### **View of Beautiful Mountains/Hills**

Another attraction of Nuwakot Durbar area is the panorama scene of beautiful Mountains Ganesh, Langtang and so on are the finest attraction for tourist, which is clearly seen from this area.

### **Pleasant and Favorable Climate**

Favorable climate is found there. Because of favorable climate Nuwakot Durbar can be attraction for international as well as domestic tourists. Neither hot nor cold climate is there in Nuwakot especially durbar area.

### **Colorful Festivals**

People in Durbar area celebrate numerous festivals, which are very specific than other parts of Nepal. They are: Sindur Jatra, Narayan Jatra, Sipahi Jatra, Devi Jatra Fulpati, Gai Jatra, Ropain Jatra, Lakhe Naach, Tamang Selo and Newar dance etc. Besides these festivals of national character like, sivaratri Holi, Teej, Krishnaastami, Fagu Purnima Dashain Tihar etc. also widely observed by the locals of the sample area.

Thus, we can say that Nuwakot has a lots of things to attract the tourists in Nuwakot district. But it needs further improvement.

### **4.3 Problems of Tourism in Nuwakot Durbar**

Proper management and marketing are necessary to increase tourists arrival in Nuwakot. In spite of huge potentialities of tourism in Nuwakot it could not develop rapidly. It is a historical place which has huge potentialities of tourism. It could not have drawn the attention of tourists as in other places of Nepal. Very few numbers of tourists visit Nuwakot Durbar. They stay only for 2-3 days whereas average stay of tourists in Nepal is about 12 days. The major problems of tourism development in Nuwakot are as follows.

It is necessary to give adequate attention towards infrastructure. The major problems of tourism infrastructure in Nuwakot are supply of water, sanitation, facilities of local transportation, parks, recreation of health care facilities for the national and international tourists. In summer season there is always scarcity of water in Nuwakot even for drinking. The problems are summarized as follows:

**Local Transportation:** Transportation is inevitable component for tourism. There is problem of local vehicles to reach conveniently to the archeological site and other destinations of Nuwakot. It has been found necessary for the visitors to run vehicles to

those sites.

**Toilet:** No adequate toilets which makes tourists inconvenience during their rolling in Nuwakot Durbar time and again.

**Local Guide:** Local guide is another problem for tourist. Due to the lack of trained local guide the visitors are not getting the free information about the archaeological, religious and cultural sites of Nuwakot Durbar area.

**Hotels:** There is no adequate hotel facility in Nuwakot area. The visitors have found inconvenience of comfortable accommodation. It has also been found that some visitors returned to Bidur and Trisuli for better comfortable accommodation.

**Trained manpower:** To create the congenial environment for visitors, trained manpower should be available. It can satisfy the need of visitor visiting Nuwakot Durbar. Unfortunately, there is lack of trained manpower especially who have knowledge of archeological and cultural sites.

**Investment:** No investment is done so far from the local people for the promotion and development of tourism sector in Nuwakot Durbar area.

#### **4.4 Tourism Promotion in Nuwakot Durbar**

The landscape of Nuwakot district occupies diverse structure. Terrace, slope and flat lands are covered by different types of vegetation. Most of the lands are occupied by cash crops, cereal crops and different varieties of fruits. To promote the tourism sector, Nuwakot district has sufficient potentiality.

Community people of Durbar area have felt the need of tourism promotion plan further. The advanced restaurant, hotel and shopping opportunities are not available there. Recent picture of sun-rising and sun-setting, local surrounding scenes are available there.

Especially local people have good evaluation of the value of tourism. Government (special local) has cooperation to promote tourism industry. Similarly, Bidur Municipality, Nuwakot chamber of commerce, industry and national government are ready to support. Also private sector is willing to support tourism in Nuwakot Durbar.

Accommodation facilities are not good in the Bidur Municipality especially in Durbar area.

Lastly, institutional arrangement to cooperate and coordinate is essential work for long lasting development and promotion of tourism in Nuwakot district and even in Durbar area. Different activities pertaining to tourism promotion in Nuwakot are being conducted by the concerned institutions especially Bidur Municipality, Nuwakot chamber of commerce and industry, (Nuwakot Sampada Samrakchhan Munch and Tourism Board etc).

#### **4.5 Income of Nuwakot Durbar Square from Tourists**

Many tourists arrive Nuwakot to see the view of Nuwakot Durbar. Nuwakot Durbar earns huge amount of money from that tourists. In 2068 total tourist arrival was 17830, where internal tourists were 17380 and foreign tourists were 450. The total income from those tourists in Nuwakot Durbar was 3 lakhs 28 thousands six hundred and 18. In the same way, in 2069, total 18507 tourists came to visit Nuwakot Durbar, whereas 17712 were internal and 795 were international tourists. And total income from visitors was 3 lakhs 78 thousands 8 hundred and 12. Tourists arrivals and income of Nuwakot Durbar in 2070 has been given on the table below.

**Table 4.9 : Tourists Arrival and Income of Nuwakot Durbar in 2070**

<b>Month</b>	<b>Total Tourists</b>	<b>Foreign Tourists</b>	<b>Internal Tourists</b>	<b>Income</b>
Baisakh	3140	26	3114	54935
Jeth	2550	34	2016	36560
Asar	1690	30	1660	30600
Sawan	1088	54	1034	24240
Vadra	1330	16	1314	23715
Ashoj	2155	250	1905	58688

Source: Field survey 2013

The table shows according to increment of international tourists income also raises rapidly. It means there is different cost of ticket for Nepalese and foreign tourists. Similarly, tourists arrivals decline in monsoon and it raises in winter.

## **CHAPTER–V**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Summary**

This is a study of Rural Tourism at Bidur Municipality of Nuwakot district. Nuwakot is emerging place for internal as well as external tourists. This study intends to explore the potential areas for the tourism especially to establish the Nuwakot Durbar as a tourism center.

Tourism sector shares 24 percent of the total foreign currency earning of the nation. It contributed around 6 percent of GDP of Nepal. Nuwakot is one of such crucial place which carries high possibilities for developing tourist point of view.

Nuwakot is such a place where there are many places and things famous for its own identification. These resources have high potentialities in use for the tourists' attraction. Still, promotion and development of the places have not been managed properly.

The objectives of the study are to highlight the natural sceneries of Nuwakot Durbar to analyze the potentialities of cultural, religious and historical tourism of the respective area. To meet these objectives various methodologies were used in this study. Primary and secondary both type of information were used. To achieve primary information various tools (such as interview, questionnaire, sampling, group discussion and observation) were adopted and for the secondary information, various published and unpublished materials were also consulted. The data were processed by editing the tabulating. Data obtained from primary and secondary sources were analyzed descriptively.

In this area, infrastructures of tourism are seen major promoter of tourism business.

Land use planning, accommodation, transportation, security and supply are must in the advancement of tourist facility. The historical Museum pertaining to Prithivi Narayan Shah is being developed and managed properly.

Major findings of the study showed that historical place (i.e. Shera Durbar, Nuwakot Durbar, Basanti Durbar and others etc.), religious place, cultural place, community forest, scenic beauty, settlement pattern, agriculture product and fishing are the potentiality for the development of tourism in Nuwakot. This may be promoted by access of transportation and communication. Government should play prime role to create and promote market for tourism in this area. Similarly, institutional support is very necessary for the promotion of tourism.

Lastly, this is the place having unique existence in the field of tourism sector. Nuwakot Durbar has various historical and natural panoramas and the culture and religious of various castes as well. The rising and setting of the sun including the viewing of the majestic Ganesh and Lamtang Mountain and nine forts can give the heartfelt satisfaction to the tourist. Cultural heterogeneity in the local community has created diversity to identify and expose culture within and abroad. Active roles have been played by Nuwakot Sampada Samrakchhane Munch and Nuwakot chamber of commerce and industry for the promotion of Nuwakot Durbar area as a tourism centre in the future.

## **5.2 Conclusion**

Nuwakot is the place having unique existence in the field of tourism sector. For the development of natural attraction, it has sufficient potentiality. This place invites the tourist through natural potentialities the culture (from different caste) such as Brahmin, Chhetri and Newars etc will be motivated to boost up by tourist incentives and encouragement popularity of Nuwakot Durbar in its scenic beauty. Rising and setting of sun including viewing of majestic viewing of Ganesh Himal, Lamtang Himal and nine forts located there can give the heartfelt satisfaction to the tourists. Cultural heterogeneity in the local community creates unity in diversity to identify and expose culture internationally.

Nuwakot, itself is a popular hilly district for generation income by Rainbow Trout

fish, cash and livestock products, i.e. millet, paddy, wheat, corn, ginger, round chilies, potato, tomato and milk. Mentioned agro-products also are attraction points of visitors. Due to it, community could have economy generation and gear up overall development of rural areas.

Government can play best motivating role to organize touristy products and infrastructure development such as transportation, communication, water supply and facility of accommodation specially hotel and motels should be built in priority basis to attract tourists. Home stay for the tourist should be managed properly.

### **5.3 Recommendations**

The research comes to the conclusion with some specific recommendations for the further development of tourism in Nepal and Nuwakot as well.

- i) There is no proper awareness about, tourism and its benefits. The local people should be made aware about tourism by means of awareness programmers and given required education/training.
- ii) People's participation is the key to success. Local communities should be encouraged and closely involved in the complete cycle of tourism development programmers.
- iii) The District should focus on the infrastructural development with the help government because the primary requisites of tourist are infrastructures.
- iv) There are no such official records of tourism visiting Nuwakot and their expenditure pattern so there is necessity to establish an office which can maintain clear data concerning tourism.
- v) Accommodation facility needs to be improved and standardized so as to increase the length of tourist and spending too.
- vi) Proper pavement of the brick is required and renovation of entrance gates is required too.
- vii) Public and private sectors should be encouraged to develop tourism. Because of single entries cannot provide all services on its own.
- viii) There should raise awareness on tourism among the local community and district level stakeholders.
- ix) There should inform potential markets including pilgrims, domestic visitors and foreign visitors about the tourism potentials of Nuwakot district.

- x) Nuwakot reflects its prosperity in natural and cultural heritage monument, which is related with sightseeing and pilgrimage tourism. Hence, the potentialities to develop the cultural and adventure tourism as a form of tourism.
- xi) There should encourage journalists; Kathmandu based tour and trekking operator and other tourism promoters for highlighting and promoting the tourism attractions of the Nuwakot.
- xii) There should have the information center in Nuwakot.

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**APPENDIX - C**  
**QUESTIONNAIRE FOR HOUSEHOLD SURVEY**

Names of Respondents:-

Age:-

Sex :-

Education:-

Occupation :-

Religion:-

Marital Status :-

VDC:-

Ward No :-

Questionnaire No:-

Family size:-

Male:-

Female:-

Family Structure:-

1. Do you know about Tourism?

i. Yes

ii. No

iii. Do not

iv. If yes.....

2. How do you know Tourism?

i. Main income source of country

ii. Employment generator

iii. Just provide fun

iv. Above all

3. Do you know about economic benefits from tourism?

i. Yes

ii. No

iii. Do not know

iv. If yes.....

4. Do you think local people do not have the awareness about?

Advantages and disadvantages of tourism?

i. Yes

ii. No

iii. Do not know

iv. If yes.....

5. Do you think tourism has help to promote your occupational success?

i. Yes

ii. No

6. Do you think tourism related activities can sustain the economics requirements and lead to prosperity for the entire village?

i. Yes

ii. No

iii. Do not know

7. Has tourism played a negative role in sustaining the traditional norms and values of your society?

i. Yes

ii. No

iii. Don't know

8. Is there any efforts made from the government and local people to Establish Nuwakot Durbar as a tourist destination place?

i. Yes

ii. No

iii. Do not know

iv. If yes in your opinion what efforts has been done?

a. Government

b. Local

9. What are the major challenges of tourism promotion in your locality?

i. Lack of vision and proper planning

ii. Lack of awareness of local people

iii. Poor infrastructure facility

iv. Lack of investment

v. Lack of interest of local govt. bodies

10. What kind of products do you supply?

i. Vegetables

ii. Fruits

iii. Livestock

iv. Handicraft

11. What is the condition of infrastructure development?

i. Improve

ii. Some as before

iii. Bad

iv. Moderate

12. Do you think the construction of view tower increase the number of tourist?

i. Yes

ii. No

iii. Do not know

iv. If yes

13. What type of documents has been provided by the community people to promote tourism?

i. Leaflets

ii. Brochure

iii. Calendar

iv. Others of any

14. Do local financial institutions support tourism development and expansion program?

i. Yes

ii. No

15. Do you think is there any further scope for tourism in your locality in the future?

i. Yes

ii. No

iii. Don't know

16. Do you think domestic tourism play a major role in the sustenance of home stay

tourism?

i. Yes

ii. No

iii. Don't know

17. Do you prefer foreign national instead Nepalese as home stay guest?

i. Yes.....why?

ii. No.....why?

18. What are the efforts made by the following concerned agencies for the development for tourism in Nuwakot Durbar?

i. Durbar conservation committee

ii. Municipality

iii. Tourism development

iv. Nepal government (Archeological department)

19. What will be the future programs and policies for the promotion of tourism in Nuwakot Durbar?

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20. What are the potential areas of tourism in Nuwakot?

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21. Would you please provide suggestions to promote Nuwakot Durbar as a tourist destination place?

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