

PROBLEMS AND PROSPECTS OF TOURISM IN NEPAL: A CASE STUDY OF ILAM DISTRICT

A Thesis

**Submitted to the Central Department of Economics,
Faculty of Humanities and Social Sciences
Tribhuvan University, Kirtipur , Kathmandu, Nepal
In Partial Fulfillment of the Requirements**

for

**The Degree of
MASTER OF ARTS
in
ECONOMICS**

Submitted by

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March, 2017

LETTER OF RECOMMENDATION

This thesis entitled **Problems and Prospects of Tourism in Nepal: A Case Study of Ilam District** has been prepared by Ranjana Bhattarai 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.

Date: 23 March, 2017

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APPROVAL LETTER

We certify that this thesis entitled **Problems and Prospects of Tourism in Nepal: A Case Study of Ilam District** submitted by Ranjana Bhattarai 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 master degree.

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ACKNOWLEDGEMENTS

I would like to thank Central Department of Economics, TU Kirtipur for giving me opportunity to submit this thesis for the partial fulfillment of requirements for the Degree of Master's in Economics.

This is a study which is the product of my own research. So I hope this thesis easily fulfills the thirst of the interested. In this sense, I would like to thank all the authentic informers and data for valuable insights who gave the knowledge to prepare it.

The first and foremost, I would like to express my deepest and heartiest thanks to all the teachers who are taught and made able to do this work. In this honor of time, I would like to remember my thesis guide Prof. Rudra Prasad Gautam for his kind co-operation, invaluable suggestions and suggestive ideas for preparing this study. They will be remembered in need and deed since and forever.

It will be my misfortune if I forgot my friends whose suggestions, ideas, references and experience into prepare this good source of knowledge. I would like to thank my all the family members and relatives who provided a source of inspiration and guidance to lead my voyage of study. Similarly, I would like to thank all the directly and indirectly helping hands of my dear friends whose guidelines, suggestions and encouragements are the real sources for this study.

March, 2017

Ranjana Bhattarai

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CHAPTER – ONE

INTRODUCTION

1.8 General Background

Located between India and China with more than 28.5 million of population and 1,47,181 square kilometers of area Nepal occupies 0.3 and 0.03 percentage of land area of Asia and the world respectively. The country is situated within latitude $26^{\circ} 22'N$ to $30^{\circ} 27'N$ and longitude $80^{\circ} 4' E$ to $88^{\circ} 12'E$. The altitude of the nation ranges from a minimum of 70 meters to a maximum of 8848 meters which is an identity and glory of a small Himalayan country. It possesses eight out of 10 highest mountains in the world. Nepal has various climatic zones and varies from tropical, meso-thermal, micro-thermal, taiga and tundra (wikipedia, the free encyclopedia).

Tourism today is the world's largest industry. According to the World Travel and Tourism Council (WTTC, 2013), tourism directly and indirectly generates and supports 255 million jobs, the growth rate of 9 percent global GDP or value of over US\$ 6 trillion per year. It generates 328 million jobs or 1 in every 10 jobs on the planet which is equivalent to more than 10 percent of the world's total workforce. It is, therefore, a major force in the economy of the world and an activity of global significance. It plays a vital role in the economic, social and cultural development of most of the nations. Throughout the period of time, tourism continues to be developed as a significant social and economic activity.

Nepal is rich in natural resources such as forest, water and biodiversity. Forest resources alone cover 40 percent of the total area. The number of all season rivers touches hundreds in number though have not yet been fully exploited in generating electricity, drinking water and irrigation (wikipedia, the free encyclopedia).

Due to the diverse cultural, geographical and climatic zone, and natural beauty within small area tourists from different parts of the globe has attracted much. As a result tourism is the largest industry and one of the key sources of foreign exchange in Nepal. Nepal is a unique destination for mountaineering, trekking, rafting and jungle safari. There are 10 world heritages and unbeatable combination of natural beauty and cultural riches (Wikipedia, the free encyclopedia).

Tourism is instrumental to the economy of Nepal in the process of regional development of an economically backward region which has insufficient resources for development of agriculture and industrial sector. Nepal has immense potential for tourism development as it is full of places that attract tourists throughout the globe with its natural beauty and cultural heritage like Mount Everest, snow-capped mountains, and a number of lakes and rivers. For nature lovers and pleasure seekers, Nepal has become an attractive destination for tourists from all over the world. Tourism is quite suitable for Nepal's geographical, cultural and ecological situation.

In Nepal, tourism is not only an important economic source of foreign currency but also a major employment generator. Not only that, through tourism Nepali people can exchange knowledge and create understanding among the people of the world. The tourism industry provides us an opportunity to understand society, habits, food and the way of lifestyle of different nations. Directly and indirectly Nepalese people are getting benefits from tourism, many people are getting employment from this sector. As the demand for Nepali traditional arts and crafts has increased among tourists, on the one hand industries of these sectors have increased on the other artistic skills of the people also increased. Folklore, traditional ceremonies, art and industry are reviewed because tourists are interested in them. Socially, culturally, tourism is a product which encourages intellectual curiosity among people and nations and develops a healthy respect for another's beliefs and customs. Likewise, a large number of academicians, scholars, business communities and government are involved to promote this sector from their sectors. As a result Nepal is selected as one of the major tourism destinations in the world where rural tourism is flourishing continuously.

The democratic revolution of 1950 AD marked a new era in the tourism sector in Nepal by opening the nation to the outer world, providing facilities for foreign visitors. Literature shows that until the early 1950s, Nepal was a forbidden kingdom, remote and virtually unexplored. However, few foreigners had entered the country as invited hunting expeditions. Moreover, the country had no air and road access to the capital Kathmandu until 1947, when the first aeroplane was landed. The promotion of tourism in the true sense started more or less from the beginning of the 1960s.

In Nepal, there was no tourism planning till 1965. The history of tourism planning started when the first five-year plan (1956-61) came into existence with the establishment

of Department of Tourism in 1959 which is found important in Nepalese economy. In third five years plan (1965-70), an objective for the increment of the number of incoming tourists and foreign exchange earnings was started. In fifth five year plan (1970-75), Nepal Tourism Master Plan 1972, was formulated which put forward a comprehensive set of policies to promote tourism immediately and in future sixth five years plan focused on the preservation of historic, cultural and natural attractions of the kingdom to promote tourism and to spread its growth in other potential areas, apart from the Kathmandu valley where tourism was mostly concentrate. Sixth five years plan also drew heavily on the master plan recommendations for the increment of foreign currency reserve to improve the balance of payment situation by increasing number of tourists and duration of stay. Eighth five years plan emphasizes on the promotion & environment, historical and cultural asset through tourist promotion and developing linkage between tourism and other sectors of the economy (www.npe.com.np).

Ninth five year development plan (1997-2002) gave due recognition to village tourism and declared to develop 14 model tourist villages throughout the country, one in each development region. The Tenth Five Year Plan has also given continuity to the concept with its declared policy of poverty alleviation. Tenth plan has accepted tourism as a potential means of poverty alleviation and acknowledge as an important alternative economic activity of the nation. The plan has land much emphasis on pro-rural tourism because it reality only infrastructure development does not bring in core tourists. Tourism itself becomes instrumental for infrastructure development. By 2006, in accordance with HMG vision NTB will strive to return to the 1999 levels of achieving half a million arrivals (Adhikari 2005).

Economic significant and the benefit of tourism in the economy of host country is measured mainly in terms of foreign exchange receipt from tourism and its multiplier effects. This sector is also significant as contributing to national income and employment generation in rural areas which are contributing to regional balance. Tourism development will also induce new business opportunities by opening market for social products, promotes new skill and encourage positive change in land use and production system (Shrestha, 2002).

Tourism being and important activities play not only and instrumental role alleviating poverty but also improves socio-economic status of the country. It has to learn foreign currency and provides a sustainable way of conserving environment and culture through integrated local participation. It by all means, this industry is run by the people for

the people at the core by the guests or hosts, and it is their well being and enrichment with should be the primary goal of tourism development (Kunwar, 2006). If the local people understand contribution of tourism at local and national level, they automatically initiate promotional program in rural areas (Adhikari, 2005).

Tourism is a forefront industry in context of globalization, help as to put forward our unique product to international market that can generate income and employment (Upadhaya, 2005).

Tourism industry is playing a crucial role in the overall development of Nepal. Tourism has a great role to improve country image in international area (Adhikari, 2005). Guiding by the principle of decentralization and active involvement of local people in tourism activities, Government of Nepal has been piloting model through TRPAP (Dhakal, 2006).

Nepal has huge possibilities in the rural tourism sector. The Himalaya nation is famous for its natural beauty: the world's highest peaks, national parks rich in flora and fauna, snow-fed rivers, exceptional trekking routes, wonderful lakes and welcoming people. Nepal is rich in its cultural and religious diversity as well. Possessing eight of the 10 highest mountains in the world, Nepal is a tremendously attractive location for mountaineers, rock climbers and adventure seekers. A part from being an attractive destination for adventure, Nepal's pleasant climate and ever welcoming nature of Nepalese show there is a tremendous prospect of tourism ahead in Nepal.

At the same time the country is facing numerous problems in this sector. Among them weak infrastructure, poor transportation and communication facilities, lack of appropriate accommodation facilities in various tourist destinations are the major hindrances of the tourism industry in Nepal. Likewise, identification and development of such destinations, their advertisement within and abroad as well as political insatiability since long are also equally responsible for weakening the growth of tourism sector in the country.

The present study aims to analyze the problems and prospects of tourism in Ilam district. The salient significance of the study is that Ilam is being relatively small and rich in tourism resources but the people of the world do not know about natural beauties and cultural diversities of Ilam. Tourism is also seen as an effective means to directly and indirectly benefit to the local people through local employment and income generation.

1.9 Statement of the Problem

Review of literature reveals that very little progress has been achieved in the areas of tourism diversification in terms of product and place. Tourism promotion and development is largely concentrated on urban area where very few traditional sites are identified and developed outside the Kathmandu valley.

Benefits of the tourism are disproportionately distributed to the center (Kathmandu) from incoming tourists. Much of the tourist's dollar remains in Kathmandu and little finds its way into other parts of the country. There exists a situation of core-periphery dependency in which the center controls a very considerable extent of the distributions of tourism around Nepal.

Ilam district has huge potentialities of tourism development from India and abroad but has been facing problems to developed tourism infrastructure, no academic research has been done in the field of tourism. By creating jobs within villages, rural tourism creates economic prosperity and reduces the need for young people to migrate to cities of the country and abroad to seek employment. The money goes straight to the local community. Even those who do not directly serve the guests developing home stay earning money by selling handicrafts, working as guides and porters or taking part in cultural performances. The revenue also contributes towards local conservation programs. In this context, this study tries to solve following research questions.

- a) What are the major tourist destinations that help to increase tourist inflow in Ilam district?
- b) What are the potentialities of tourism in Ilam district?
- c) What are the problems that hinder the flow of tourism in Ilam?

1.10 Objectives of the Studies

The general objective of this study is to known the overall situation of tourism development in Ilam district where specifically the study seeks to:

- a) To highlight the main tourist destination in Ilam district.
- b) To find out problems and prospects of tourism in study area.

1.11 Limitations of the Study

- a) This study is concentrated only one district of the country out of 75, thus cannot generalized country as a whole. Though helps to reflect the situation in general.
- b) Concentrating only on the problems and prospects of tourism in Ilam this study leave the room for further study concentrating on other aspects related to the development of this industry.

1.12 Importance of the Study

Nepal is recognized as an ideal tourist destination for culture and nature lovers. Diversity in terms of geography ethnic communities and cultural heritages are the defining characteristic of Nepalese society. It's hospitable people and their rich and colorful socio-cultural heritage and natural recourses are the major attraction for the people from the western part of the world.

This study will provide basic information and general guideline to the local people, tourist and other concerned agencies about the way to attain sustainable tourism development in Ilam. Thus this research will be useful to the planners, policymakers at national level and local level; business communities on the one hand and on the other hand also will be important to the people involved in academic field interested in this area. All these ultimately help to the development of the tourism industry in the study district.

1.13 Research Methodology

In this section the researcher has introduced methodologies that are used in doing the present research. This chapter mainly focused on the process of research design, sampling process, data collection tools and techniques and the analysis and presentation of the data.

1.6.1 Research Design

Research design is helpful to manage the evidences and enquires of the study in appropriate order within the given time frame and to interpret the data. This study is based on exploratory and descriptive research design.

1.6.2 Nature and Source of Data

This study is mainly based on qualitative information, however, few quantitative

information are also gathered from primary and secondary source.

Primary Source

Primary information was collected from different stakeholders in Ilam district which is selected purposively. Being large population and area in the district it was not practically possible to include all units of population for the study. Therefore, a few of them were selected purposively to know their perception regarding mainly the important destinations for tourists, problems and prospects of tourism industry in the study district. To overcome from this problem 35 local people of different parts of Ilam district, 30 people from business community especially hotel owner, 20 government official working in the district (especially from tourism related offices) and 15 tourists were selected purposively as other sampling method could not materialized due to various constraint.

Secondary Source

Secondary data were collected form published and unpublished documents. The major source of secondary data for this study was District Profile, Ilam; Publications of Nepal Tourism Board; books; journals; newspapers and records of related organizations, internet.

1.6.3 Data Collection Techniques and Tools

A survey was employed covering above mentioned stakeholders in order to generate qualitative and quantitative information about the tourism on Ilam with the help of a brief questionnaire. The survey mainly concentrates on the perception of the stakeholders on problems and prospects of tourism in Ilam. The questions were asked by the researcher to the respondents and answers were recorded herself. Besides that information regarding the study was generated from the key informant of the district as well as observation visiting the tourists' sites and experience of the researcher herself.

1.6.4 Data Analysis

The data analysis is the main part of the study. The collected data were organized and analyzed in descriptive way where some of the data were presented in tabular form using simple statistical tool (percentage). In qualitative analysis, it represents the personal feelings and experiences.

1.14 Organization of the Study

This study is divided into four chapters including concluding chapter. Chapter one presents the general overview of tourism and its contribution in the economic development of nation, potentiality of tourism in the district, statement of the problem, limitations and usefulness of study and also includes a brief methodology used to complete the work. Chapter two devoted for the brief review of past literatures like – books, research reports and journal articles related to tourism industry in the country focusing on problems and prospects. Third chapter tries to highlight the prominent tourist destinations as well as cultural diversities located in Ilam district. Chapter four focuses on the problems and prospects of tourism development of Ilam district based on the information derived from field survey. The last chapter tries to underline the summary, conclusions of the study and to state recommendations to improve the lacking available at present.

CHAPTER – TWO

REVIEW OF THE LITERATURE

This chapter is devoted to review of past literatures contributed by various authors to build the foundation of proposed current study on tourism.

Negi (1990) said that there are different types of tourism which are categorized on the basis of their purposes and factors involved in these issues. It is people's motives that lead them to make a journey which plays vital role in generating the various types of tourism.

Bhatia (1994) highlights that, tourism does not exist in isolation because it is the compound mixture of different various elements. Tourism is a multifaceted human activity which is the largest and fastest growing smokeless industry throughout the world. It carries substantial amount of economic, social, cultural, educational and political significance which provides a valuable source of foreign exchange earnings and income for many countries and has a positive effect on balance of payments.

Tewari (1994) visualized that tourism as industry and identified its importance as the means of correcting adverse trade balance in an economy. Even a highly developed economy like USA relies partly on an increasing number of Japanese tourists to correct its

trade deficits with Japan. In the developing countries it could be the source of additional external revenue. In addition to generating foreign exchange, tourism is accepted to create additional employment and income and generate multiplier effect in an economy. Some countries have a comparative advantage in the development of tourism because of their natural topography such as mountains, sandy beaches, scenic views and lovely landscape, their rich cultural heritage and so on.

Godfrey (1998) circumvents the debate, by suggesting that sustainable tourism is “not an end in itself, nor a unique or isolated procedure, but rather an interdependent function of a wider and permanent socio-economic development process”. To draw on an analogy of travel, sustainable tourism development is a journey rather than a destination, and even though it is not yet known exactly what the destination will be like, that is not sufficient reason to delay the journey to get there. It is the journey itself which is very important and responsible tourism is part of that journey.

Satyel (1999) has tried to define tourism and said that in general tourism denotes the movement or journey of human beings from one place to another whether it may be within own country or second countries for various purposes. The world tourism which is so popular today is derived from its French word in 19th century. Later this word was popularized in the decade 1990's but its significance was not fully realized until today.

Shrestha (1999) has identified the basic problem of tourism in Nepal. The study also highlighted tourism industry having great prospects in Nepal. The study has observed that average growth rate of tourist arrival in Nepal from 1975 to 1997 is 7.27 percent per annum. She concluded that the correlation between tourists arrival and foreign exchange earning in terms of US dollar shows the importance of tourist arrivals for the economy. Being labor-intensive service industry, tourism sector has high potentials for generating employment and is a multi-sectoral industry. It has also been helping other sectors of the economy such as agriculture, handicrafts industry and other allied industries. The performance of tourism earning did not rise in terms of US dollars because of low per capita per day spending outlet came to be known as a cheap tourist destination.

Chand (2000) has studied uncensored facts and has presented the clear vision of tourism in Nepal. He explains that tourism has contributed to the overall growth of the economy therefore any measure that tends to negatively affect the tourism sector will affect the performance of the entire economy of the country. The sector of influence of tourism has

expanded tremendously and if better plans; more enduring support from the government and if more investment is ploughed in to this sector it can its area of influences.

Chand stress that Visit Nepal Year 1998 was most probably one of the major initiatives taken collectively by the Government along with the private sector to promote tourism. It was indeed a challenging responsibility to the government and need to investigate further the potentiality of domestic tourism.

Upadhyay (2003) explains that in the middle age, merchants, explorers, pilgrims and students travelled in various places and despite the upheavals caused by the invasions of the Arabs, the Normans and the Hungarians, the movements of persons was far from ceasing completely: "student attracted by the master minds of such renowned Universities of Bulgaria, Paris, Rome Salmance, Cairo and Naland and Bikramshila in India Travelled after to near them."

Upadhyaya further opined that many countries have made various attempts to promote tourism industry as a means of economic progress. The economy of Nepal lacks in terms of industrialization some further alternative is to be fund which can induce the process of industrialization to put the path of rapid economic development, to study the scope for global linkage of the Nepalese economy with special reference to tourism. He has suggested that tourism sector has the potential to link the backward Nepalese economy with the forward economic and to induce the other sector of the economy.

As of the SNV (2003), it is safe to assume that the center (Kathmandu) benefits disproportionately from incoming tourism. Much of the tourists' dollar remains in Kathmandu and little finds its way into other parts of the country. There exists a situation of core-periphery dependency in which the Centre controls to a very considerable extent the distribution of tourism around Nepal, accumulating most of the income generated, organizing much of the travel activity in prepared packages and supplying many of the needs from the center so that benefits flowing out to rural areas and towns are limited.

As stated by Nepal tourism board (2006), Nepal is one of the richest countries in the world in terms of natural beauty due to its geographical position and latitudinal variation with in this spectacular geography are some of the richest culture of Himalayan heritage and its has also invited tourists to meet the lovely people of rural Nepal share a meal with them, stay at their houses and family guests, taste their local drink and see them carry on with life

graciously as well as some of the most spectacular views of the mountain landscapes or heritage sites along the way.

Kunwar (2006) highlighted that ILO took the initiative of drawing up a convention of paid holidays which required the member states to grant a paid holiday of a minimum paid holiday at six weeks per year. Thus industrial revolution in the 19th century gave birth to a large and prosperous group in western Society. Industrialization grew and trade and commerce developed as result prosperous group became richer. Increasing industrial activities in turn gave rise to new settlement; town and cities were established to accommodate increasing number of labor force engaged in industries. Thus three major development; increase in wealth of industrial society, development of means of transport and travel organization earned extra ordinary growth of tourism during the last 50 years throughout the globe.

Joshi (2007) has presented that tourism can increase the opportunities for the rural poor in their own communities. It also has the potential to reduce rural out migration, to the urban areas, increase employment opportunities for the urban poor, and give them additional income to provide for their families in the rural areas. Also tourism related skills gained by the urban poor could be applied in rural areas, helping to reverse the migration process. Tourism provides employment opportunities by diversifying and increasing incomes that help reduce the vulnerability of the poor. Through increased national income, additional funds can be diverted to poverty reduction programs and can be linked with local development. The receptive capacity and socio-economic strength of the locals like that seen in Bandipur, Ghandruk, Ghalegaon, Dhampus, Sirubari is also equally important to establish any place as an attractive rural tourism destination. It demands several features and a committed, commanding and qualified leadership at the local level. So, tourism plays a number of important social and economic roles. It is commonly seen as an important form of community economic development with the place and scale of tourism placing significant pressure on heritage resources.

Joshi further added, tourism has been influenced mostly by economic considerations, such as holidays with pay and increase in real incomes. Income is therefore the second important factor in the evolution of demand after leisure, level of income forms an important factor in influencing tourism as well as participation in recreational pursuits, many surveys have indicated that in almost every pursuit, participation increase with

income. This is true with tourism also. The more affluent members of the society are the ones who travel most. Mobility is the third important factor in the evolution of demand. With the advancement of modes of transport, the mobility has greatly increased. There is also the actual mobility, such as the motor car has provided

Upadhyay (2008a) tried to define rural tourism which is a complex multifaceted activity. It is not just farm-based tourism. It includes farm based holidays, eco-tourism, walking, climbing and tiding, adventure, sports, health tourism, hunting, fishing, educational art and heritage tourism and ethnic tourism, in this article, he states the main objectives of the rural tourism like; to achieve maximum human welfare and happiness, through sustainable socio-economic development of rural area, to reduce regional inequality and economic disparities and to contribute in poverty alleviation and attainment millennium development goals. He concludes that rural tourism is Nepal's oil and key for poverty alleviation, likewise, he has recommended government, Tara Gaon Development Board, public, private and cooperative sector to pay their attention in time to develop rural tourism in Nepal.

Upadhyay (2008b) examined that tourism links unique natural resources with an exciting living cultural heritage and friendly and hospitable people. It provides significant potential to use nature-based tourism as a low-cost, eco-friendly alternative to support socio-economic growth and fight poverty.

Ghimire (2010) has stress that tourism can be a high productive sector to compensate the unemployment and disguised unemployment prevailing in the country as well as Gulmi district. It has comparative advantages than other industries such as it has low opportunity cost, it takes low gestation period. Similarly, to give return it can involve the lower strata of the people of all ecological zones, involves women and ethnic groups and bears direct relation to all dimensions of like culture, environment, nature and behavior of people. It fulfills basic requisites of development such as: it adjusts with decentralization and good governance, open base for greater role of women as partners for development and space for gender equality. In this basis, tourism can be a leading sector and socio-economic force in the economy of Nepal.

Dhital (2009) has studied the impact of tourism in female employment generation from different perspective to assess the contribution of tourism in Nepalese economy, and female employment generation to recommend measured and strategies to development

tourism industry as an important sector for employment generation. Dhital adopted field survey and simple random sampling methodology selected 5 employers from various sectors of tourism field where 275 employers were working. Among hem 14.1 percent were working in basic level, 38 percent people in middle level and 13.28 percent in high level. Out of the total 110 sample were in between 20-30 years old and rest were above 30 years.

Dhital further opined that male domination, sex harassment and abuse insecurity, social and family non co-operation traditional level of thinking etc. are the major problems faced by women employers. Lack of quality education, job oriented training low salary and facilities, traditional social values, caste, and religious system, lack of knowledge of foreign language are the problems to generate job opportunity for the women i tourism sector. Findings and recommendations are: proper training, job security, high scale salary, social freedom, gender equality, better education, family support are the basic requirements to generate more female employment opportunities in tourism. He also suggested that some of the legal provision should be changed in favor of female employment generation. Similarly, cottage and small scale industries related to tourism should also be increased and promoted to generate additional job opportunities for female. Most of the tourist prefers female services than male in shopping sector by 74.0 percent followed travel and tours by 71.8 percent and more than 60 percent in hotel and lodges. Hence, female employment in this sector is inevitable. Out of total, 10.8 percent female visitors and 9.0 percent male visitors especially like the female services in every sector of tourism. Education and trainings are the major factors to generate female employment in various sectors of tourism.

Ojha (2009) has discussed Nepal as an unanimous shangrila for the rapid growth of global tourism. Rising from an elevation of 56 meters to 8848 meters above the sea level, possesses all the climate zones of the world from the bitter tundra vegetation to the hot tropical forestation, Nepal's biodiversity is a reflection of physiographic climatologically and attitudinal variation. Nepal's combination of world class cultural and natural and natural tourism attractions' including the rich heritage of the Kathmandu valley, culture diverse of Nepal, the beauty of Nepal Himalaya, super wildlife resource and hospitable mountain people ensure a destination well suited for international tourism. Ojha has also stated that Nepal having famous tourist destination, world heritage site, historical monuments and natural beauty is not utilizing properly same of the identified problems of the development of tourism in Nepal are lack of tourist information centers, infrastructure, health services, water and sanitation proper accommodation in some places. Ineffective national plan and

policy, fail to control over street vendors, lack of public awareness, lack of trained tourist guides, poor publicity campaign, lack of tourism packages variable price structure and presence of non-Nepali in tourism business. There are pertinent problems that need to be addressed properly. Government and its authorities only are seeking to show the inclined graph (increasing number), manipulating data's and interpreting as increment but really falls or other hand. Government and other business persons, now a days are only seeking quantity tourism but the national requirement is quality tourism. If quality tourism sustained it does not concerned with decreased number. Nepal will be grateful only if quality tourists made their destination as Nepal. Therefore government, its authority, concerned departments and concerned stakeholders must think for quality tourism as sustainable tourism.

Prasain (2016) explains that tourism is a composite of activities, services, and industries that provide travel experience, namely transportation, accommodations, eating and drinking establishments, shops, entertainment, activity facilities, and other available hospitality services. From different perspective, the tourism has been understood as activities performed by travel makers to satisfy or address his/her purposes and needs by engaging in non-economy staying, away from his/her usual residential environment for certain period of time.

Prasain further tried to distinguish tourist into three major categories - Visitors, Tourists and Excursionists though there is no hard and fast rule for the classification of tourists. However, in accordance with the nature of traveling purpose and their stay, tourists may be classified in different headings as shown in the following figure.

Some research studies have conducted on “Tourism in Nepal” to find out the problems and prospects of tourism industry in Nepal and its impact on national economy. But a very limit research has been carried out on village tourism. Thus, the present research fills this gap. Village tourism, being the key strategy for economic growth, leads village economy by generating income, alleviation as well as to alleviate unemployment problem. Village tourism is as a phenomenon is concerned with river, sun, environment, rural society and rural household. It represents conservation, life style, experience, adventure and above all the nature and adventure oriented benefit to the local people. The objectives of village tourism include helping tourists to plan a trip, chose a tour and minimize ecological impact. In this context, this study will be one of the small efforts to bridge the gap as it tries to provide basic information about the major places that will be more attractive to the tourists from India and abroad.

CHAPTER – THREE

POTENTIAL TOURISM DESTINATIONS IN ILAM DISTRICT

3.6 Introduction of the Study Area

Headquarter of Ilam district and Mechi Zone has the picturesque location in the eastern region of Nepal. It is situated between 26°40' to 27°08' North latitude and 87°40' to 88°10' East longitude which extends from east to west lying more or less within the Mahaabhaarat Range. Panchthar in the North, Jhapa in the South, West Bangal (India) in East and Morang with slide touch (Dhankuta) district in the west. It lies to the south of the Mahaabhaarat range in the lap of the Shinghalila range.

Geographically it is a hilly district, with the elevation ranging from 140 meter Sanishare Peltimari(Chulachuli VCD) to 3636 meters Sandakpur (Mabu and Maimajhuwa VCDs) above from sea level. There are four main rivers Jogmai, Puwamai, Mai and Deumai in the District; so it is called Charkhol (Four rivers). Most of them flow from north towards the south. The climate of this district as a whole is dry and cold in winter and hot and rainy in summer. It is rich in its own kind of social and cultural heritages. People here live in peace and harmony irrespective of diverse caste, creed, race, religion and culture. A wide range of ethnic groups with their typical customs, tradition and cultures reside here. These include Lepche (tribes entitled as native inhabitants of Ilam), Magar, Gurung, Rai, Limbu, Sherpa, and so on.

Some religious and historical tourists area includes Ilam bazaar (Nayranthan, Shigabahini, Maithan, Setidevi), Panchakanya, New Pathibhara (also referred as Daughter Pathibhara), Gajurmukhi, Chitre-Gumba, Mahaboudha dham, Haghethame, Therboling-Gumba(m onastary) etc. Sandakpur, Jaubari, Chhintapu, Mangmalung, Larumba, Saddithumka, Shri-Antu Maipokhari etc are some other example of tourism areas with beauty, splendor and also as adventurous trekking spots. Attractions of these places are its beautiful panoramic and scenario glittering mountains, high landscapes, sunrise and sunset, research destinations for geographical, biological, botanical, anthropological subjects due to its diverse flora and fauna and many more. According to the recent studies, it is seen that it is a place of rich biodiversity, geographic-diversity, climatic-diversity and natural vegetation-diversity all varying widely from astonishingly minimum value to extra-ordinarily high value

of all within very close premises. So it has become an ideal area for research personnel.

Ilam district is divided into 48 Village Development Committee and one municipality. Most part comprises of hilly regions with farmers as the main inhabitants along with businessmen, officials and government employees. People here treat their guest as God and show their extreme hospitality that further attracts to the people from different parts of the world. They owe higher degree of physical development, human development and literacy rate in comparison to other hilly district of Nepal.

As a whole, the district is also referred to as the “Queen of the hills”. It is a beautiful place enriched with green healthy environment equipped with fundamental requirements promoting tourism. Ilam is one of the richest district of Nepal in terms of its bio-cultural diversity, natural landscape and flourishing professionalism in agricultural especially in rich cash crop sector. Ilam is the most famous District of Nepal for major six cash crop. They are Potato (Aalu), Cardamom (Alaichi), ginger (Aduwa), Red round chilly (Akbare Khursani), Milk (Aolan) and Broom grass (Amliso).

3.7 Demographic and Socio- Economic Status of the Study Area

Demographically Ilam district is moderate densely populated in Mechi Zone. The population census 2011 shows that the total population of the was 290,254 whereas the population of male was 141,126 and female population was 149,128 residing in the 64502 households. The total population growth rate of the Ilam district is 0.26 which is far below in comparison to the national average of 1.35. Population of study area by religion is present in table 3.1.

Table 3.1: Population of Study Area by Religion

Religion	Percentage
Hindu	44.69
Kirat	35.61
Buddha	15.28
Kristishan	2.49
Others	2.01

Source: District Profile Ilam, 2015.

Table 3.1 shows that Ilam is a shelter of population with different religious belief. Among them Hindu occupies highest proportion followed by Kirat where Christianity is also

found highly spread in the district. People who believe Buddhism are also concentrated more in the district.

Likewise, Ilam district is a haven of 77 caste/ethnic groups out of 125 in the country. Among them the Major caste and their share is presented in table 3.2.

Table 3.2: Caste and Ethnic Groups of the Ilam District

Cast / Ethnicity	Number	Percentage
Rai	68965	23.76
Limbu	45626	15.71
Baraman	40340	13.89
Chhetri	30735	10.58
Tamang	20175	6.95
Magar	15076	5.19
Newar	10639	3.66
Kami	9894	3.40
Gurung	8350	2.87
Others	86086	29.65
Total		

Source: e-popinfo. Nepal, 2015.

Rai and Limbu are the major residence of this district occupying 24 percent and 16 percent respectively. Brahmin and Chhetri occupies third and fourth place though their share in the district is less than the national average.

Development without education is not possible. It plays a vital role in the sustainable development of country and society. In field of tourism, it also plays an important role that really helps to uplift economy of nation by developing tourism. Development of a place can be measured by measuring the level of education of its people. According to the district profile from the point of view of education Ilam is above average in the country. But it is a tragedy as of other parts of the country most of the educated people are migrating at the capital city Kathmandu or other cities.

Economic condition of Ilam is agro-based. About 83 percent of the people depend on the agriculture. Business and government service are the other major sector of employment in the district. The major agriculture products are paddy, maize, wheat, barley and the cash crops are lentils and vegetables. Access of the paved roads the prospect of tourism development become possible. In order to develop the tourism industry sustainable, development projects should be local community owned and operated as far as possible. Developing smaller units of tourist facilities combined with the adoption of design drawn from the local culture and with the use of indigenously available construction materials will become cost effective and serve better to the taste of the visitors and lend themselves more readily to ownership and operation residents. Considering the competitive power and cost efficiency, tourism development at Ilam can be dependable source of economic activity. In addition remittance is also a major source of income for the people of this district that helps to fulfill their basic needs.

3.8 Potential Destinations for Tourists

Ilam is the homeland of Lepcha (one of the tribal group of Nepal). Their cultural museum also attracts many tourists. Ilam offers some of the most usual and delightful trekking. Tourist who comes to Ilam can make their tour more exciting and pleasant through such trekking. The following routes are most potential for trekkers, which also help to develop ecotourism in those areas. Ilam has its own scope for tourism development. The fundamental attraction of tourism in Ilam are natural sceneries, pleasing weather, short trekking routes, tea estates, small hills with greeny forest, snowcapped mountains and hospitable people. Being these attractions Ilam has strong potentiality for development of ecotourism. Apart from the natural beauty, this is a region of ethnic diversity and cultural heritage. Maipokhari, Pathibhara, Gajurmukhi, Singhabahini etc are famous for religious destination for pilgrimage tourists. Different ethnic communities like limbu, Rai, Gurung, Tamang, Magar, Sherpa, Newar, give their different cultural tastes **(DDC, Ilam, 2015)**.

The expenditure made by tourists makes direct and indirect effect. The initial income produced by spending of tourist is known as direct effect. For example, direct effect occurs when a tourist pays his hotel bill. Rounds of spending of the initial income bring about indirect effect. For example, the initial money received by hotel management in the first instance will be used to pay various debts incurred or make outlays on behalf of the tourist such as in visitor's telephone and other goods and services. The recipients in turn use the

money received to pay their bills. The initial tourist's money in this way may be spent second time, spreading into different sectors of the economy each time giving rise to fresh income with greater beneficial effect. In order to the money (Particular foreign exchange) earned is retained in the country or in the area of visit of the tourists, leakage such as in the form of payment for imports, foreign investments should be minimized as far as possible. **Some of the major attractive destinations for tourists are briefly introduced below.**

3.8.1 Sandakpur

Sandakpur is situated at an altitude of 3636 meter above from the sea level. So, the area is often snow covered. Its height and slope provide opportunities for skiing. Due to its height, the site offers some spectacular sunrise and sunset views. It also offers view of various famous mountains like - Everest, Kanchanjunga, Makalu including some other world's highest mountains. Rather than cultural and historical aspects its natural aspect seems highly promising for ecotourism development in this area. The area is also important for flora and fauna. Red panda, a rare animal species are also found there. Tourists have to hire private vehicle up to Khorsanitar of Maimajhuwa (bus services are not regular) and have to trek about six hour to reach the destination **(DDC, Ilam, 2015).**

3.8.2 Antudanda

Antudanda also known by Dipendra Shikar is located about 35 km east from Ilam bazaar. Antudanda is famous for the views of the Himalayas, the best view point of sunrise and sunset. Antudanda lies at an elevation of 1627meter is Samallung VDC. Antudanda is an hour drive from Pashupatinagar and about 3 hours drive from Ilam bazaar. Home stay facilities available at Antu region where village tourism is in growing. Rare Lepcha a ethnic group and their culture can also view in Antu. Antu pokhari and tea estates are next attraction of Antu. Mountain biking, pony riding, camping sites angling, boating, rock climbing village tour bird watching, skiing and paragliding area possible tourism products that can be developed in the area, which help to promote ecotourism in Ilam **(DDC, Ilam, 2015).**

3.8.3 Siddithumka

It lies at an elevation of 1800 meter west of Ilam bazaar. Siddithumka is ideal for a short trek and for panoramic views of the mountains and plains wrought in the colors of

sunset and sunrise. It is a 4 hour trek from Ilam bazaar. 'Ratna Gufa' is another attraction of Siddithumka (DDC, Ilam, 2015).

3.8.4 Chhintapu

At an altitude of 3400 meter above the sea level, Chhintapu ranks the second highest peak in Ilam district. The area is famous for various types of rhododendron. About 11 varieties of rhododendron are found in this area. It is also famous for herbal plants and various species of birds. It is close to Maipokhari, a trek from Maipokhari to Chhintapu via deurali and Maipatal will take only Six hours walk. This area has great potential for the development of ecotourism (DDC, Ilam, 2015).

3.8.5 Kanyam and Fikkal Bazaar

Ilam has 144 year history of tea farming Kanyan Tea Estate is the largest one among the tea estate in the district. The existing products at the Kanyan and Fikkal bazaar are natural attraction. Kanyan is popular among tourists for picnicking sightseeing and taking photographs. The area is accessible by a black topped road linking to Ilam, Fikkal and Kanyan. Panitar of Mangalbare, Chilinkot, Saktim, Ilam are major tea estates of Ilam as they have decorated Ilam as a bride. Todke Jharna is another attraction of Ilam which is in Maimajhuwa VDC lies about 20 km north from Ilam bazaar (DDC, Ilam, 2015).

3.8.6 View Tower

To promote tourism in the district, Ilam Municipality has built a view tower in Gadidada from where one can observe many places of Ilam district as well as some areas of neighboring districts. It is one of the income sources of the municipality.

3.9 Religious Centers in the District that Attracts Tourist

Like the geographically, culturally, naturally attractive places religious places also plays important role to attract tourist in the district. Among them major places related to the religious tourism are introduced below.

3.9.1 Maipokhari

Maipokhari is located about 11km north from Ilam bazaar that processes religious, archeological and touristic value for the promotion Ilam as a model ecotourism center. Maiokhari, the famous lake with nine angular points which covers an area of 1.6 hectors. Maipokhari lies at an elevation of 2150 meter above the sea level. It is an important watershed area. The forest around Maipokhari harbors various valuable species of plants, like ground orchid, white rhododendron and diversity in wild animals. Maipokhari has great religious and cultural importance. So, its religious value and popularity make it a potential site for ecotourism development. Trekkers can get enjoy by viewing enchanting views of 'Jasbire Bhanjyang' which lies in the way to Maipokhari which takes about 4 hours walk from Ilam (DDC, Ilam, 2015).

3.9.2 Pathibhara

Pathibhara of Ilam is believed to be the younger sister of Pathibhara Devi of Taplejung . It is an important site from a religions and cultural viewpoint. The Pathibhara temple is closed to the Mechi Highway in the South-East of Kolbung VDC that provides easy road access up to the temple (DDC, Ilam, 2015).

3.9.3 Gajurmukhi

The major attraction of Gajurmukhi is a cave with carved images of Gods and Goddesses and considered one of the famous places of pilgrimage. The cave is about 20 feet long and 10 feet height. From religious perspective Gajurmukhi is very important especially to the Hindus. It is located on the bank of Deumai river at about four hour drive from Ilam bazaar and enhancing the trekking route from Ilam through Mangalbare and Dhuseni, it takes about 6-7 hours by foot (DDC, Ilam, 2015).

Besides these major attractive places for tourist there are many more sites and cultural heritages in the districts. But they are yet to remaining in isolation due to lack of government priority on the one and on the other, weak awareness of the people regarding tourism industry and its many fold positive impact to the nation in general and to the local people in particular.

3.10 Main Tourism Sites in Ilam District

Among the various potential destinations for tourist the respondents ranked the three as the major destination. Their ranking is presented in table 3.3.

Table 3.3: Rank of the Main Tourism Sites in Ilam District

Tourism	Percentage
Maipokhari	58
Antudada	23
Setidevi	19
Total	100

Source: Field Survey, 2016

The table 3.3 shows that majority of the respondents said that Maipokhari comes at the top followed by Antudada in second rank and Setidevi in third rank among many sites discussed above.

CHAPTER – FOUR

PROBLEMS AND PROSPECTS OF TOURISM IN ILAM DISTRICT

4.6 Overview of Tourism Industry in Nepal

Nepal is one of the richest countries in terms of water, natural resources, cultural heritage and language. In Nepal, tourism industry has one of the most important prospects beside hydropower and agriculture. Due to the rich natural heritage, cultural and geographical diversity in the country, the tourism industry is no doubt a very crucial concern. This sector can play a vital role as a driving force of economic development in Nepal through

generating income, employment and foreign exchange and is likely to contribute in poverty alleviation. In this context tourism can be the biggest gift to the people for their livelihood.

Revenue from tourism today viewed as a major contributor in maintaining the balance of expenditure in developing countries such as Nepal. Tourism revenue in any country primarily depends on its demand in the world tourism market. The demand for Nepalese tourism is governed by hospitality, income, own price, and cross price variables in the long run, and hospitable behaviors and instabilities in the short run (Paudyal, 2012). In case inability of government in maintains the positive and negative effect, country has to pay a lot for it because tourism has also two sides: benefits and negative impact upon visited country.

As it is an employment-oriented service industry, it provides more job opportunities than any other industries. The capital that is invested in adventure tourism offers employment to various service sector like hotels, restaurants; boarding houses, recreation centers; porter agencies, travel/ trekking agencies; souvenir-shops, transport companies and other utility centers. In addition, it generates the employment in backward areas, which are isolated and economically undeveloped.

There are mainly three impacts of tourism in the economy that are; direct income, indirect income and induced income effect. Direct income effects comprise wages, salaries and profits of employers. This impact is the effect of tourist spending on incomes and employment at businesses where tourists spend money. Similarly, successive series of local business comes under indirect income impact. The induced impact represents the effect on income and employment of local residents earned as a result of spending by tourists. Because of this, local people's income is continuously increasing. Also, the government's balance of payment is improving through hard currency earning.

It is creating employment opportunities in different tourism related sectors eg accommodation, transportation etc. Likewise, there has been the diversification in economic activities of entire regions. Similarly new infrastructures are discovered and there has been the improvement in the existing infrastructure. Because of small and cottage industries such as art, craft, souvenir, handicraft and other local industries are developing. It is improving the living standard of local people. Local people are encouraged to become

entrepreneurs by involving into travel and tourism business and by adopting regular habits to works and to achieve the things they want. There has been the mobilization of regional development.

Beside the positive impact, tourism has number of negative effects as well. Because of tourism there has been inflation in market, import of camping kit, climbing kit, clothing etc are causing leakage on foreign exchange reserve, only low standard jobs like porters, cooks, waiters etc. are available for the local people. Uneven economic growth is taking place in the region like Mt. Everest area. There is negligence in agriculture in some extent due to adventurous motives in tourism and is leading towards more dependency on tourism. As a result the economic distortions are being seen as well in few areas.

These days, tourism activities mainly take place in mountain areas which have accelerated ecological problems, like garbage trails, deforestation, and effect in flora and fauna. Over crowd, congestion, landslides and climatic change etc. have pervaded the regions. Due to large number of tourist arrival as trekkers and mountaineers, there might be environmental effects of mountain tourism to the inhabitants of mountain regions in Nepal.

This chapter basically tries to highlight the problems related to the tourism development in Ilam district on the one and on the other it also focused on the prospects of tourism in socio-economic development of the district based on the available information. Major focus was given to the secondary information and tried to qualify them with the help of little primary information available from different stakeholders. To attract sizable number of tourists, it requires substantial investment in infrastructure facilities and services. Considering the limited tourist arrivals in the Ilam, it may not be feasible for private entrepreneurs to invest in infrastructure development. At the same time focus should be on the production and promotion of local and traditional products to attract tourist rather than depending with imported consumer goods.

4.7 Tourist Inflow in Ilam District

No any official record of tourist inflow is available in the district. According to the hotel and trekking entrepreneur Ilam has attracted large number of tourist annually from different countries of the world. Among them Indian tourists occupies nearly three fifth of the total.

During the field survey in Maipokhari, Antudada, Setideviare the famous and beautiful tourist place of Ilam researcher contacted with 20 tourists of different nationalities. Among them 65 percent were from India, five percent from northern neighbor China and rest from other countries. This information conform the estimate made by the hotel and trekking entrepreneur of Ilam. Most of the tourists came to Ilam for recreational visit, pleasure and relaxation and pilgrimage. Indian tourists prefers enjoy both pilgrimage and relax.

4.8 Problems of Tourism in Ilam District

Despite great potentials and promising prospects, tourism in Ilam has been facing various problems. This section deals with the problems of tourism in Ilam districts which is another main objective of this research. A number of constraints have affected the tourism development process like lack of physical and institutional infrastructure, shortage of skilled technical and professional human resources. Unless solved these problems rural tourism cannot be promoted as we expect.

Inadequate physical infrastructure hampers the growth of tourism. The accommodation, accessibility, hospitality and amenities are generally affected due to lack of fundamental facilities in the tourism sites such as Gajurmukhi, Maipokhari, Shree Antu (Dipendra Shikhar), Siddithumka, Chhanthapu, Pathibhara etc. the growth of tourism is hampered. The major problems associated with tourism in the Ilam district are as follows:

4.8.1 Inadequate Transportation and Communication Facility

For the development of any sector of the economy transportation as well as communication plays a key role. Tourism industry is not exception from it, as such facilities are considered the backbone of this sector. Any conscious people can generalize the development of any geography based on the availability and quality of transportation and communication facilities in the area. Communication makes aware to the people about the places of their curiosity where transportation creates access them to fulfill their interest. Being a hilly region Ilam has limited access of road transportation where the district is not connected by air yet though Sukulumba Airport situated in bhanghang is under construction. Only the Birtamod- Fikkal-Ilam road is providing transportation facilities in the Eastern part of the district where Ilam- Panthar road is also covers some parts of the district. The condition of condition of road that connect the district head quarter is satisfactory to some

extent in the context of Nepal but the condition of rural roads and trail that connect the places for the attraction of tourist in the district is very poor.

Likewise, communication facilities are also important prerequisites for the development of tourism in the country in general and rural area in particular. In Ilam, there is proper telephone service in district headquarter and its periphery but no good network accessibility till now in other parts of the district. The major tourist destinations are located at rural and remote areas where such facilities are almost nil, that hampers the flow of tourist.

4.8.2 Accommodation

Accommodation facilities as of the level of the tourist are equally important to attract tourist in any places. But in Ilam only few lodges and hotels are available but all are concentrated in Ilam bazaar, headquarter of the district. Other parts of this district lack accommodation facilities though home stay facility is increasing to some extent with limited capacity. In this context accommodation facilities are insufficient and not available in all tourism destinations of Ilam district. On the other quality of available facilities are poor that detracts the tourist rather than attract.

4.8.3 Banking Facilities

Any tourist cannot carry sufficient Nepali currency while visiting the places they choose. To attract them proper banking facilities with money exchange facilities in tourism areas is also must for the development of tourism. Therefore, bank must be established near tourist destination and money exchange facilities should be available for tourists. But these facilities could not be managed properly in tourist destinations of Ilam district limiting such services only at district headquarter.

4.8.4 Facility of Electricity

Electricity is also major component of tourism development. Most parts of the districts including major potential destinations for tourist are deprived from electricity facility. Even the people of district headquarter are also suffering from frequent load shading and poor supply. This problem has multiplier effect making constrained in the way of other facilities like telephone, internet and publication of tourism products.

4.8.5 Lack of Promotion and Marketing

For the development of tourism advertisement and publicity play important role. Advertisement and publicity are only means to attract internal and international tourist. Rich advertisement programme highlighting the all information of all the potential tourism centers, culture, architecture, natural beauties, religious environment etc. of the district through booklets, pamphlets, leaflets, magazine, newspaper, short documentaries, films, postcards, internet as well as other electronic devices through legal information center is crucial in present globalized world. Information center should be established in tourism areas. But there is no any information center in Ilam and research and publicity of the available attractive means is not yet in started. Due to this problem many foreign tourist even domestic tourists did know about the paradise of this art of the country. Tourism map and other information of tourism are not available. Websites are to be made and information about Ilam is most important to provide in every corner of the world. Lack of publicity and promotion most of the tourism destination has not yet explored. This problem should be addressed properly and timely the local community with the help of private and public institutions.

4.8.6 Health Services Sector

Although in the district headquarter of Ilam there is one hospital but in other VDCs there are only primary health services. They are not well equipped in terms of Emergency and even for the general health services. It is causing a great deal of insolvencies to the locals as well as tourist visiting the district which is also considered as a problem for promotion of rural tourism.

4.8.7 Trained Human Resources

Trained guides with appropriate knowledge on the economy, history, cultural and religious importance, facilities available, time taken, risk factor of destination in particular and district as well as nation in general are most important for the satisfaction of tourists who visits various culture and historical places. The tourist guide also may have ethical and trained with command in language of the tourists. With the co-operation of guide any tourist can study and know the correct image of Nepal as well as Ilam. If the guides are untrained and imperfect they mislead foreigners.

4.8.8 Lack of Travel and Trekking Agencies

Tourism can be developed through travel agencies if they perform their task smoothly. Travel agency play significant role in attracting tourists from different countries in the world through marketing, reservation for hotel accommodation, organizing travel and tour programme in different parts of the district with high publicity. But due to absence of such agencies the district could not provide substantial contribution in the development of tourism sector.

4.8.9 Inadequate of Recreational Facilities

Recreational facilities and tourism are directly related to each other. So one or more of possible facilities should be developed in the areas. Lack of sufficient bus parks, absence of swimming pool, parks, performance of cultural programs and other facilities are not available in Ilam district targeting to attract tourist of different level.

4.8.10 Role of Government Agencies and Co-ordination among Them

The lack of government priority and commitment for the development of Ilam district is also a problem of tourism development and the proper plan has not yet been framed out for the long term tourism development. On the other, government institutions working in Ilam district have no any coordination regarding development of tourist destination and tourist. Similarly there is a urgent need of coordination in between trekking agencies, rafting agencies, hotel owners, owner of tea garden and the management of touristic places, cultural groups and others in the district and abroad. But Ilam could not be activated in this manner. Likewise, the inefficient administrative procedure of government in implementing tourism policy is also the serious problem.

4.8.11 Lack of People Awareness

One of the major and dangerous problems of tourism in Ilam is lack of people's awareness regarding the importance of tourism for the socio-economic development of the nation in general and household in particular. Only few people have knowledge about tourism. Majority of the people engaged only agricultural occupation which is also limited to the subsistence level. Ilam has high tourism potentialities, but that is not explored yet where

explored tourist destination is also not developed still. Since people are illiterate, they are unaware about the benefits which the tourism could provide them. Therefore, for the development of tourism government and non-government organizations should provide formal education as well as tourism education also.

4.8.12 Political Disturbances

Political disturbances, due to Nepal Banda, Chakkajam etc. created by political chaos have also adversely affected the tourism sector. These conditions create state of uncertainty in the country leading to reluctance on the part of foreign tourists to visit Nepal. In this situation Ilam has also faced challenge in attracting tourists as of its full capacity.

4.8.13 Perception of Stakeholders on Problems of Tourism Development in Ilam

Limited quantitative information was available from the stakeholders contacted during this study. As the study covers households, hotel owners, government officials directly and indirectly associated with tourism related institutions and tourists itself. However, being limited data the issues could not analyze separately by stakeholder but analyzed combining all that may be helpful to know their perception regarding problems of tourism development in the district (Table 4.1).

Table 4.1: Stakeholder's Perception on Problems of Tourism Development, Ilam

Opinion	Percent
Transportation facilities	10
Lack of information	35
Problems of trained manpower	23
Accommodation facility	12
Others	20
Total	100
N	100

Source: Field Survey, 2016.

Table 4.1 shows the public view about the problems of tourism development in Ilam. Among the various problems that hinders the development of tourism in Ilam district lack of information about the areas that attracts tourist comprises more than one third (35%). There are so many beautiful tourist spots but because of lack of advertisement of those places are not explored yet. Problem of trained and educated human resources in the field of tourism shared nearly one fourth (23%). Insufficient and poor accommodation and weak transportation facility are the other major problems associated with the tourism development in the district.

4.9 Prospects for Tourism Development in Ilam

Ilam has not only problem for the development of tourism industry in the district. There are ample opportunities associated with tourism sector if explored and exploit them effectively and efficiently. Among them following points are the major ones.

4.9.1 Knowledge and Attitude of the People

Knowledge and attitude of the people of any country or area directly linked with the success and failure of the policies and activities conducted in the area. People of Ilam are very much positive towards work culture which is reflected being a famous district in six 'A'. In this context, optimal utilization of human resources, their talent and skill in planned way by changing their attitude towards the development of this sector, there is ample opportunity. The tourism project should internalized and implement with modern development goals in the community. Local people are capable to take the responsibility if they recognized as the main decision makers to tackle problems collectively for their mutual benefit. Policy making body has to think positively towards the human capital of the district and need to design programme related to the tourism development participating the local people. The tourism development program in Ilam should pay more attention to income generating of the local people ensuring their rights and privileges over the resources. Equally important is the task of installing right kind of value system and change attitude to develop entrepreneurship and management skill.

4.9.2 Natural Beauty

Natural Beauty is one of the important aspects for the attraction of tourists in the study area. Ilam itself is an ornate by the natural resources having large number of potential destinations with diverse nature and test for different types of tourists (internal and international). This is proved from the analysis in Chapter Three. Tea garden alone makes the Ilam itself a beautiful place forever.

4.9.3 Religious and Cultural Heritage

It is another major prospect of tourism in Ilam. There is dominance of the Hindu religion where only few of the people adopted the Kirat, Christianity and Buddhist, though resided many more caste and ethnic group. People adopted diverse tangible and intangible culture based on their caste and ethnicity and found diverse in nature and process. People of this region followed different kinds of festivals like Durga Puja, Laxmi Puja, Lhochhar, Gaijatra, Udhauli Ubhauli, Dhan Nach, etc. that provides entertainment to the people of all caste and religion on the one and preserve the identity of particular caste and religious groups through the generation on the other. Along with the celebration of the different festivals they have been playing different musical instruments like Chabrung, narsinha,(flute) and sahanai in order to entertain the observer in the particular day. Usually they have been using these musical instruments to perform the different dances like Sakela, Lakhe Nach , Ropai jatra etc. Local shaman also healing on the basis of the tune of the musical instruments and bless the people who have been suffering by the supernatural forces. People follow these kinds of practice on the basis of the Hindu principle, which is uniquely, surviving, even in the 21st century. There is a harmony among the people of the district in all occasions and festivals having participating by most of all.

The cultural heritage of this region itself a potential area for the researcher where the society have been constructing through the kinship network and Hindu varna system. The cultural pluralism itself creates the diverse roles and responsibilities to the people, which are the unique features of cultural diversity in the study region.

4.9.4 Public View about Prospect of Tourism in Ilam District

The researcher had consulted with the local people, hotel owners and business communities related with tourist, government officials and tourists from different parts of the world and asked about their perception regarding the prospects of tourism in Ilam. Their views are expressed in table 4.2.

Table 4.2: Public View about Prospect of Tourism in Ilam District

Views	Percentage
Highly prosperous	35
Moderately prosperous	46
Satisfactory	9
Not good	10
Total	100

Source: Field Survey, 2016.

Table 4.2 shows the public view about prospect of tourism in Ilam District. Out of 100 people 90 seen the prospect of tourism is positive for the development of the district and its people. Those who viewed positively, 46 percent say there is moderately prosperous in this sector followed by highly prosperous by 35 percent showing the district can improve tourism industry by managing the prosperous sites properly overcoming from the problems mentioned above. Among the respondent, 10 percent viewed there is no scope of tourism in the district mainly frustrating from the management of the areas concerned.

4.10 Ways to Improve the Situation

The researcher also tried to find out the major role of various institutions concerned to overcome from the problems arises on the way of tourism development in the district with the help of the respondents. Table no 4.3 shows that 46 percent respondents perceived, there should be vital role to be played by government agencies coordinating each other within the government and other concerned organizations positively and efficiently. Fourteen percentage respondents emphasized on the role of non-government agencies and rest of the 40 percentage informants focused on the important role of both government and non-government agencies to promote the tourism in the study area.

Table 4.3 Perception on Role to Play for Tourism Development in Ilam

View	Percentage
Government	46
I/NGOs	14
All of the above	40
Total	100

Source: Field Survey, 2016.

However, the business communities especially hotel owners has further added that to beat or minimize the problems on the way of tourism development in the district government policy should be supportive, the existing hotel or accommodation capacity should enhance in quantity and quality, information regarding the tourist destinations located in the district should disseminate all over the world focusing on the major tourist sending countries using print and electronic media on the one hand and on the other hand diplomatic mission of Nepal abroad, creating awareness to the people and tourist guide regarding the necessary hospitality to the tourists and improvement of road as well as means of transportation to make the travel comfortable and enjoyable (Table 4.4). Among them government policy plays more effective role in comparison to other facilities though no one can ignore them.

Table 4.4: Additional Opinion of Hotel Owner

Opinion	Percentage
Government supportive policy	30
Hotel facility	20
Advertisement	20
Road facility	10
Training to local people	20

Source: Field Survey, 2016.

CHAPTER – FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.4 Summary

The contribution of tourism sector in the national development of Nepal has been quite significant but this sector has not been developed as expected. In the scenario of low productive in agriculture sector, the condition of having no abundant resources for industrial development, tourism can be a high productive sector to compensate the unemployment and disguised unemployment prevailing in the country and Ilam district. Nepal as a whole can be a means for development in rural areas already reach in natural and cultural resources and tourism has comparative advantages than other industries such as, it has low opportunity cost, it takes low gestation period to give return it can involve the lower strata of all ecological zone, involves women and ethnic groups and bears direct relation to all ecological zone, like culture, environment, nature, behavior of the people. Tourism also has a very significant contribution to GDP, foreign exchange earnings, government revenue, employment and its indirect and induced effect. In this basis tourism can be a leading sector and socio- economic force in the economy of Nepal.

The researcher aims is to assess the present situation, to identify and explore problems and prospects of tourism in Ilam. The study attempts to access the physical and religious- cultural tourism resources of Ilam district. The data of the research are based on both primary and secondary sources. Ilam bazar , Maipokhari, Auntu dada, gagurmukhi, Sandakpur, Siddithumka, Chhintapu, Kanyam and Fikkal bazar are the main trade center of the district.

Most part of the district lies in hilly belt. Unique diversified cultural system is existed in this district. Agronomy is the base of economy. Ilam is potential destination of tourism. Natural scenery, peaceful environment, the ethnic simplicity the rich and diverse culture, religious site and Pilgrimage, historical places, Tea garden are the main tourism industry of Ilam. Hence, Ilam provides a wide spectrum of tourist interest ranging from sightseeing, adventure, researches, cultural trips and pilgrimage and reveal other others.

Present situation of tourism in the Ilam district is not satisfactory. There is no attention paid by administration for tourism and no priority for tourism in district development plan. Tourists are not formally recorded, local people are not aware about tourism, professional person are not available, negligence by NTB and government, tourism plan is not formulated in Ilam district.

The main attractions of tourism in Ilam are scenic attraction pleasant climate, and socio- cultural heritage. Antudada, Siddithumka, Maipokhari gajurmukhi, Pathibhara, Kanyam tea garden, Ilam tea garden, Sandakpur are main tourism sites in the district. Cultural and religious diversity based on caste and ethnic group, bio-diversity, natural landscape and flourishing professionalism in agriculture especially cash crop sector are also the attraction of tourist. As a whole, Ilam is also referred to as the “Queen of the hills”. Ilam has a number of problems on the way of tourism development in the district though it has ample opportunities.

A number of constraints have affected the tourism development process among them inadequate transportation and communication facility, accommodation facilities, banking facilities, facility of electricity, lack of promotion and marketing, health services sector, trained human resources, lack of travel and trekking agencies, inadequate of recreational facilities, poor performance and co-ordination among them, lack of people awareness, and political disturbances are considered major ones. Among them the stakeholders ranked the problems as: lack of information and communication facilities, problems of trained manpower and accommodation facility, first, second and third respectively.

Likewise, positive and friendly attitude of the people, diverse natural beauty, rich in religious and cultural heritage are the major opportunities to promote tourism industry in the district. But the district failed to utilize such opportunities effectively. The government agencies should play vital role by coordinating each other within the government and other concerned organizations positively and efficiently is considered a major capsule for the development of tourism sector.

5.5 Conclusions

Definitely tourism is one of the most significant contributors of Nepalese economy. In absence of micro level planning and policy on tourism development Ilam a hilly district in Eastern Nepal is struggling for the development of tourism despite of high potentiality to attract tourist. The constraint on the way can be addressed through appropriate education, training, policy and planning. If the government and local people draw their attention for the establishment such types of industries and tourism hand in hand the income level of people will be increased. The local culture and religious site agro based product emerges as being s key product in tourism. The beneficiaries can be women and deprived people with awareness and skill training.

It can be concluded that there are number of problems, challenges and constraints in front of village tourism development in Ilam district. Low level of infrastructural development, lack of awareness, entrepreneurship and investment and lack of marketing to the existing tourism products are serious challenges for tourism development in Ilam district.

5.6 Recommendations

On the basis of the discussion suitable recommendations have made in order to provide solution to the various problems of tourism. Ilam is the potential for the rural tourism. This place can attract to the domestic as well as foreign tourists if taken appropriate measures to attract tourist from all parts of the world including domestic. There is possibility of diverse product to sell to the tourists leading positive improvement in employment and income of local people. However, that has not yet explored.

- Basic tourism infrastructures, road, accommodations, drinking water, publicity, etc. are very essential for tourism development. So it should be established as soon as possible being serious all the stakeholders.
- Prepare immediate action plan to preserve and conserve sites with historical, religious and cultural importance like Maipokhari, Antudada, Sandakpur, Siddithumka, Chhintapu, Kanyam and Gajurmukhi. The role of local government will be more effective taking confidence to the business communities especially involved in hotel, travel and trekking business.

- Focus on home stay tourism programme providing depth knowledge to the interested from major tourism destination areas with financial support by the government. At the same time conduct mass awareness programs to create conducive environment for tourism development.
- Publicity will be more effective while it is based on research. Thus invite interested researcher providing necessary minimum support to them either from government source or private.
- Priority should be given by the state to the development rural tourism destination in order to reduce poverty and promote equality through generation of employment and income focusing women and the under privileged. Coordination among government agencies and others involved directly and indirectly in the promotion of tourism is urgent need in order to make resources enhancement program effective.
- Priorities and give emphasis in the production of local products based on local raw materials and skill taking tourists in mind rather than selling imported goods from abroad. In this context focus on organic farming, forest products like aromatic and medical herbs ferns, orchids which are in high demand should be encouraged at the satellite area of major tourism spots.
- A well planned well-coordinated and systematically integrated publicity campaign is required for effective promotion of tourism. Publicity of Ilam in the outside world with various cultural, tradition, religious, heritage, photos of panoramic scene new tourism activities and required facilities must be organized time to time in the different parts of the world.
- There is no system of keeping a record of tourist in the district. Therefore effective record keeping system should be initiated, tourist information center should be established and tourism promotion committee should be formed keeping away from dirty politics.

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14. Do you see the future of tourism in Ilam ?

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Thank You.

APPENDIX-B

Central Department of Economics

TRIBHUVAN UNIVERSITY

Questionnaire for the survey on Tourism in Ilam

QUESTIONNAIRE FOR THE HOTEL OWNERS

1. a) Name of Respondent:
b) Sex: M/ F
c) Age:
d) Marital Status: Single/Married
e) Education:
f) Address:
g) National:
2. Details about the Hotel/ Lodge or Shops.
 - a. Name:
 - b. Established Year:
 - c. Number of Employer:
3. How many tourists visit your Hotel/ Lodge each day?
.....
4. What is your total income of a month?
.....
5. Hotel/lodge running house is your own or rented?
Own..... Rented.....
 - 5.1. If rented how much do pay monthly/ yearly?
.....
6. How many rooms and beds are there in your hotel/lodge?

.....

7. How much do you pay for employers each month?

.....

8. What are peak Seasons?

- a. Summer b. Winter c. Spring d. autumn

9. Have you ever advertised your hotel?

.....

10. How long do the tourists stay in your hotel?

- a. Few hours b. 1-2 days c. above 2 days

11. What is the purpose if their visit?

- a. Sightseeing b. Pilgrimage c. Trekking & cycling
d. Recreation e. Research/Study f. Pleasure and Relax
g. Other

12. What facilities are bring provided at your Hotel?

- a. Fooding b. Lodging c. Transportation
d. Guides f. Entertainment

13. Is your hotel running in profit?

.....

14. What sorts of problem are facing to run this business?

.....

15. What should be done to improve tourism in

Il.....**Thank You**

d. Picnic e. Research/Study f. Pleasure and Relax

g. Other

7. When do tourists mainly visit your area?

a. Summer b. Winter c. Spring d. autumn

9. In what, tourists spend money the most?

a. Fooding b. Accommodation

c. Entertainment d. Others

10. What is your opinion about Ilam as a tourist potential destiny?

a. Excellent b. Good

c. Not so good d. Don't think so

11. What problems are you facing by t flow of tourist in Ilam?

.....
.....

12. What are the sources of your income?

a. agriculture b. Business

c. Tourism d. Livestock e. Service

13. How is your views on future scope of Tourism in Ilam?

a. Excellent b. Good

c. Not so good d. Don't think so

14. What is your suggestion towards promoting tourism in your area?

.....

Thank you

