# PROBLEM AND PROSPECTS OF TOURISM IN NEPAL:

## A study of Shivapuri-Nagarjun National Park, Kathmandu District, Nepal

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# Declaration

I hereby declare that the thesis entitled **Problem and Prospects of Tourism in Nepal: A Study of Shivapuri-Nagarjun National Park, Kathmandu District, Nepal** submitted to the Central Department of Rural Development, Tribhuvan University, is entirely my original work prepared under the guidance and supervision of my supervisor. I have made due acknowledgements to all ideas and information borrowed from different sources in the course of preparing this thesis. The result of the thesis have not been presented or submitted anywhere else for the award of any degree or for any other purpose. I assure that no part of the content of this thesis has been published in any form before.

**Binod Prasad Paudyal**

Date: 2073/9/24

# LETTER OF RECOMMENDATION

This thesis entitled in **Problem and Prospects of Tourism in Nepal: A Study of Shivapuri-Nagarjun National Park, Kathmandu District, Nepal** has been prepared by **Mr.Binod Prasad Paudyal** under my supervision and guidance.

I recommended this thesis for approval by the thesis committee.

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# APPROVAL SHEET

This thesis entitled **Problem and Prospects of Tourism in Nepal: A Study of Shivapuri-Nagarjun National Park, Kathmandu District, Nepal** submitted by **Mr Binod Prasad Paudyal** has been accepted and approved as a partial fulfillment of the requirements for the Degree of Masters of Arts in Rural Development.

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# ABSTRACT

Tourism is an important issue for the developing as well as developed nation. It has wide range of impact on the country on different aspects. Problems and Prospects of tourism are very remarkable and so it is very much discussed. This research report helps to identify the hidden Problems and Prospects as well as economic aspects of National Park which will help to increase the national revenue from this area. This study makes people know what Shivapuri-Nagarjun National Park really is and how it is contributing to the local economy like creating jobs, increasing local sales and what kind of problems existing there and what kind of prospects available etc.

In this research work Information were obtained by interviewing with 3 categories of respondents – tourists, hotel owners and local respondents like restaurant, different shops etc. **stratified Random Sampling** was done to collect data from tourists, local people and hotel owners found around Shivapuri- Nagarjun National Park. Altogether 30 tourists, 35 locals and 17 hoteliers were requested to fill up the questionnaire and also the semi or unstructured interviews, observation as well as focus group discussion methods were applied.

In sivapuri nagarjun national parks there are limited tourist attraction activities so the economic impacts are lesser than what it should be. Naturally Shivapuri Nagarjun National Park as a tourist destiny is full of attractions. The views of green, clean environment, lovely evergreen forest, different religious places, monasteries, temples, wetland etc are the main attractions of SNNP. In spite of having lots of encouraging factors, Shivapuri Nagarjun National Park is not being able to attract many tourists and needs promotion and development. The tourism activities have helped to the local people on job creation and on other activities little more.

There exist differences between modern traveling and traveling in the early period. If we promote and develop the rural eco tourism properly we can preserve and earn foreign currency as well. This study had found that service oriented activities and agriculture is are the major occupation of the study of this area, the prospects of the tourism in this area can be acquired by proper infrastructure development activities related with tourism and also participatory approach for mass people participation on preserve nature and income generating activities.

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# ACRONYMS

| | |
|---|---|
| BTDC | : Bhaktapur Tourism Development Committee |
| CBS | : Central Bureau of Statistics |
| CPC | : Canadian Park Council |
| GDP | : Gross Domestic Product |
| KTDC | : Kathmandu Tourism Development Committee |
| MOF | : Ministry of Finance |
| MOTCA | : Ministry of Tourism and Civil Aviation |
| NP | : National Park |
| NTB | : Nepal Tourism Board |
| SANP | : South African National Park |
| SNNP | : Shivapuri – Nagarjun National Park |
| WCMC | : World Conservation Monitoring Centre |
| WCPA | : World Commission on Protected Areas |
| WTTC | : World Travel and Tourism Council |

# CHAPTER- I

# INTRODUCTION

## 1.1 Background of the Study

Tourism is an ancient phenomenon. It is the travelling activities performed by human being and it is one of the largest businesses in the world. At present tourism is recognized as one of the chief industries throughout the world. Every country tries to get benefit from tourism. In many countries, it is one of the major sources of foreign exchange and employment. Besides this, tourism has also encouraged the growth of an international society of social and cultural attributes to much extent (Kunwar, 2003).

Modern transportation and communication system have narrowed down the world. The curiosity about distant land and culture, enjoying leisure and luxury in different places, exploring and enjoying the natural beauty, pilgrimage, education, business trips, excursion and seminars are the motives behind traveling from one country to another.

Nepal is unique destination of tourism. It is the country of Mt. Everest, birth place of Lord Buddha and Goddess Sita, home of world's famous Gorkha Soldiers and the land of living goddess along with rich and diverse culture and heritage. It has been one of the popular tourist destinations in the south Asia (Chaulaghain, 2013).

Tourism stats 2011/12 show that Overall tourism plays a vital role in the process of national development which is a boon to a country with other limited sources. In Nepal, tourism is not only an important source of foreign currency but also a major employment generating industry. At present this sector is contributing roughly US Dollar 359367000 of total foreign exchange earnings. In this modern world, tourism industry has been growing at an outstanding rate and it has appeared as the world's largest and greatest export industry. Following the advanced development of science, information and technology, the world from some years now has been global village. The basic information of the particular places through internet and electric Medias such as television and radio and the easy access with the speeding transportation, the human desire of traveling across has been increased more than ever in this century. The ample interference is that the tourism has been the fastest growing industry of the world.

The number of tourist arrival In Nepal has increased by 9.08 percent in 2012 as compared to its previous year reaching 803,092. The average stay of tourist in Nepal was 13.12 days in 2011 while this came down to 12.87 days in 2012. During this period, income generated through tourism sector was Rs. 30.7 billion while tourist per capita expense was US $34.93. The contribution of tourism sector to GDP has been 1.8 percent while this sector has provided employment directly to 160 thousand people (Economic survey, 2013).

Possessing eight of the ten highest mountains in the world, Nepal is known as one of the most visited adventure tourism destinations in the world. The mighty Himalayas, colorful mountains, and cheerful faces always attract the tourist. Nepalese are the ones who can smile even they are suffering from sorrows. The tourism industry employs 42% of the total working population, which depicts that most of the Nepalese are dependent on the tourism industry for their livelihood. Today, the responsible tourism is practiced by the Government of Nepal to ensure that environmental degradation does not occur as a product of tourism activities (NTB, 2010).

Nowadays, protected areas have a well-established connection with tourism which is appropriately reflected by the protected areas in Nepal. Tourists visit parks and protected areas because such areas provide experiences that cannot be encountered elsewhere. Tourism has rapidly become one of the most important development sectors in Nepal acting as the country's largest and most reliable source of foreign exchange earnings. The importance of tourism in Nepal is underlined by the fact that the total contribution of travel and tourism to GDP was 8.8 per cent in 2011 (WTTC 2013). As elsewhere in the world, protected areas have played a significant role in driving Nepal's tourism industry. If we look at the global trend, tourism has emerged as the fastest growing industry worldwide and has remained at the forefront of global economic growth. The World Tourism Organization has reported international tourist arrivals are on track to reach the milestone one billion later this year which will generate more than US $ one trillion in export earnings. On the other hand, there is growing inclination towards nature-based tourism, particularly dramatic growth rates to visit parks in developing countries. Nature based tourism is defined as 'any form of tourism that relies primarily on the natural environment for its attractions or settings. Therefore, the protected areas of Nepal are an obvious choice for the nature-based tourism.

Tourism has a variety of economic impacts. Tourists contribute to sales, profits, jobs, tax revenues, and income in an area. The most direct effects occur within the primary tourism

sectors such as lodging, restaurants, transportation, amusements, and retail trade. Through secondary effects, tourism affects most sectors of the economy. An economic impact analysis of tourism activity normally focuses on changes in sales, income, and employment in a region resulting from tourism activity (Telfer, 2008).

There are several other categories of economic impacts that can be called as secondary impacts of tourism. They are; Changes in prices -- tourism can sometimes inflate the cost of housing and retail prices in the area, frequently on a seasonal basis. Changes in the quality and quantity of goods and services – tourism may lead to a wider array of goods and services available in an area (of either higher or lower quality than without tourism). Changes in property and other taxes – taxes to cover the cost of local services may be higher or lower in the presence of tourism activity. In some cases, taxes collected directly or indirectly from tourists may yield reduced local taxes for schools, roads, etc. In other cases, locals may be taxed more heavily to cover the added infrastructure and service costs. The impacts of tourism on local government costs and revenues are addressed more fully in a fiscal impact analysis. There are also economic consequences of most social and environmental impacts that are not usually addressed in an economic impact analysis. These can be positive or negative. For example, traffic congestion will increase costs of moving around for both households and businesses. Improved amenities that attract tourists may also encourage retirees or other kinds of businesses to locate in the area (Saayman, Fouche, and Kruger, 2009).

A standard economic impact analysis traces flows of money from tourism spending, first to businesses and government agencies where tourists spend their money and then to : other businesses supplying goods and services to tourist businesses, households earning income by working in tourism or supporting industries, and the government through various taxes and charges on tourists, businesses and households.

Hence, naturally a beautiful country like Nepal, the tourism has its economic impacts on the economy. The tourism sector can play very positive role for the economic betterments. So that this sector is always should be kept in the concern.

**1.2 Statement of the Problem**

Tourism has its economic impacts to the local economy. The development of tourism provides economic empowerment for the rural and local groups. The continuous process of development and economic stability can only be obtained if all the community and local people will be engaged in the overall process of the development activities. Tourism development can be considered as one of the major source of economic development and local development. If included in the development process and sincere efforts are made, with the tourism development we will be able to put the tourism industry as one of the best source of economic development with the help of our naturally gifted natural resources (Chaulaghain, 2013).

Shivapuri-Nagarjun National park can be one of the best nearby source of tourism development as it is near from the capital city and provide wide ranges of touristic activities like bird watching, cycling, short routed trekking etc.  If the local and immediate groups of the community get the opportunity to take part directly and indirectly in the overall tourism development process such programmes will be more effectives and economic generating (ICIMOD, 2012).

Tourism potentiality that Shivapuri-Nagarjun national park has acquired has not been utilized properly. So tourism market is still to be identified and defined till now to increase its contribution. To extend the economic benefits on the local people of the study area there is important to introduce that place as the better touristic place and to make a recognizable centre on tourist map.Hence, this study tries to analyze the economic impacts of the tourism in the study area as well as it also recommends some suggestions for further development of the conserved areas in the economic development and betterment of the engaged people on this activities. The following study tries to finalize the answer of the following research question regarding the scope of the study.

 a. What portion of sales by local businesses is due to tourism?
 b. How much income does tourism generate for households and businesses?
c. How many jobs in the area does tourism support?
d. What kinds of problems and prospects are there in the study area?
e. How much do tourists spend in the area?

**1.3 Objectives of the Study**

The main objective of the study is to find out **the Problems and Prospects of the tourism** activities in the conserved areas in the overall process of national economic development in the study area.

On the basis of the main objective following specific objectives are made:

a. To analyze the average spending time and money of the tourists in the study area.
b. To examine the influences of tourism activities on local development.

## 1.4 Importance of the Study

Shivapuri-Nagarjun National Park (159 sq km) is situated on the northern fringe of Kathmandu valley and lies about 12 km away from the center of capital city. The area was gazette as the country's *ninth* national park in 2002. The park is easily accessible from Kathmandu. Visitors are attracted to the park for trekking. Trekking routes to Nagarkot, Gosaikunda, Helambu etc. Visitors can have breathtaking views of the high Himalayas from the northern aspects of the park. Likewise, the panoramic views of Kathmandu valley could be seen from the southern slopes of the park. Beside this there are so many areas where tourist can be attracted in this national park such as Bird Watching, Cycling, Trekking, Religious Visits, Viewing wide varieties of flora and fauna, One day outing for school children etc.

This research report helps to identify the hidden economic aspects of National Park and problems and prospects of tourism which will help to increase the national revenue from this area. This study makes people know what Shivapuri-Nagarjun National Park really is and how it is contributing to our national economy.

## 1.5 Limitation of the Study

This study is based and limited to the Shivapuri-Nagarjun National Park. The study is very specific like that of case studies. Only selective individuals were taken as sample to gather needed data. Altogether 30 tourists, 35 .individual local peoples and 17 hoteliers were taken as sample, which were selected from *stratified as well as convenience* sampling methods. Therefore, the conclusion drawn from this study is simple indicative rather than conclusive. The conclusions drawn could not be generalized for the whole. However, the inferences might be valid to some extent to those areas, which have similar socio-economic and

environmental settings and can be used as a source of secondary data for the development and implementation of similar programs.

## 1.6 Organization of the Study

This study is divided in to *five chapters*. Chapter one presents the background information and justifies the research problems. Within chapter one the objectives of the study, research questions, importance of the study and limitations are mentioned. Chapter two reviews available literature related to the study. Here different national and international literatures on the economic impacts of tourisms are reviewed. This chapter shows research gap on the proposed topic on the basis of reviewed literatures. Chapter three shows research methodology of the study. It describes about how research has been conducted on the field. It shows the short description of each data collection methods, data collection tools. It also identifies the source of data and their types. Chapter four is about analyzing models and data presentation of economic impacts of tourism in the study area. The final chapter ends with summary, conclusion, recommendation and some aspects of future research.

# CHAPTER- II
# REVIEW OF LITERATURE

## 2.1 Conceptual Review

Tourism in protected areas is considered to provide significant opportunities for economic advancement. Tourist expenditure on routes to the park and in communities adjacent to or within the area may be significant, leading to increased income, alleviation of poverty and opportunities for vertical advancement in the tourism business. There are so many studies carried out on tourism and its impacts. This study is focused on only the economic impacts of tourism. Many studies are found on this topic and they are reviewed for this research purpose.

(Acharya, 2005) Indicates that tourism is a product of three main elements: the destination, the hosts and the tourists. Socio-economic involves the study of the relationship between economic and social life. The goal of a socio-economic impact study is generally to bring about socioeconomic development, usually in terms of improvements in measures such as GDP, life expectancy, literacy, levels of employment, quality of life and income. Factors that influence the magnitude of the socio-economic impacts/benefits are the type of product, the number of people employed the number of visitors, the number of accommodation facilities, the type of accommodation, the length of stay, the number of activities, the location of product, the size of the town or city and availability of industries. A socio-economic impact study of a national park therefore goes beyond assessing income generated by the park, and involves the contribution of the park to the quality of life of the community.

And the economic impact of tourism depends on the distribution of tourist expenditure and linkages it has within the economy. Discussions on the economic impacts of tourism generally begin with the claim that tourist expenditure represents an injection of new money into a destination area. The main economic impacts of tourism relate to foreign exchange earnings, contribution to government revenues, generation of employment and income, and stimulation of regional development. Many economists agreed that for developing countries tourism seems an attractive proposition in earning much needed foreign currency. Tourism has stimulated employment and investment, modified land use and economic structure, and made a positive contribution to the balance of payment.

(Huhtala, 2007) Published an article about assessment of the local economic impacts of national park tourism: the case study of Pallas-Ounastunturi National Park, Finland. The objectives of this study was to determine how well the standard visitor survey measures visitor spending and to test whether the U.S. visitor-survey/input-output method is applicable in Finland, when the ultimate aim is to create a standardized method for estimating the local economic impact of nature tourism.

For the data collection they conducted the standard visitor's survey and expenditure dairy study. For this First, the questionnaire and diary delivery points were set, taking into account the entrance and exit points as well as the most typical routes inside the park. Then, based on the number of visitors and the staff's knowledge of the popularity of the places, a preliminary target number of responses were set at each point. The Student's T-test was applied for testing whether the continuous background variables of respondents in the expenditure diary study differed from those of standard visitor survey respondents, assumed to represent the visitor population.

The main findings of the study were although 60 % of all visitors visited the park in summertime, the impacts on the local economy were, by all measures, greater in winter, because wintertime visitors stayed longer and spent more money in the area. The indirect income impacts were less than one third of the direct impacts. The share of indirect jobs was a bit more than 10 % of the total employment effect. In the Pallas-Ounastunturi National Park, the induced impacts, calculated by applying the concept of marginal propensity to consume, were 342 000 euro. When the impacts were reviewed industry by industry, the most direct impacts occurred in traditional tourism businesses, such as accommodation and restaurant enterprises. Moreover, retail shops benefited from nature tourism. Much of the impacts were generated in the service sector, including, for example, real estate activities, financial intermediation and other community, social and personal service activities. Manufacturing businesses also seemed to benefit indirectly from tourism. Cottage owners, in particular, tended to stay in the area for longer periods and were more interested in using local services.

The study recommend that this study is focus on visitor spending survey method however in addition to visitor spending, another critical factor is the number of visitors, which also requires some careful investigation.

The straighten of this study is that it has made comparative study applying two methods of data collection and its results are interesting. But it has also weakness on it like dividing the visitors into groups based on their spending profile has no significant effect on the total economic impacts. The study is partial by its nature (Mouton, 2009) conducted a research about the socio-economic impact of an urban park: the case of wilderness national park, South Africa. The main objective of the study was to determine the socio-economic impacts of the wilderness national park on the community of wilderness. The researcher collected the primary data for the study. Three surveys were conducted to achieve the goal of this research, an overnight visitor survey in the Park, a business survey and a community survey in the town of Wilderness. This was done because of the lack of data and the small size of the local economy.

Main finding of this study were, Firstly, the Park has a positive economic and social impact in the Wilderness community. The results also confirm a greater social than an economic impact. Secondly, the economic impact of the Park is significantly influenced by five aspects, the scale of park operations, the short duration of stay of tourists, the size of the local economy, the community itself (affluent, with a number of holiday homes) and the small number of businesses in the area, which causes a large economic leakage. Thirdly, the social impact of the Park can be divided into two broad categories, its impact on the quality of life in general and its conservation value. Quality of life includes aspects/benefits such as the WNP promoting good values, enhancing community pride and image, contributing to increased employment opportunities in Wilderness, contributing to improved social and moral values and creating more opportunities to relax. The conservation value of the Park is influenced by the fact that it is an integrated urban park and, when compared to other studies conducted at national parks (Addo Elephant National Park and Karoo National Park), this Park had the highest social impact. Fourthly, this is an urban park and the results show that people move to Wilderness to stay there permanently, and that the Park has a positive impact/benefit on property prices. A significant increase in property prices has also been found in most other places surrounding national parks.

In this study the author has made some recommendation as: To increase the economic impact/benefits of the Park, management must increase both the length of stay and the number of tourists at the Park by developing better tourism infrastructure, such as more

accommodation units and a restaurant/shop, and the provision of more water-based activities, particularly as the Park is located near the coast. More research of this type must be conducted, since the results indicated that the factors influencing the magnitude of the socio-economic impact/benefits differ from one national park to the next. There is a need for SAN Parks to revise its policy regarding community involvement. This could, perhaps, be in the form of training workshops for life skills and conservation-related management. The results clearly show that the community expects more from the Park than the Park currently offers.

The study is that it has adopted good survey method for the collection of the data and well analyzed. But the results are not conclusive because of its limited coverage.

(Gurung, 2010) published the research article on trends in protected areas, the study of Australia. The focus of the study was to find out the trend pattern of the tourist visitation to the protected areas and its impacts on the respecter sides. It had other objective which is to identify what is known about visitor's trends in protected areas and what is not known. The study is based on the secondary data. An expert consultant was conducted to identify the trend in protected areas in Australia and internationally.

The major finding of the study areas; Over 84 million people visit protected areas each year contributing significantly to the $70 billion tourism industry. Approximately 1.4 million international tourists visited protected areas in 2005–2006, where iconic sites such as Kakadu and Uluru- Kata Tjuta National Parks and the Great Barrier Reef Marine Park stand out as key destinations. However, visitation to the Great Barrier Reef has been relatively stable over the past ten years, as has visitation to Kakadu which peaked in 1999 at 183 483 visitors and declined to 148 903 visitors in 2002. Contrastingly, visitation to Uluru-Kata Tjuta has nearly doubled in the past 14 years, from 175 000 visitors in 1987 to just fewer than 400 000 visitors in 2002. A similar trend appeared in international visitation to Australian parks which declined from 49% in 1998 to 43% in 2002. However, identifying visitation trends in Australia's protected areas is problematical because there is no consistent system for collecting or analyzing data or for gathering information on the revenue generation of visitation.

The emerging trend of climate change internationally has threatened mountain tourism in recent years. The use of resorts in mountainous national parks for adventure tourism and skiing is changing due to shorter and unpredictable winter snow falls and longer summers. Nevertheless, national parks and other protected areas present a best option for retaining

natural ecosystem resilience, reducing threats, and protecting refuges and other critical habitats for wildlife to adapt to climate change.

This report concludes that there are no systematic and consistent methods and processes to measure the visitation trends in protected areas internationally and in Australia. A number of recommendations are therefore proposed.

- A worldwide database to measure visitation trends in protected areas should be developed to inform policy makers and protected area management agencies globally because a lot of these 'trends' are not currently being monitored at a global level by the World Conservation Monitoring Centre (WCMC) or World Commission on Protected Areas (WCPA).

- A review of the current practice of information collection, analysis, publication and dissemination mechanisms of protected areas and tourism management agencies across Australia is essential for development of megatrends in visitor use of national parks and protected areas in Australia. It is imperative to develop a comprehensive, nationally consistent system for measuring the condition and trends with particular reference to how many visitors there are, which areas they visit, and what activities are they engaged with in both terrestrial and marine parks.

- Both domestic and international visitors are concentrated in iconic protected areas in Australia. Additional research is needed to determine their carrying capacity and the required financial and human resources to cope with the increasing demands on parks services and recreational activities.

- Understanding visitor demand for parks and protected areas should be the focus of future systematic and strategic studies in collaboration with protected area management agencies, the tourism industry and STCRC to transfer research outputs into outcomes of economic, environmental and social benefit to Australia.

- There is a need to identify best practices of sustainably managed tourism destinations in Australia and worldwide to learn from the best practices in protected area tourism.

The study is well organized and appreciable but this is not of Nepal.

(Saayman and Saayman, 2010), published a research article about the socio-economic impact of the Karoo national park, South Africa. The aim of this research was to estimate the socio-

economic contribution of the Karoo NP to the surrounding communities, with an additional focus on the community's involvement in the Karoo National park. The researcher conducted the primary survey to collect the data. They conducted the survey of visitors, survey of business and survey of community to find out the demand supply and community side impacts.

The main finding of their study were: businesses in Beaufort West clearly cannot distinguish between tourists and local shoppers, and this is because many tourists pass through Beaufort West when travelling and most tourists only make use of the Karoo NP as a 'stop-over' destination. Second, the multipliers created by the matrix inversion process are higher than those of the Addo National Park, which is to be expected given, that Beaufort West is a much larger town than Addo, Paterson or Kirkwood. The rationale behind the higher multipliers is intuitively correct, since Beaufort West is not situated close to any larger town that creates more extensive leakages in terms of employment creation and spending by households. Third, the fact that the park borders on Beaufort West and that Karoo NP staff are living in the community has a positive impact on community perceptions of the park. Fourth, the smaller the operation (for example, accommodation, tourist numbers and activities), the lesser the socio-economic impact. Fifth, the socio-economic impact of a tourist product is influenced mainly by length of stay and magnitude of spending.

The researcher has made some recommendation for future research that it is important to examine whether the existence of the Karoo NP changed tourism patterns to Beaufort West. The same research should also be conducted in other national parks, since this research clearly showed how two national parks, namely the Karoo National Park and Addo Elephant National Park, differ in their socio-economic impacts, and thus offer important lessons to be learned.

The straighten of this study is that the research find out the direct as well as the indirect impact of the national park in term so income employment and multiplier effect but the weakness of this study is that it is only focused on only two national parks called Karoo National Park and Addo Elephant National Park.

The Outspan Group Inc. (1011), studied about the economic impacts of parks Canada. It is a comprehensive study about the Canadian parks. And the study was funded by the Canadian parks council (CPC). This study was focused to derive a valid assessment of the economic impacts of Parks Canada and its visitors. This study is based upon 37 national parks, 2

national marine conservation areas, and 91 national historic sites of Canada. This study incorporates data on the expenditures of Parks Canada on operations and development, as well as the spending of Parks Canada's visitors attributable to Parks Canada heritage locations. The fiscal year 2008/09 was used as the base year for the study.

## 2.2 Contributions of Tourism in Economy

The measures of economic impacts used in this study are defined as:

Gross Domestic Product - GDP includes labor income and the net income of incorporated businesses (profits), in simpler terms, it represents the net value of production (or value added) resulting within defined geographical boundaries.

Labor Income - This includes workers wages (amount of wages and salaries paid to individuals), supplementary labor income and the net income of unincorporated businesses.

Employment - Employment, measured as Full-Time Equivalents (FTEs), is the equivalent of one year of work for one person.

Tax Revenue - In this study taxes are calculated by jurisdiction – i.e. at the federal, provincial/territorial and municipal levels.

This study find out that In 2008/09 Parks Canada's organizational spending and visitor spending totaled $3.3 billion. Of this amount, visitor spending accounted for $2.7 billion and $587 million was spent by Parks Canada on the three program areas. The overall national economic impacts derived from the spending attributed to Parks Canada on the Canadian economy are: $2,988 million contribution on GDP, $1,925 million labour income, 41,720 fulltime equivalents employments and $218 million tax revenue generation.

With visitors accounting for 81.8% of total spending, it is reasonable to expect visitor spending to have the greater impact. In fact, visitor spending generates 75.5% of the GDP impacts; 75.8% of employment impacts and 62.5% of the tax impact. Spending by non-Canadian visitors to Parks Canada locations – $1.2 billion – represents 45% of all visitor spending. The impact generated by this non-Canadian visitor spending contributes to Canada's balance of international payments and creates a GDP impact nationally of $967 million and adds $57.5 million to tax revenues.

This comprehensive study is able to analyze the economic impacts of tourism in both national levels as well as in provincial territorial level. This study was of Canadian Parks so that we have to do same type of research in our context.

Pandey and Pandey (2011), studied about the socio economic impacts of agro tourism as a case study of Bhaktapur Nepal. The main aim of the study was to find out the economic impacts of the agro tourism on the study area. The study used both primary and secondary data. Required primary data was collected from direct personal interview with tourists and local people including farmers and businessman. Likewise, participatory rural appraisal (PRA), key informant survey (KIS) were also conducted with local leaders and Bhaktapur Tourism Development Committee (BTDC). In addition, secondary information was collected from Government and Non-Government organizations. The data were analyzed using qualitative and descriptive methods.

The major conclusion of the study was that In Nepal, tourism and agriculture are the two major elements of its socio-economic development, acting as revenue generating industries with multiplier effects on the economy and contributing heavily to GDP with significant employment and rural income generation. Among the mid-hill districts of Nepal, Bhaktapur distinctly maintains both of the two major contributing sectors of the economy, agriculture and tourism. Both of these sectors serve to enhance gender equality, women participation in decision making, and benefits for the socio-economic development of Nepal in general and Bhaktapur in particular, depends heavily on harnessing the potentials of tourism, handicrafts, and high value low-volume agricultural products and human resources. Given the long awaited Nepalese people's desire for a nation building process, tourism and agriculture are crucial sectors of the Nepalese economy with competitive and comparative advantages, and which enhance each other's performance.

The researcher recommended that for the promotion of the touristic activities of the Bhaktaper and to realize better economic impacts to the locals the tourism promotion activities and the maintenance of the cultural heritages should done by the locals as well as by the government and  Bhaktapur municipality.

(Banskota, 2012), published a research article about Impact of tourism on local employment and incomes in three selected destination: case studies of sauraha, Nagarkot and Bhaktapur. The main objective of research was to assess some direct impacts of tourism in the local

Economy of selected destinations. The primary survey was conducted to collect the data and descriptive statistical tools were used to analyze the data.

The main findings of the study were as of below: First, Guest houses have a relatively greater problem of occupancy in the slack season and, as a result, majority (84%) of the guest houses reduces their tariff rates. On the other hand, the hotels face a relatively fewer problems since only 52% of them reported to reduce tariff rates. Second, 11 staffs are the average permanent employees per establishment- hotel guesthouse. Third, Majority of the hired persons were from local areas 56% and 22% from peripheral areas. Fourth, the average annual salary per staff across the destinations was estimated to be fairly competitive and was respectively Rs. 82,166, Rs. 86,016 and Rs. 78,778 in Sauraha, Nagarkot and Bhaktapur. Fifth, this result indicates that there is a fairly good linkage between the tourism sector and the local economy in all study areas. Sixth, Most of the expenses on non food items actually go to the peripheral areas (55%). Vii) Most of the locally produced vegetables and other food items were consumed by hotels and other establishment of the study area.

The researcher has made some recommendation that the local areas adjacent to tourism destinations appear to have a comparative advantage in vegetable production and should gradually move to specialize in this activity. There is also scope to develop the livestock industry to supply larger quantities of fresh meat and eggs. In many places local people will become able to perform cultural shows, and besides earning incomes some will be able to promote their local culture as well.

The Strengthen of this study was that it found some direct benefits of the tourism in the local community and be able to recommend on some important economic aspects. The weakness of the study was that the study was unable to provide the full picture of the impacts of tourism sector in the study area due to its limited coverage.

(Chaulaghain, 2013), prepared a thesis about tourism potentialities in conservation areas of Nepal- the case study of Shivapuri- Nagarjun national park. The main objective of the study was to find out the major contribution of the conserved area on the overall national tourism development. The aim of this study was to explore the selected conserved area from touristic point of view. All the primary data were collected from the tourists, local people and hoteliers related to the study area. Similarly, the secondary data was collected from the published or unpublished written documents from the individuals, experts and organization related to the selected conservation area. To generate the primary data, the structured questionnaires, semi

or unstructured interviews and observation as well as focus group discussion method was applied. The research is descriptive on its nature.

The finding of the study is that Tourism has become a main employment as well as foreign currency generator for Nepal. In some cases, the development of tourism may be the only means of promoting the economic advancement of less developed areas. The under-developed areas of the country can greatly benefit from tourism development. Tourism provides jobs for a large number of skilled and unskilled workers. Construction of new buildings and hotels and tourist facilitator has been providing job to the number of people. Impact of tourism upon employment is very important and clear in Shivapuri Nagarjun National Park also.

The major direct economic effect of tourism relates to employment. The tourism industry is a highly labor-intensive service industry and hence is a valuable source of employment. The study shows that 61 persons are being employed by the establishment of hotels in Shivapuri Nagarjun National Park. Out of them, 32 are locals i.e. 52.45 % locals are employed due to tourism. Tourism has its impact on social condition of Shivapuri Nagarjun National Park too. The development of tourism industry has brought a number of changes on the lives of local people, people got many jobs to do, land has became expensive, modification in tradition and lifestyle and so on. The study has found that Maximum numbers of tourists (35.72 percent) are of the idea that there are no good hotels and restaurants in the area. 23.81 percent are of view that there is lack of transportation and communication. The roads are well built up but the local vehicles are always a trouble in Shivapuri Nagarjun National Park area. There are not sufficient local vehicles for safe and comfort travel to those areas. In addition the available buses are so slow.

The researcher has put forward some recommendations on the basis of the study conducted:

- Publicity and Advertisements:

  The locals should organize Shivapuri Nagarjun National Park festivals at least once a year and invite every travel and tourism related agencies to participate so that they may know the potentiality of the area and refer to travel there. So the locals can bet better economic benefits.

- Communication:

  It is recommended to build up a separated website for disseminating information regarding Shivapuri Nagarjun National Park , booking hotels, accommodation charges, facilities available, places to watch etc.

- Transportation:

  There should be well transportation facilities for development of tourism. Only better roads do not mean that the transportation facility is better, rather it needs adequate local vehicles, taxi stands, petrol pumps, better workshops and also the road signs. The parking lots are also essential for safe parking of vehicles.

- Good Quality Hotels:

  Establishment and management of two grades of hotels are recommended – expensive and luxurious hotels/ restaurants for foreign tourists, moderate and cheap for domestic tourists. Economic resorts focused on internal tourism encourage local people too.

- Trained Manpower:

  Basic tourism training should be given to those employees who are employed in tourism related activity as hotels, restaurants, transportation, communication etc.

The limitation of this study is that this study was based limited to the Shivapuri-Nagarjun National Park. The conclusion drawn from this study is simple indicative rather than conclusive.

(WTTC, 2013), prepared a research report about the economic impact of travel and tourism industry. That particular research on Nepalese economy assesses the Travel & Tourism industry's contribution to GDP and jobs creation in the national economy of Nepal. WTTC has an on-going commitment to align its economic impact research with the UN Statistics Division-approved 2008 Tourism Satellite Account: Recommended Methodological Framework (TSA: RMF 2008).

That major facts explored by the study were; the direct contribution of Travel & Tourism to GDP in 2012 was NPR67.2bn (4.3% of GDP). This is forecast to rise by 7.3% to NPR72.2bn in 2013.This primarily reflects the economic activity generated by industries such as hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). But it also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists. Travel & Tourism generated 553,500 jobs directly in 2012 (3.6% of total employment). This includes employment by hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). It also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists. Visitor exports are a key component of the direct contribution of Travel & Tourism. In 2012, Nepal generated NPR36.6bn in visitor exports. In 2013, this is expected to grow by 2.1%, and the country is expected to attract 946,000 international tourist arrivals. By 2023, international tourist arrivals are forecast to total 1,318,000, generating expenditure of NPR55.6bn, an increase of 4.1%.

## 2.3 Research Gap

There are so many studies about the impacts of tourism because it has become the most important source of foreign currency generation for developed as well as developing countries. By its labor intensive nature it provides job for mass people and open the door for entrepreneurship development, touristic business, promotion of local goods etc. beside this there are so many negative consequences of the tourism like environmental degradation, problem of waste management, cultural chaos etc, they are also studied. Protected area or national park tourism has its economic values along with its environmental, ecological and socio- cultural values. So, that the researches has carried out researches covering these all aspects of tourism.

We can find so many economic impact studies on tourism business. Several factors contribute to the economic emphasis of the majority of tourism impact studies. Firstly, compared to physical and social impacts, economic impacts are relatively easy to measure whereas physical and social impacts are difficult to quantify. Few researchers try to assess the qualitative aspects of tourism impacts. Secondly, there is a lack of availability of reliable data on physical and social aspects of tourism. For assessing the economic aspect of tourism, data on expenditure, employment, income and tax revenues should be readily available. So research on economic impact of tourism dominates the tourism research. Thirdly, government and private sector investors believe that tourism can yield rapid and considerable returns on

investments and can be a positive force in remedying economic problems and they have often seen tourism as a means of counteracting the economic difficulties that they face. So, organizations usually promote and sponsor research focusing on the economic benefits only.

If we Concern on our study area - Shivapuri-Nagarjun national Park, some ecological, environmental and socio-economic studies are carried out but there is a gap of good economic research. The concern of this study is therefore, to fulfill this gap by conducting research on economic impacts of tourism on the study area. The best focus of this research is to answer the following questions like what portion of sales by local businesses is due to tourism, how many jobs in the area**.**

## 2.4 Empirical Review

Tourism businesses are strong advocates of the economic benefits that tourism brings to the change in the Nation's economy. Tourism provides one of the few 'sustainable' industries which are compatible. Tourism supports high levels of employment, which in turn has the potential to maintain the welfare of the local community. the support of tourism spend transcends a multitude of other business sectors; and tourism helps to support other local amenities (including retail and leisure) and services (transport) which would otherwise not be viable.

The economic impacts of tourism in economic aspects may be negative or positive. In this research only the positive economic impacts are discussed. Main economic impacts of tourism are as below:

- Foreign currency earning
- Employment generation
- Increase in Government revenues
- Improve shopping centers
- Improve quality of service
- Change in the sales
- Promotion of local goods etc

Among above stated all impacts; in this research the impact on employment, tax contribution, quality of services, change in sales and promotion of local goods are discussed in this research work.

The tourism has impacts on society, culture, environment and economy of any locality. The impacts may be either positive or negative. With the tourism activities the people may realize different changes on their different aspects of life, culture and the locality- the environment. This research is only focus on the economic impacts of tourism so that the economic impacts of tourism are defined as below:

**2.5 Economic Impacts of Tourism**

Tourism has a variety of economic impacts. Tourists contribute to sales, profits, jobs, tax revenues, and income in an area. The most direct effects occur within the primary tourism sectors --lodging, restaurants, transportation, amusements, and retail trade. Through secondary effects, tourism affects most sectors of the economy. An economic impact analysis of tourism activity normally focuses on changes in sales, income, and employment in a region resulting from tourism activity. The economic impacts of tourism are classified and described as:

**Direct, Indirect and Induced Effects**

A standard economic impact analysis traces flows of money from tourism spending, first to businesses and government agencies where tourists spend their money and then to:

- other businesses -- supplying goods and services to tourist businesses,

- households – earning income by working in tourism or supporting industries, and

- government -- through various taxes and charges on tourists, businesses and households

Most of the economists distinguish direct, indirect, and induced economic effects. Indirect and induced effects are sometimes collectively called secondary effects. The total economic impact of tourism is the sum of direct, indirect, and induced effects within a region. Any of these impacts may be measured as gross output or sales, income, employment, or value added. Definitions of these terms are as:

**Direct effects:** Is production changes associated with the immediate effects of changes in tourism expenditures. For example, an increase in the number of tourists staying overnight in hotels would directly yield increased sales in the hotel sector. The additional hotel sales and associated changes in hotel payments for wages and salaries, taxes, and supplies and services are direct effects of the tourist spending. Point wise the direct effects of tourism are as follow:

- Income generation: Tourism helps to generate new income to the area. The expenditure of the tourists is income for the related persons and institution engaged on those activities. Tourists spend on different titles and this is income for the related business.

- Job creation: Tourism is the labour intensive business. Numbers of person can get job with the increase in the tourism activities. Basically jobs are created on lodging, fooding, entertainments, and transportation business.

- Promotion of local sales: Tourists are so much interested to local cultures, food and other attractions. So that with the tourism business local sales increases. The foods, handicrafts, goods produced with endogenous knowledge are the saleable products.

- Infrastructure development: The tourism activity helps on infrastructural development. Hotel, road, drinking water, and other infrastructure are developed with the tourism business.

- Tax contribution: Government can impose tax on different activities. With the rapid development in the tourism activities the tax of the government also increases.

**Indirect effects:** are the production changes resulting from various rounds of re-spending of the hotel industry's receipts in other backward-linked industries (i.e., industries supplying products and services to hotels). Changes in sales, jobs, and income in the linen supply industry, for example, represent indirect effects of changes in hotel sales. Businesses supplying products and services to the linen supply industry represent another round of indirect effects, eventually linking hotels to varying degrees to many other economic sectors in the region.

**Induced effects:** are the changes in economic activity resulting from household spending of income earned directly or indirectly as a result of tourism spending. For example, hotel and linen supply employees supported directly or indirectly by tourism, spend their income in the local region for housing, food, transportation, and the usual array of household product and service needs. The sales, income, and jobs that result from household spending of added wage, salary, or proprietor's income are induced effects. By means of indirect and induced effects, changes in tourist spending can impact virtually every sector of the economy in one way or another. The magnitude of secondary effects depends on the propensity of businesses and households in the region to purchase goods and services from local suppliers.

# CHAPTER- III
# RESEARCH METHODOLOGY

## 3.1 Research Design

This research is carried out based on exploratory research design because the study will focus on to investigate the arrival of tourist in the National park areas, their major activities and the effect made by them. It also deals with how their effective participation can be made and gaining maximum benefit from them. Moreover, the study is focused to find out the economic impacts especially direct impacts of their activities in and around the protected areas.

Besides, the study attempt to describe the things related to the tourism development in protected areas such as field office for tourist help programmes, conservation awareness programmes, continuity of tourist attraction in conserved areas and the finding are described. Thus, this study has made descriptive analysis on the matter.

## 3.2 Rationale of the Selection of the Study Area

**Shivapuri-Nagarjun National Park** is the ninth national park in Nepal and was established in 2002. It is located in the country's mid-hills on the northern fringe of the Kathmandu Valley and named after Shivapuri Peak of 2,732 m (8,963 ft) altitude. It covers an area of 159 km$^2$ (61 sq mi) in the districts of Kathmandu, Nuwakot and Sindhupalchowk, adjoining 23 Village Development Committees. Shivapuri National Park lies on the northern side of the Kathmandu Valley, only about 12 km from the capital. Shivapuri was established as a wildlife reserve in 1985 but measures for its protection were initiated as early as 1975 under the Shivapuri Watershed Development Board. It was designated a national park in 2003. Shivapuri (2730 m) is the second highest mountain that surrounds the Kathmandu Valley. It is the main source of the rivers Bagmati and Vishnumati that flow from the southern slopes of the mountain; streams on the northern slopes drain into the Likhu Khola. About 50% of the park remains forested.

The selected area has great potentiality to attract tourists and given top priority in local level touristic destination as it lies close to capital city by related agencies and government. Most of the aspects of tourism as Religious/ Pilgrimage Tourism, Rural Tourism, Eco- tourism, Cultural Tourism, Village Tourism, Agro-tourism, Ethnic Tourism, Adventure Tourism, Sightseeing Tourism, Nature tourism, Bird watching Tourism etc. have potentiality there.

### 3.3.Population, Sample Size and Sampling Procedure

The sample sizes of the study area were 17 hotels and Guesthouses (out of the 30), 35 local respondents (Out of 70 ) and 30 tourists and visitors all together 82 sample are taken.

### 3.3.1 Sampling Procedure

The tourist, hoteliers and local despondences are sample for the study purpose. The locality of the study was first divided in to **5 strata – sundatijal, panimuhan, mulkharka, chisapani and Nagarjun**. The national park is separated with two part- shivapuri and nagarjun so the sample are taken to cover the most affected or important parts of the park and samples are drawn from those particular strata. The **stratified random sampling and convenience sampling** procedures were used to collect the data.

### 3.3.2 Sources of Data Collection

All the primary data are collected from the visitors, tourists, hotel owners and professionals visiting the study area. Similarly, the secondary data are also collected from the published or unpublished written documents from the individuals, experts and organization related to the selected conservation area. So that in this research work both primary and secondary sources of data are used.

### 3.4 Data Collection Tools and Technique

To generate the primary data, the structured questionnaires, semi or unstructured interviews and observation as well as focus group discussion method was applied.

### 3.4.1 Questionnaire Survey

Structured questionnaire was prepared to generate the realistic and accurate data from the visitors and selected personals. The respondents were requested to fill up the questionnaire. In case of the respondents who cannot fill up the questionnaires, the questions were asked to respondents and answers are filled up to collect the required data.

### 3.4.2 Key Informant Interview

The primary data was also collected from key informants using the semi or unstructured interview method. The interview was taken as cross checking for data obtained from questionnaire.

The informants were the national park related local people, army personal; they were interviewed on the impact of the tourism in conservation area, local community development activities, tourist infrastructure development activities etc.

### 3.4.3 Observation

Direct observations were made by the researcher during the study time. It was focused on finding out the view on the proposed study related objectives.

# CHAPTER -IV
# DATA PRESENTATION AND ANALYSIS

People visiting in and around Shivapuri- Nagarjun National Park were taken as sample. Information was obtained by interviewing with 3 categories of respondents – tourists, hotel owners and local respondents like restaurant, different shops etc. stratified Random Sampling was done to collect data from tourists, local people and hotel owners found around Shivapuri-Nagarjun National Park. Altogether 30 tourists, 35 locals and 17 hoteliers were requested to fill up the questionnaire and also the semi or unstructured interviews, observation as well as focus group discussion methods were applied to generated relevant information on the subject matter. According to the objective this chapter is divided on following 5 sub headings as:

A: Demographic information of the respondents

B: Spending of the tourist in this area

C: The establishments and the jobs created by them in the study area

D: Tax revenue generated from tourism activities to the government

E: Sales by local businesses and portion of sales due to tourism

F: Different opinion regarding the impact of tourism

G: Problems and prospects of tourism in the study area

The descriptive statistical values are find out and the findings are presented using different descriptive tools like, pie chart, graph, tables etc.

## 4.1 Demographic Information of the Respondents

Spending time by visiting different beautiful places has become the part of life style. But there are also some factors which will influence these activities. There are, in fact, many socio-economic factors which are important. These factors include:

- Income
- Mobility
- Age
- Occupation
- Sex
- Travel cost

So that the questions were asked for the respondents on their different backgrounds and they are presented as below:

### 4.1.1 Age Composition of the Respondents

Age also affect demand. More and more, younger people are taking holidays now. Younger groups participate more in travel because of more income and energy they have for travel. Therefore, age composition is one of the prominent components for traveling. Likewise the other respondents of this study are hotel owners, restaurant owners and the local shop owners and others. The age of these all respondents are shown in Table 4.1.

**Table 4.1: Age Composition of the Tourists**

| Age Group | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| Below 20 | 7 | 23.3 | 23.3 | 23.3 |
| 20-30 | 13 | 43.3 | 43.3 | 66.7 |
| 30-40 | 7 | 23.3 | 23.3 | 90.0 |
| Above 40 | 3 | 10.0 | 10.0 | 100.0 |
| Total | 30 | 100.0 | 100.0 | |

Source: Field survey, 2016

Table 4.1 shows the age composition of tourists traveling Shivapuri Nagarjun National Park and the other respondents who were studied as sample of this study. It shows that 43.3 percent of the tourists are of age 20-30 that are keen to travel, followed by age group 30-40 and less than 20. This shows that more the age, less the people travel.

**Table 4.2: Age Composition of the Restaurants and local Shops Owners**

| Age Group | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| Below 20 | 8 | 22.9 | 22.9 | 22.9 |
| 20-30 | 11 | 31.4 | 31.4 | 54.3 |
| 30-40 | 9 | 25.7 | 25.7 | 80.0 |
| Above 40 | 7 | 20.0 | 20.0 | 100.0 |
| Total | 35 | 100.0 | 100.0 | |

Source: Field survey, 2016

Table 4.2 shows that the 31.4% restaurants and local shop owners are of the age of 20-30 followed by the age group 30-40, below 20 and above 40.

**Table 4.3: Age Composition of the Hotel Owners**

| Age Group | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| Below 20 | 3 | 17.6 | 17.6 | 17.6 |
| 20-30 | 7 | 41.2 | 41.2 | 58.8 |
| 30-40 | 5 | 29.4 | 29.4 | 88.2 |
| Above 40 | 2 | 11.8 | 11.8 | 100.0 |
| Total | 17 | 100.0 | 100.0 | |

Source: Field survey, 2016

The hotel owners are in different age group as stated in table 4.3.

**4.1.3 Locality of Restaurants Owners and local Shops Owners**

**Table 4.5: Locality of Restaurants Owners and Local Shops**

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| Local | 24 | 68.6 | 68.6 | 68.6 |
| Outsider | 11 | 31.4 | 31.4 | 100.0 |

| | | | | |
|---|---|---|---|---|
| Total | 35 | 100.0 | 100.0 | |

Source: Field Survey, 2016

Table 4.5 shows that the 68.6% restaurants and local shops owners are local and only 31.45 are outsider. It indicates that the tourism activities have provided self employment to the local of the study area.

### 4.1.4 Locality of Hotel Owners

**Table 4.6: Locality of Hotel Owners**

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| local | 12 | 70.6 | 70.6 | 70.6 |
| Outsider | 5 | 29.4 | 29.4 | 100.0 |
| Total | 17 | 100.0 | 100.0 | |

Source: Field Survey, 2016

Table 4.6 shows that the 70.6% of the hotel owners are local. Remaining 29.4% are outsiders from Nepal. The local are interestingly engaged on the hotel business in this area.

### 4.1.5 Occupation of the Tourist Visiting SNNP

The tourists visiting SNNP has found that of doing different jobs as below:

**Table 4.7: Occupation of the Tourist Visiting SNNP**

| Occupation | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| Government job | 5 | 16.7 | 16.7 | 16.7 |
| Non government job | 6 | 20.0 | 20.0 | 36.7 |
| Business man | 6 | 20.0 | 20.0 | 56.7 |
| Student | 4 | 13.3 | 13.3 | 70.0 |
| Other | 9 | 30.0 | 30.0 | 100.0 |
| Total | 30 | 100.0 | 100.0 | |

Source: Field Survey, 2016

### 1.1.6 Other Occupation of the local shops and Restaurant Owners

Table 4.8 present the other occupation of the restaurants and local shop owners.

**Table 4.8: Other Occupation of Local shops and Restaurants**

|  | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| Yes | 8 | 22.9 | 22.9 | 22.9 |
| No | 27 | 77.1 | 77.1 | 100.0 |
| Total | 35 | 100.0 | 100.0 | |

Source: Field Survey, 2016

The table 4.8 shows that 77.1 % of the restaurants and local shop owners are not engaged to other jobs beside of their main business. Remaining 22.9% not only the shop or restaurant business does other jobs too.

### 4.2 Spending of the Tourist in the Study Area

The number of Tourist along is not the determining factor for economic effects. If the visits of tourist is with full of the demand then we can realized the economic effects on the people. So that the quality of tourist is important factor for economic effect. Spending of the tourist is so that vary important factor on tourism's economic impact analysis.

The tourist spends their amounts on different things. The spending is directly guided by different factors like income of the tourist, supply of tourist goods in the area and so on. Here in this study some of these aspects are discussed as below:

### 4.2.1 Economic Background of the Tourist

All together 30 tourists were sampled in this study from different part and profession throughout the world and the economic background was found as below. The mean value for this statement was 1.833 and mode value was 1. That indicates that 61.11% tourist, their economic background was found good. The details of finding were as follow:

**Table 4.9: Economic Background of the Tourist**

| Economic condition | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| good | 15 | 50.0 | 50.0 | 50.0 |
| average | 5 | 16.7 | 16.7 | 66.7 |
| affluent | 10 | 33.3 | 33.3 | 100.0 |
| Total | 30 | 100.0 | 100.0 | |

Source: Field Survey, 2016

According to the data on table 4.9 the economic condition of 50% tourist is good. That of 33.3% is affluent and the economic condition of 16.7% tourist is found average. The same data is presented on following figure.

**Figure 4.2: Economic Background of the Tourist**
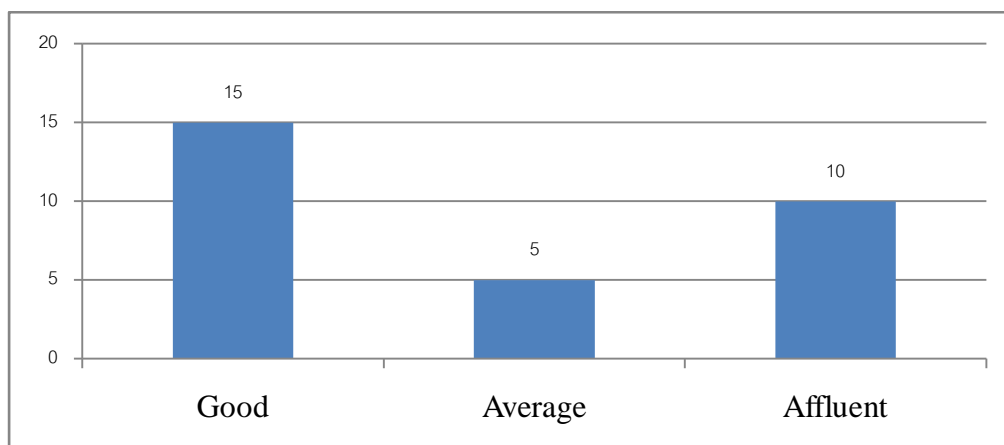


Source: Field Survey, 2016

**4.2.2 Means of Transportation Used**

Travel and tourism involves the movement of people from their place of residence to a tourist place and, in consequence, the relationship between transport and tourism development is a vital area of tourism studies. For development of any destination, adequate and efficient transportation infrastructure is one of the most important aspects.

The destinations which can be reached by efficient transport systems are those which receive maximum number of tourists. Transport, therefore, is one of the basic components of tourism. The mean value for this statement was 3.167 and mode value for this was found 3. The mean value and mode indicates that about 63.33% tourist went there by motorcycle.

**Table 4.10 Means of Transportation used by Tourists visiting SNNP**

| Means of transportation | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| local vehicles | 5 | 16.7 | 16.7 | 16.7 |
| taxi | 2 | 6.7 | 6.7 | 23.3 |
| motorcycle | 13 | 43.3 | 43.3 | 66.7 |
| private vehicles | 3 | 10.0 | 10.0 | 76.7 |
| travel couch | 7 | 23.3 | 23.3 | 100.0 |
| Total | 30 | 100.0 | 100.0 | |

Source: Field Survey, 2016

**Fig 4.3: Means of Transportation used by Tourists visiting SNNP**
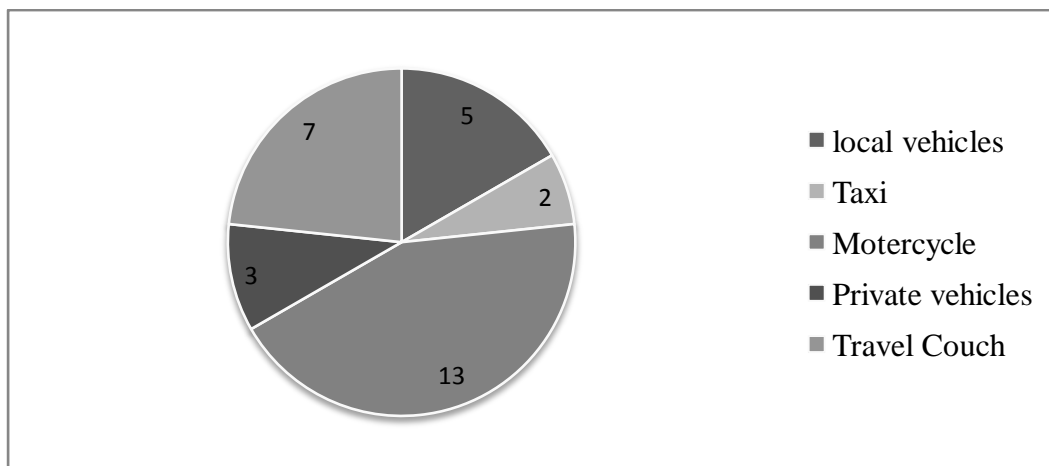


Source: Field Survey, 2014

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Table 4.10 and figure 4.3 shows the means of transportation used by tourists visiting Shivapuri Nagarjun National Park, which indicates 43.33% people are traveling using motorcycle, followed by Travel couch, local vehicles and taxi. Most of the Nepali visitors are found that they go there on motorcycles. Most of the tourists go there on travel coach provides by hotels. They visit there with travel guides due to that the SNNP is full of wildlife.

### 4.2.3 Length of Stay of Tourists

Among the important inputs which flow into the tourist system is tourist accommodation. Accommodation facilities constitute a vital and fundamental part of tourist supply and an important feature of the total tourist image of a county. Many countries have recognized the vital importance of accommodation industry in relation to tourism and their governments have coordinated their activities with the industry by way of providing attractive incentives and concessions to suppliers of tourist accommodation, which have resulted in the building up of advanced types of accommodation.

For successful tourism, accommodations must be available in sufficient quantity to match the demand of the travelers who arrive at the destination. Hotels vary tremendously in their physical facilities, level of maintenance and cleanliness and services provided. Length of stay of tourist depends on the accommodation facility of the area. Better and reasonable the accommodation facility, more the tourist want to stay in that area. During my visits most of the tourists don't stay this area because of lacks of good hotels and other facilities. The mean value for this statement was 1.76 and mode was 1. That indicates that in average the tourists stay there for few hours only.

**Table 4.11: Length of Stay of Tourists**

| Tourist stay | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| Few hours | 13 | 43.3 | 43.3 | 43.3 |
| 1 day | 11 | 36.7 | 36.7 | 80.0 |
| More than 1 day | 6 | 20.0 | 20.0 | 100.0 |
| Total | 30 | 100.0 | 100.0 | |

Source: Field survey, 2016

Table 4.11 shows the length of stay of tourist visiting Shivapuri Nagarjun National Park. This indicates most visitors stay in Shivapuri Nagarjun National Park for just few hours. This is due to the fact that Shivapuri Nagarjun National lies very near to the capital city. It shows that attractive hotels with full facilities still needs to be increased in this area because higher the length of stay, higher the tourists pay and ultimately increases the economy of that area.

### 4.2.4 Average Spending of the Tourist Visiting SNNP

The mean value for this statement was 2.70 and mode value was 3. That indicates that most of the visitors visiting SNNP spend about 1000 to 2000 rupees on this area.

**Fig 4.4: Average Spending of the Tourist Visiting SNNP**
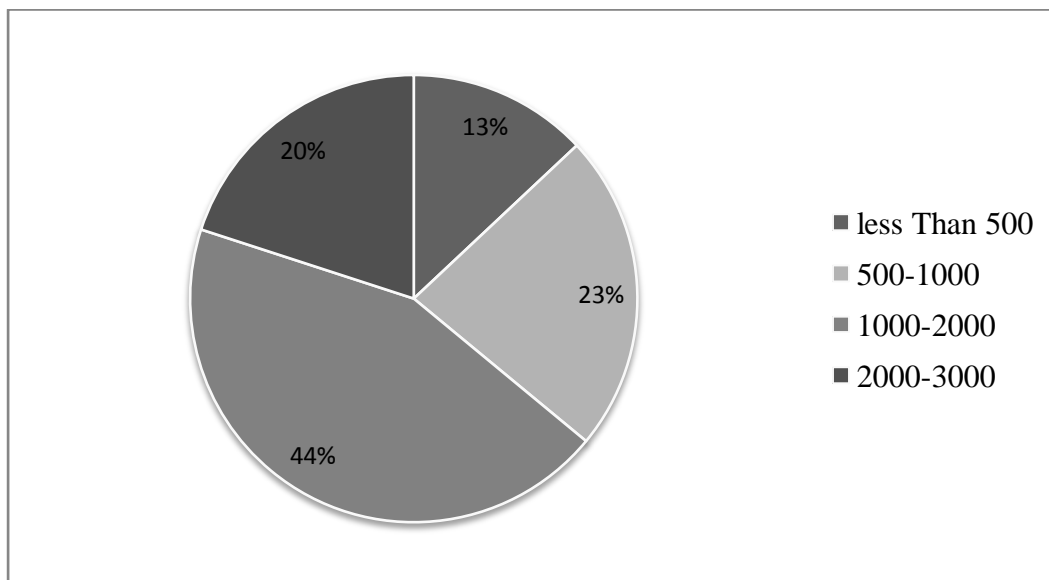


Source: Field survey, 2016

Above figure shows that 13% tourists spend less than 500 in the visits to the SNNP, 23% spend 500-1000. 44% spend 1000-2000 and remaining 20% spend 2000-3000 for the visits. The data indicates that the spending of the tourist is varied. The Nepali visitors spend less compared to the foreign tourists. The spending of tourist can be increased supplying the attractive local goods to the tourists.

### 4.2.5 Opinion on Tourists Spending

This question was asked to the local shop owners, restaurants, hotels and guesthouses. Respondents on this issue are 30+ 35 = 65. The responses are given as below:

**Figure 4.5: Opinion on Tourists Spending**



**Tourists spend sufficient amounts on their visits**
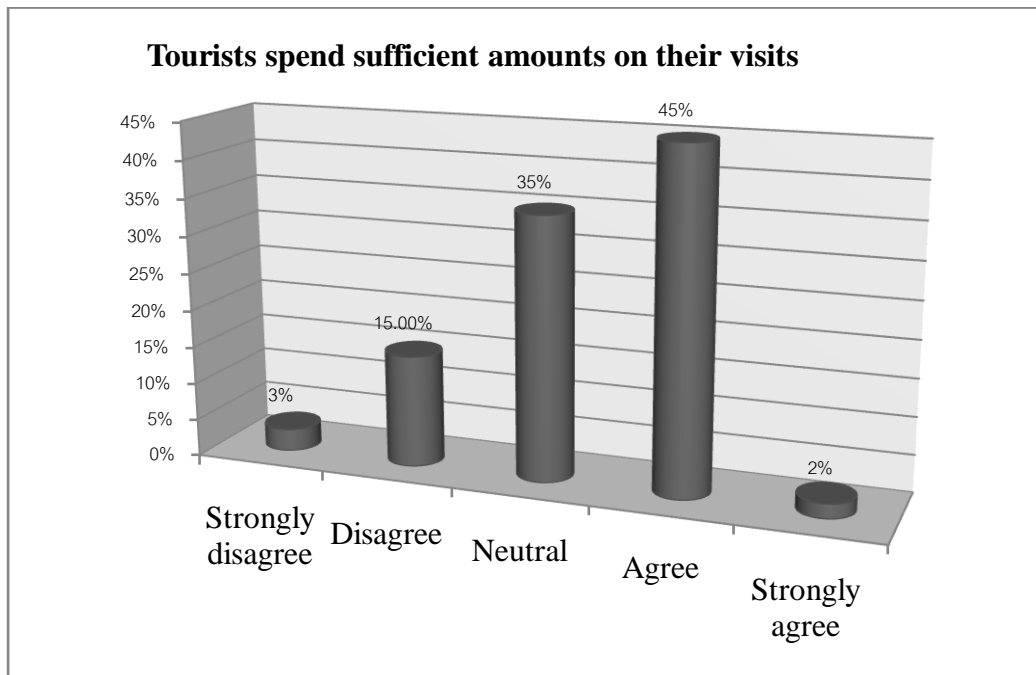
Source: Field survey, 2016

Total 65 respondents were there for this survey. Among them 45% are agreeing with the statement that the tourists spends sufficient amounts on their visits. 2% of the respondents strongly agree where as 3% strongly disagree to this statement. 15% disagree with this. Some of the respondents said that the tourists coming Nepal are becoming so much clever. They bargain with price and want heavy discounts on their bill.

**4.3 Jobs Created by the Establishments**

In national context the growth rate of Hotel and Restaurant has been satisfactory due to increase in per capita income, influence of urbanization and change in the people's life styles and their food habits. The growth rate of this sub-sector that fell once in FY 2009/10 in last five years has been rising gradually. The average growth rate of this sub-sector in the past five years remained at 5.6 percent while the growth rate in FY 2011/12 is estimated at 6.8 percent. Contribution of this sub-sector has increased by 0.1 percentage point reaching 1.8 percent (Economic survey, 1013). In our study area there are also sufficient hotels in numbers but in quality and their services they must be increase, they are not satisfactory.

**4.3.1 Investment in the Establishments**

47

In SNNP area there are so many hotels and guesthouses. Some are very small and weak in facilities and some are medium size. The investment was found different according to their capacities, facilities and quality. The mean value for this statement was 2.7059 and mode value was 4. That indicates that the average numbers of hotels have invested on their hotel more than 15 lakhs amount. The detail of all together 17 establishments are as of below:

**Figure 4.6: Investments on the Establishments**
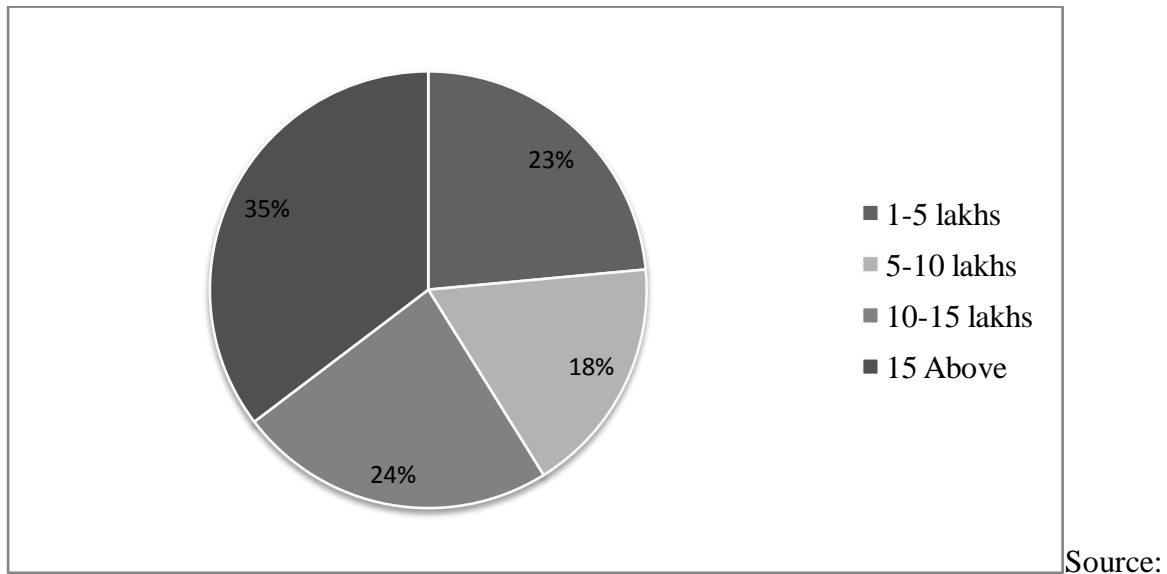


Source: Field Survey, 2016

Figure 4.6 shows the investment pattern of the hotels and guesthouses on the study area. About 35% of the establishments are established with 15 lakhs above budget. 24% are with 10-15 lakhs, 18% are with 5-10 lakhs and 23% are with 1-5 lakhs budget.

**4.3.2 Facilities Provided by the Hotels**

In my study I visited most of the hotels and guesthouses in or around of SNNP. And I find that the most of the hotels are not quality hotels. They are not neat and clean. Tourist doesn't prefer to stay on most of the hotels of locality. Most of the tourists stay there are either Nepali or foreigners who prefer low cost hotels. The economic benefit of tourism on that area that's why is lesser.

Few hotels supply good quality for the tourists. Some of the hotels have facilities like 24 hours electricity, hot and cold water, air cooler, wifi and many more. The mean value for this statement was 3.117 and mode value was 2. That indicate that the average number of

establishments provide only the lodging and fooding facilities to their customers. The main facilities provided by the hotels are as

below:

**Figure 4.7: Facilities Provided by Hotels**
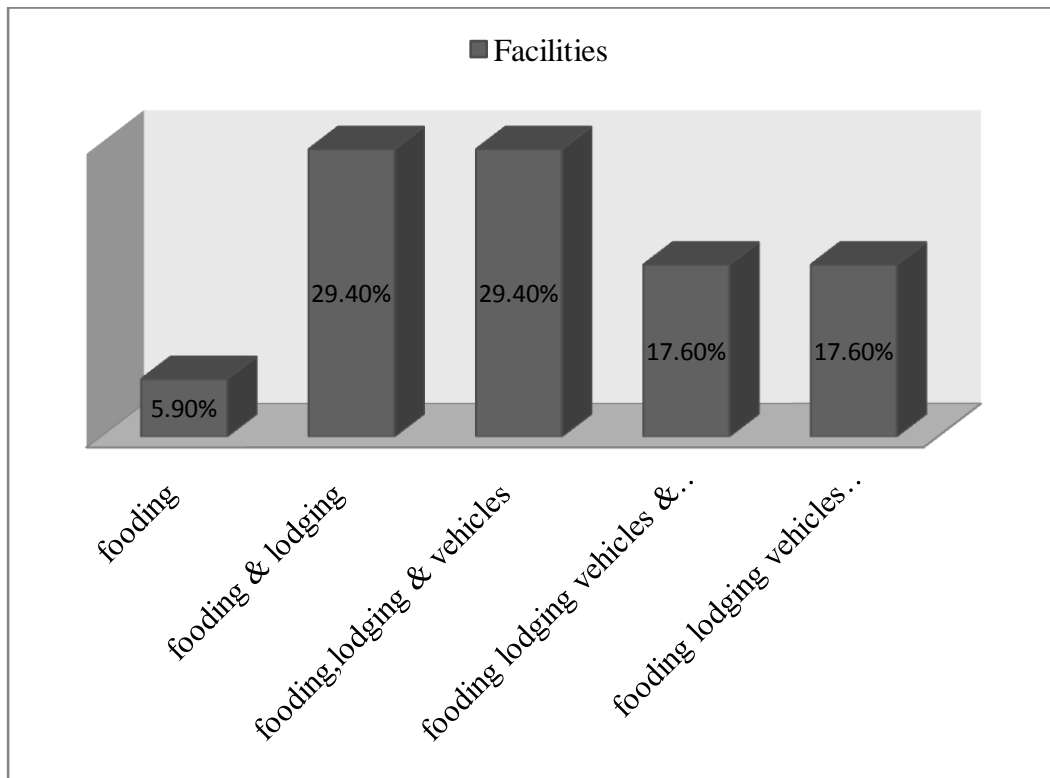


Source: Field Survey, 2016

Figure 4.7 shows the facilities provided by the hotels and guesthouse of in and around of the SNNP. 5.9% of the hotels only provide fooding facilities, 29.40% provide lodging and fooding facilities, another 29.4% provide lodging, fooding and vehicles to the guests. 17.60 % has extra facilities of guides and another 17.6% provide entertainments programs to the guest along with above all facilities. The data clearly indicates that for tourist attraction all hotels are not able due to the facilities with them. There are also few hotels which are providing internet facilities to incoming tourists. 2 hotels has swimming pool in its compound. Also there are pool or snooker house, night club in some of the hotels. So to conclude, the hotels in Shivapuri Nagarjun National Park are of medium category type and there is chance in future for their sustainability.

**4.3.3 Per Day Tourist on Season and Off Season**

The hotels in our area aren't able to attract the flow of the tourists due to two reasons. One is that the study area is very near from the capital city so that they prefer to stay in city with star hotels. Another reasons is that there are not good quality hotels at all and also that the tourist visits SNNP and go to stay at Nagarkot or Dhulikhel which lies on the trekking root from SNNP.

The mean value for this statement was 2.47 for season and 2.05 for off season. Mode value for both seasons is 2. The meaning of this is that in off season 3-5 tourist stay on average and on season 5-9 tourist stay per hotels. The detail description is as below:

**Figure 4.8: No of Tourist per Day per Hotels on off Season**
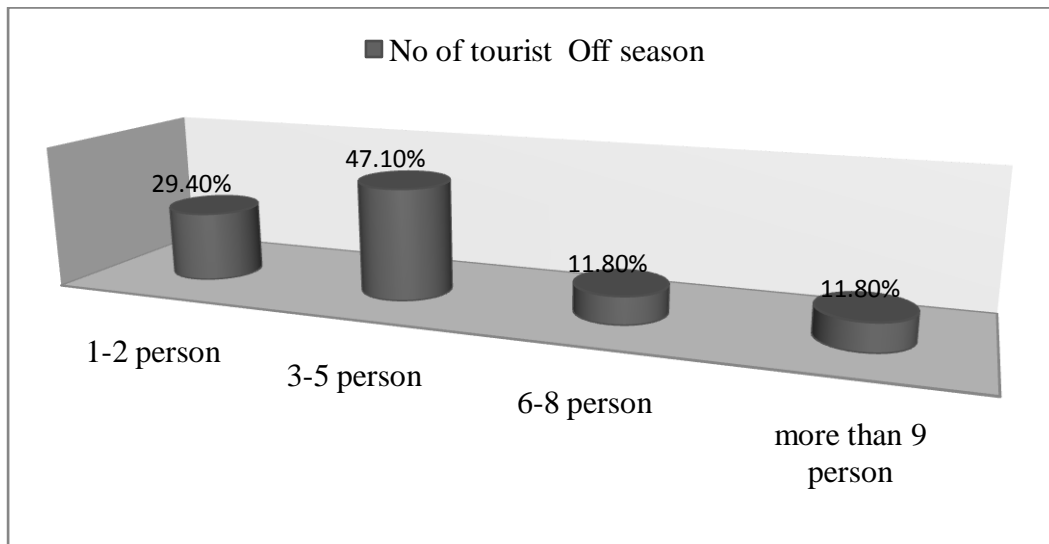


Source: Field Survey, 2016

In off seasons the tourist per day per hotels is very few in the study area. In 29.40% hotels there are only 1-2 tourists in off season. In 47.10 hotels there are 3-5 tourists, in 11.8% hotels there are 6-8 tourist and 11.8% are able to attract more than 9 tourists on offseason.

**Figure 4.9: Numbers of Tourists per Day per Hotels on Season**
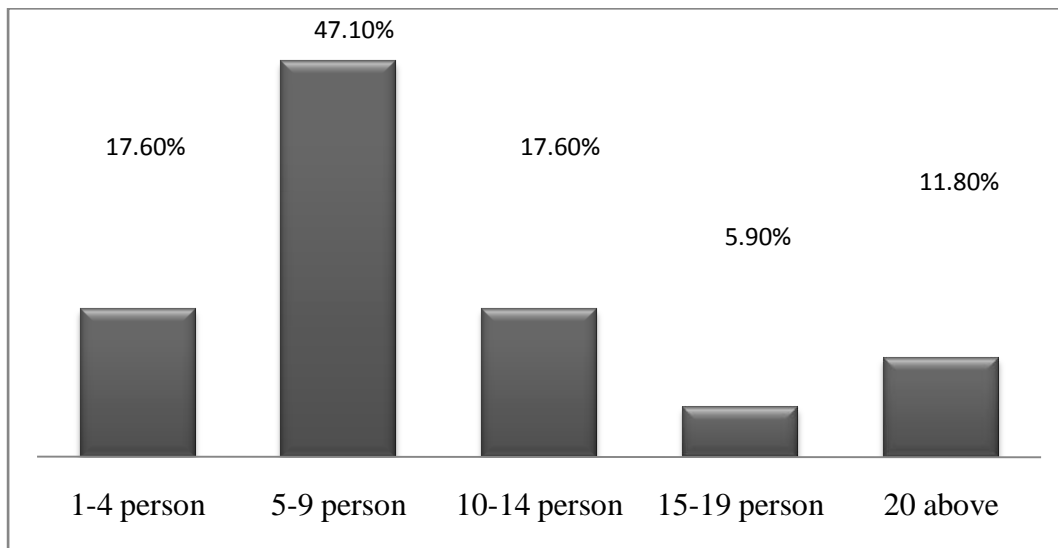


Source: Field Survey, 2016

Figure 4.9 shows the tourist flow per day per hotels in season. In season the tourist per day per hotels increases satisfactory in the study area. In 17.6% hotels there are 1-4 tourists in season. In 47.10% hotels there are 5-9 tourists, in 17.6% hotels there are 10-14 tourists, in 5.9% there are 15-19 tourists. The remaining 11.8% hotels are able to attract more than 20 tourists on season.

**4.3.4 Per Day Income of the Hotels**

Most of The hotels are operating with no loss any high gain condition. The mean value for this statement was 2.58 and mode value is 2. That indicates that average number of hotels earn 5-10 thousand per day. The detail of study is as follow:

**Figure 4.10:  Average per Day Income of the Hotels**
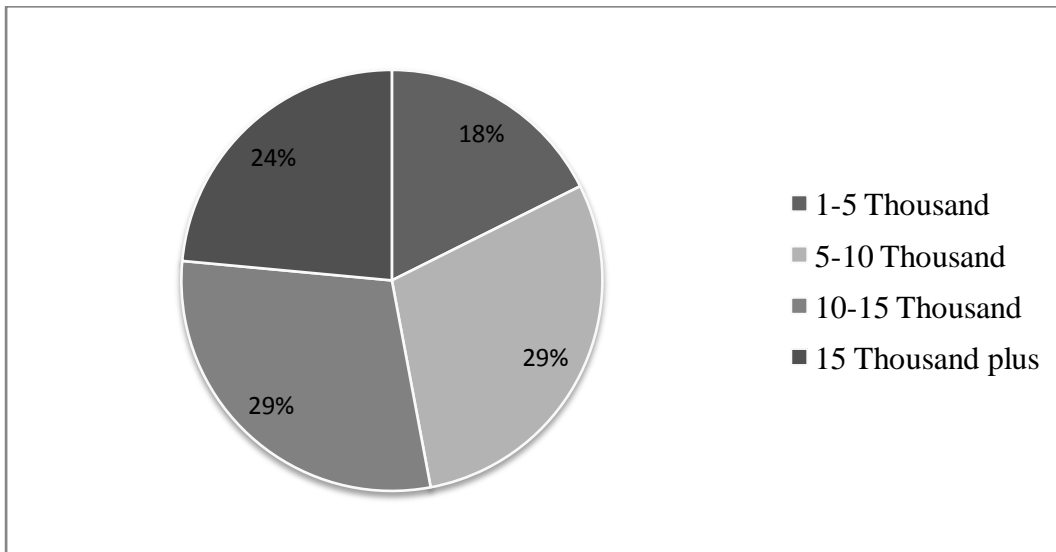


Source: Field Survey, 2016

Figure 4.10 shows that average per day income of 23.5% hotels are above 15 thousands. 29.4% hotels earn 10-15 thousands daily same number of the hotels earn 5-10 thousands and 17.6% hotels earn 1-5 thousands daily. They reported that their income allows them to earn only normal profit.

**4.3.5 Employment Generation in the SNNP Area**

Tourism generates new jobs in different sectors. They may be directs or indirect. In our study area- Shivapuri-Nagarjun national park there are job due to tourism in official work, guide, agencies job and so on. On this research the employment created on hotels, restaurants and other shops are discussed. For this purpose 52 establishments were taken as the sample. They are hotels, guesthouses, restaurants, khaja ghar and local shops.

**Table 4.12:  Employment Generation in the SNNP Area**

| Type of employees | Total number | Skilled | Non skilled |
|---|---|---|---|
|  |  |  |  |

| Investors | 68 | 68 | - |
|---|---|---|---|
| Local staff | 45 | 30 | 15 |
| Staff from outside | 32 | 20 | 12 |
| Foreign staff | 4 | 4 | - |
| Total | 149 | 122 | 27 |

Source: Field survey, 2016

In total 52 establishments there were total 149 jobs. Among them 68 were the investors themselves, 45 were local staff of the study area, 32 were the staff from other part of Nepal and 4 were foreign staff. Among these all type of employments that was reported that 122 were skilled and only 27 are unskilled. This data is also presented on the following series.

**Figure 4.11: Employment Generation in the SNNP Area**
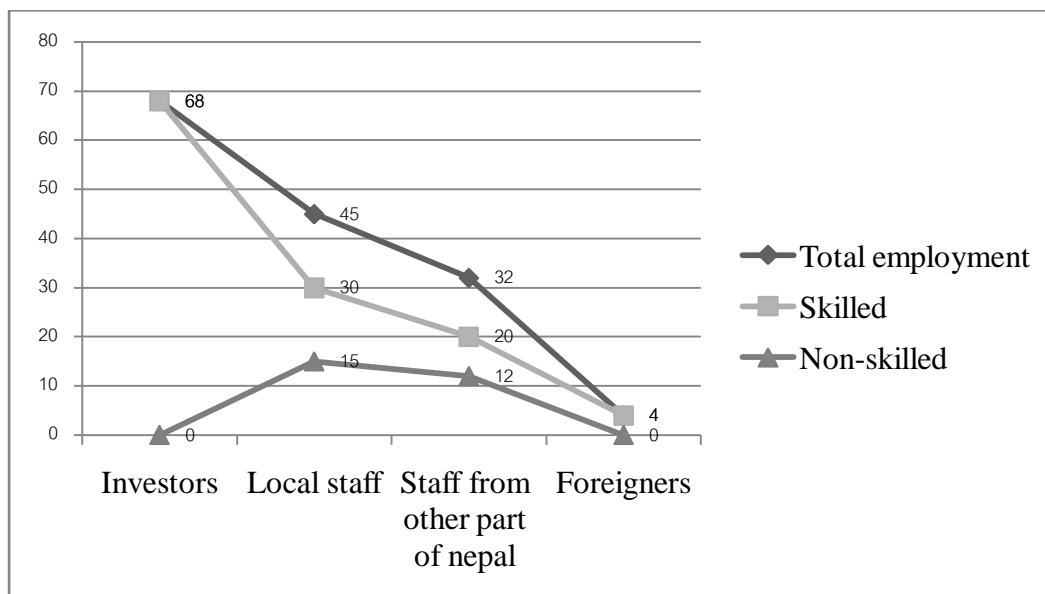


Source: Field survey, 2016

The above figure shows the employment generated on the hotels, restaurants, local shops of the study area. Most of The 68 investors are local. And they are employing 45 local staff and 32 from other parts of the Nepal and 4 from out of Nepal. This indicates that the priority is given for the local staff on the study area. In case of the locals are not available, or they has no expected work capacity then the other staffs are hired from outside. So, that the local are

little more benefited from the tourism activities. The establishments have played roles on the employment generation activities which is desirable impacts of the tourism. during the survey one question was asked either the tourism activities has help to create new jobs for local or not the response was that the most of the respondents agreed with that statement.

### 4.3.6 Employment Generation per Establishments

The mean value for this statement was 1.76 and mode value is 1. That indicates that in average number of establishments there are 1-2 persons employed. The finding was as below:

**Table 4.13: Employment Generation per Establishments**

| Number | Frequency | Percent |
|--------|-----------|---------|
| 1-2 | 28 | 53.84 |
| 3-4 | 17 | 32.69 |
| Above 7 | 7 | 13.46 |
| Total | 52 | 100.0 |

Source: Field survey, 2016

Above table indicates that in 53.84% establishments there is 1-2 persons employed. In 32.69% establishments there are 3-4 persons are employed and in remaining 13.46% establishments there are more than 7 persons employed. The data clearly indicates that the tourism activities in SNNP area have contributed on the employment generation activities to the locals.

### 4.3.7 Opinion on Job Creation Due to Tourism

Total numbers of respondents for this question were 65 including to the local shop owners, restaurants, hotels and guesthouses. The mean value for this statement was 3.82 and mode value was 4. That indicates that more than 60% respondents agreed that the tourism activities have helped to generate the new job. Following was the result.

**Figure 4.12:  Opinion on Job Creation Due to Tourism**

**Tourism Has Generated Job For Local People**
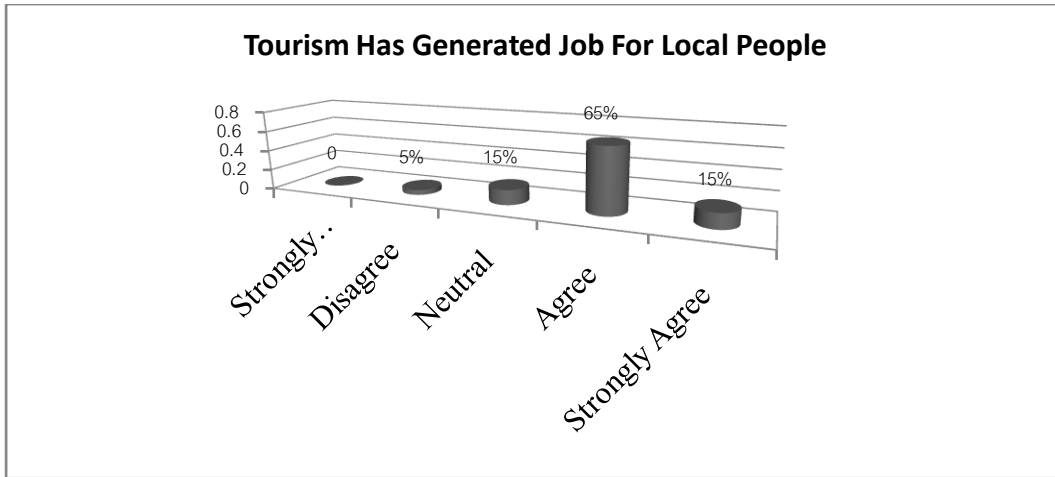
Source: Field survey 2016

Figure 4.12 shows the response of the respondents on the statement that the tourism has generated job for the local people of the area. 65 % of the respondents agree on this statement. Whereas 15% respondents are strongly agree and 15 % are neutral. 5% of the respondents disagree to this statement.

## 4.4 Sales by Local Business and Contribution of Tourism

Achievement from the tourism sector could not be made as expected despite abundant potential of this sector as it could not be developed to its maximum. Development of tourism infrastructure through development of touristic commodities and services, and their marketing and increased access as mediums remains as another challenge. If the touristic products are developed then the sales promotion is possible. Regarding the sales of local business the tourism activities obviously helps to promote the sales. Due to different establishments the sales of local market and local goods increases. So, that this aspect is also very important on economic impact analysis of the tourism.

## 4.4.1 Share of Local Market

The local market is the primary focus of any establishments. If the required items are easily and cost effectively available in the local market then they prefer to purchase the items in local market. The condition of supply of goods helps to determine the demand for goods. The tourist based establishments like hotels, guesthouses, restaurants and other different activities needed different items like vegetable, food items, non food items, beverages, milk and so on. In this study these are the variables on discussion.

For vegetable the mean value is 1.23 and mode value is 1. That indicates that in average the establishments purchase the vegetable from the local market. The mean value for milk is 1.17

and mode value is 1. That also indicates that in average the establishments purchase the milk from the local market. For beverage the mean value is 1.47 that indicates that 73, 5% establishments purchase the beverage items in local market. The food items also in average purchase in local market where as the non food items are prefer to purchase in outside market.

**Figure 4.13: Share of local Market**
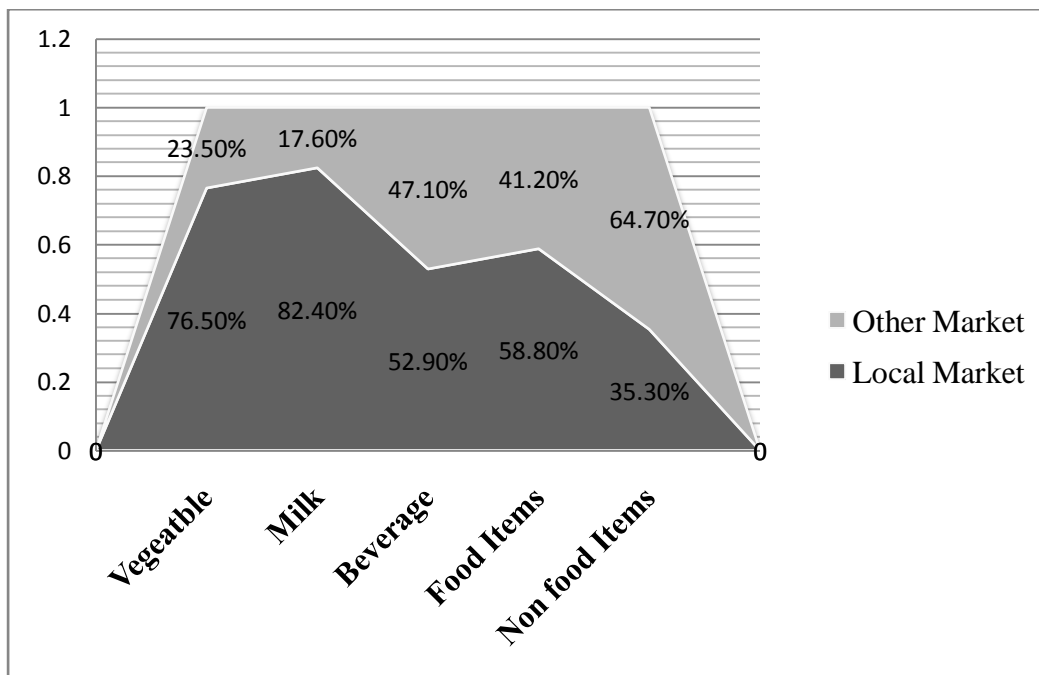


Source: Field survey 2016

Figure 4.13 shows the share of local market on the demand from the establishments in and around of SNNP. And the data shows that for vegetable 76.5% purchase on local market, for milk 82.4%, for beverage 52.9% for food items 58.8% and for non food items 35.3% depends on the local market. It shows that the local shops and businesses are benefited from the tourism activities due to increase in sales. The local farmers are highly courage to engage in the vegetable, milk and meat production.

**4.4.2 Per Day Sales of Local Shops Restaurants**

In and around the study area there are so many shops and restaurants. The local shops and restaurants are benefited from the tourism activities in SNNP.

The mean value for this statement was 2.01 and mode was 2. That indicates that the average sales for the restaurants and local shops per day are 4-9 thousand. And the portion of sales due to tourism on total sales is reported as 20-30%. The description is on fig 4.14.

**Figure 4.14:   Per Day Sales of Restaurants Local Shops**
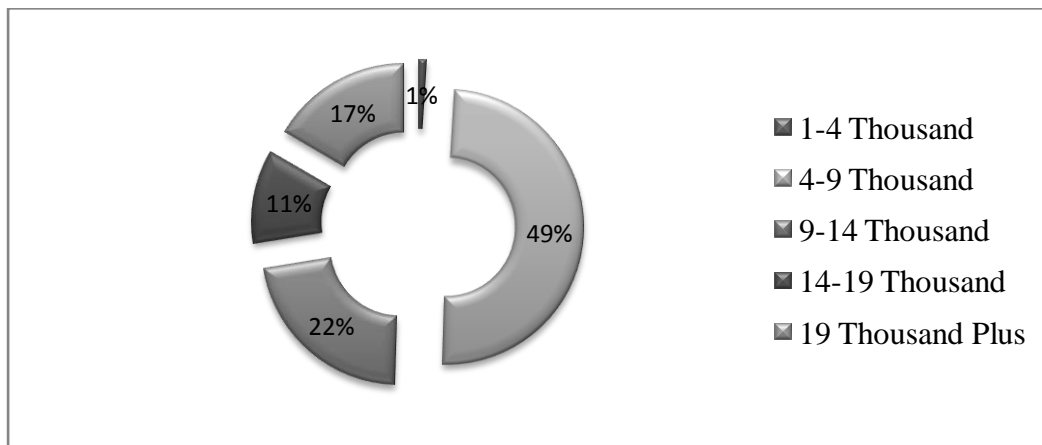


Source: Field survey, 2016

Fig 4.14 shows the pre day sales of the local shops and restaurants and the portion of their sales due to tourists and visitors to SNNP. They reported that tourism activities have helped them to increase their sales though it is not so enough.  Among 35 respondents 1% of them sales 1-4 thousands per day. The maximum number 49% sale 4-9 thousand per day. 22% sales 9-14 thousands, 11% sale 14-19 thousands and remaining 17% sale 19 thousands plus per day.

**4.4.3 Contribution of Tourism on Total Sales**

The portion of sales on total sales is reported as below:

**Figure 4.15:  Contribution of Tourism on Total Sales**
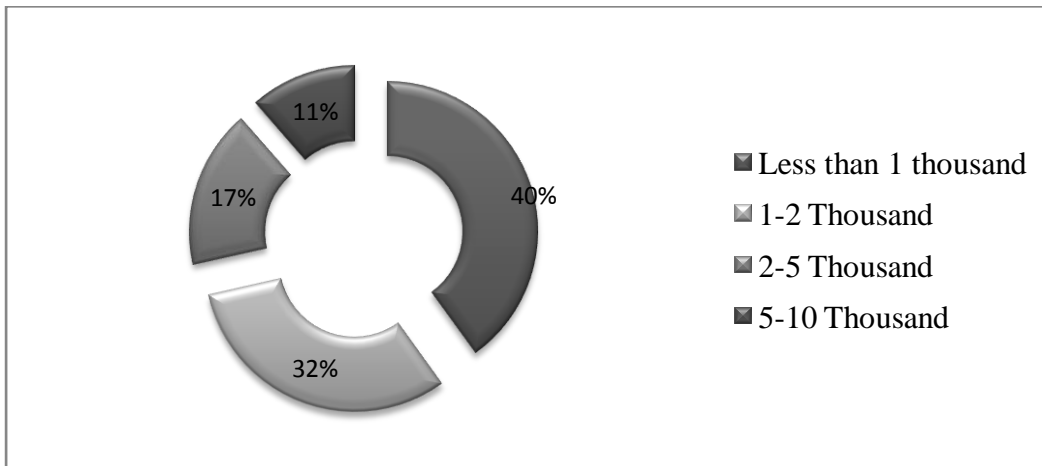


Source: Field survey, 2016

Figure 4.15 shows that 40 % of respondents sale less than 1 thousands due to tourism. 32% sale 1-2 thousands, 17% sales 2-5 thousands, 11% sales 5-10 thousand per day due to tourism. So that the tourism activities has helped to increase the sales of the local shops and restaurants.

**4.4.4 Types of Tourist Base Activities Performed by Locals**

To realize the greater economic benefits from the tourism the local participation is the primary factor. If the local engage to the tourism based activities they will directly be benefited. But in our study area so bad we found that most of the locals are not engaged on the tourism based different types of activities.

The mean value for this statement was 4.08 and mode value is 5. That indicates that average numbers of the local perform no work which is economically considered as better for tourism motive. The detail is as below:

**Figure 4.16: Types of Tourist Base Activities Performed by Locals**
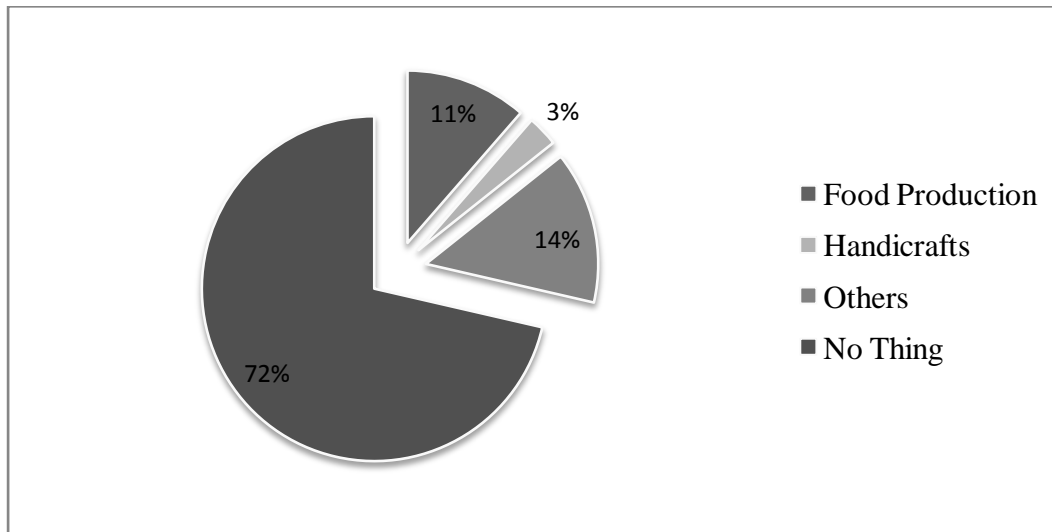


Source: Field survey, 2016

Figure 4.16 shows the activities performed by the local people of the study area which is considered to be done for the better economic achievements. But it was quite not interesting because 71.40% of the respondents reported that the local do not do anything which benefits them for the economic. 11.40% respondents reported that there are some locals on vegetable and food production and they are sold on the local hotels and restaurants. 14.30% respondents responded that locals are engaged on different activities related to the tourism like dhup making, lunda making and so on. So the economic benefits are not getting by the local people due to this reason.

**4.4.5 Opinion on Impact of Tourism activities on Sales of Local Goods**

Mean value for this statement was 3.37 and mode was 4 that indicate that the respondents are agreeing with the statement that the tourism has helped to increase the sales of the local goods.

**Figure 4.17:  Opinion on Impact of Tourism Activities on Sales of Local Goods**
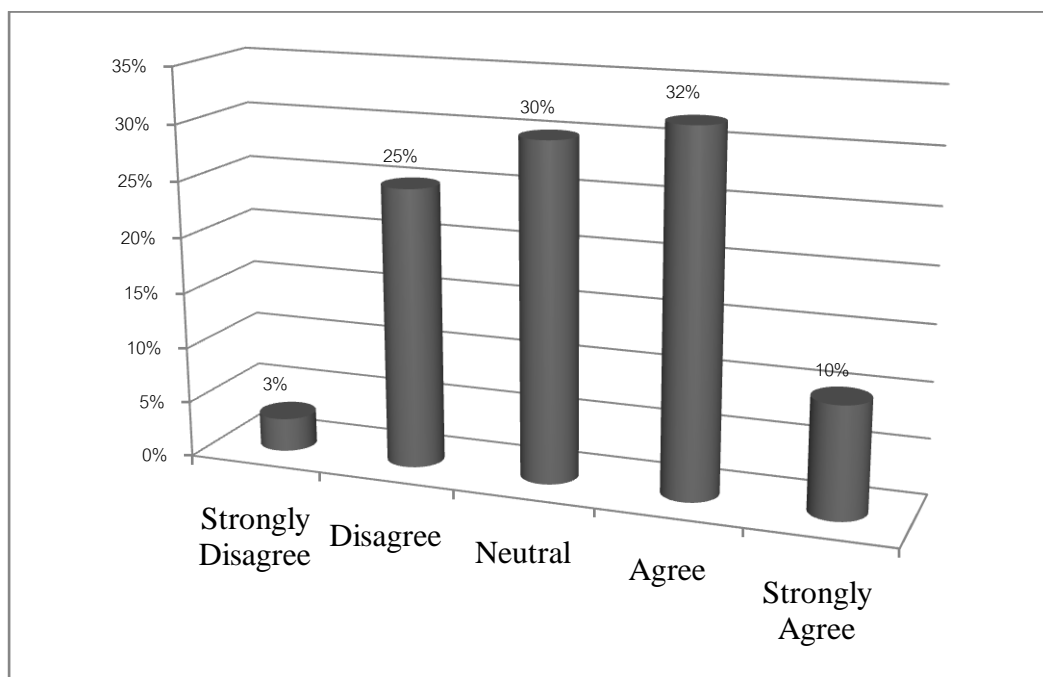


Source: Field survey, 2016

Figure 4.17 shows the response on the statement that the tourism has help to promote the sales of local goods. 3% of respondents strongly disagreed to this statement. According to them there is no change in sales of local goods due to tourism. 25% disagree with it, 30% neutral 32% agree with it and 10% strongly agree with that statement. The combine result indicates that the tourism has help to promote the sales of the local goods that may be direct or indirect.

## 4.5 Tax Revenue Contribution of the Establishments

Due to the tourism activities there are so many hotels and guesthouses in operation. There other restaurants and different types of local shops. They pay tax to the government which is the remarkable economic impact of tourism. In this study the quantitative data is not gather how much the tax is generated but we are focused to find out either the establishments are registered on tax office or not. If yes in which type of tax system they are in.

### 4.5.1 Registration of the Establishments on Tax Office

The mean value for this statement was 1.52 and mode value is 1. That indicates that averages of the establishments are registered on PAN.  It was found that the most of the establishments

are contributing tax revenue of the government. The park itself generate revenue on different titles like entry fee, vehicles fee, fees for camera and different other fees for the tourists. On the other hand the tourist related business pay tax for the government. So, that the tourism activities has played to increase the tax revenue of the government.

**Figure 4.18:  Registration of the Establishments on Tax Office**
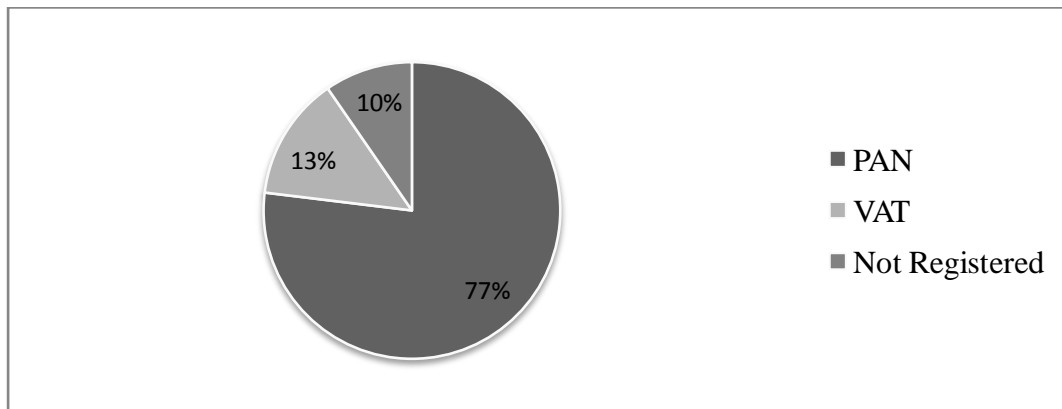


Source: Field survey, 2016

Above figure shows the registration of the establishments on the tax office of Nepal. It was found that on total 52 establishments, 40 (76.92%) are registered on PAN, 7 (13.46%) are registered on VAT and 5 (9.61%) are not registered in government tax office of Nepal. Therefore, the tourism activities in that area are contributing to the tax collection.

## 4.5.2 Opinion on Tax Contribution to Government

One question was asked to the respondents that either the government receives satisfactory tax revenue from the park or not. The mean value for this statement was 3.58 and mode value is 3. That indicates that averages of the respondents are agree with this statement. The responses were as shown in fig.

**Figure 4.19: Opinion on Tax Contribution to Government**
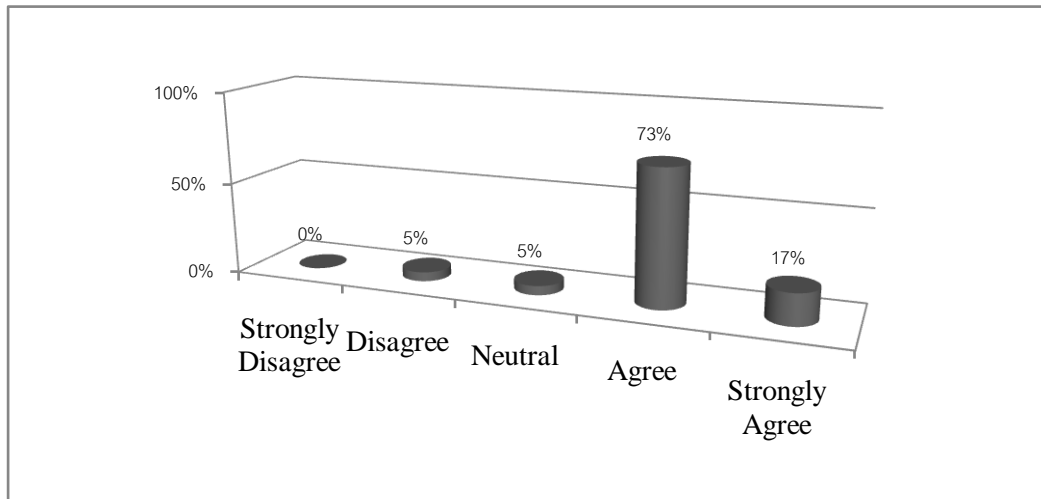


Source: Field survey 2016

Figure 4.19 shows the opinion on the tax contribution of the park to the government. 5% respondents are disagreeing that the government receive satisfactory tax from the park. The next 5% are neutral. 73% are agreeing with statement and 17% are strongly agreed.

## 4.6 Different Opinions on Economic Impacts of Tourism

This sub chapter is focused on different opinion on different issues as in figure 4.20.

**Fig 4.20 Opinion on Sufficiency of the Hotels and Guesthouses of the Area**
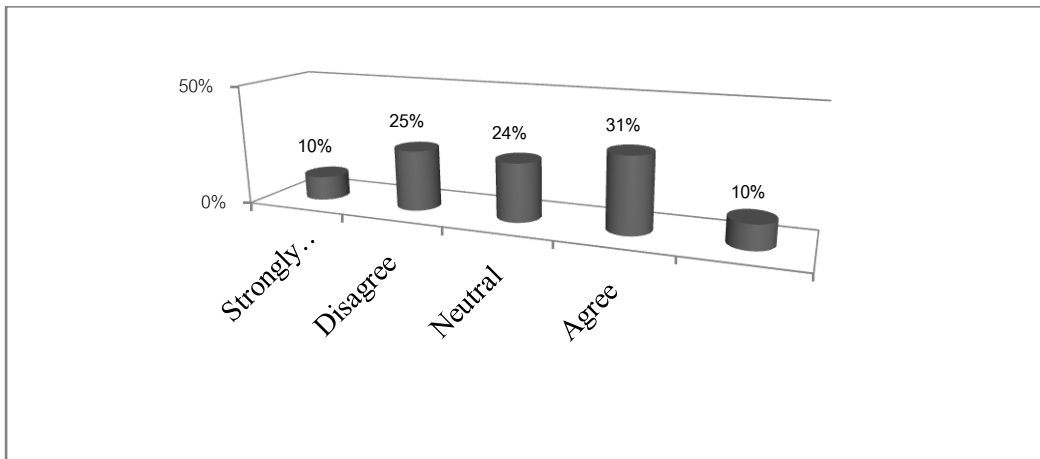


Source: Field survey, 2016

Figure 4.20 is the responses of the respondents on the statement that the hotels and guest houses of this area are sufficient. 10% of the respondents totally disagree and 25% disagree with this statement. According to them there are not sufficient hotels to attract the all variety of the tourists. Therefore, there should be new hotels with best quality. 24% respondents are neutral with this statement. 31% agree and 10% strongly agree with this statement.

**Figure 4.21: Opinion on the Government Issue**
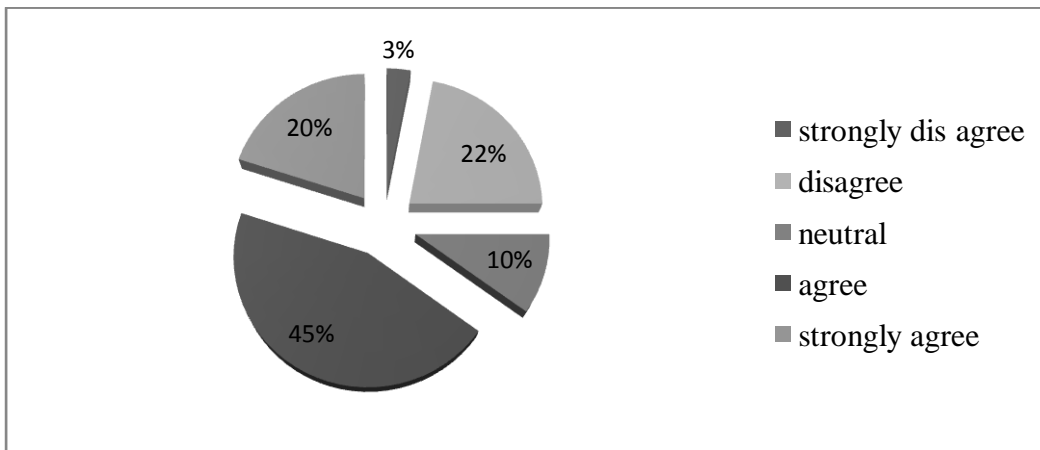


Source: Field survey, 2016

Fig 4.21 In this statement 3% are strongly disagree and 22% are disagree. 10% are neutral. 45% agree to this statement and 20% strongly agree to this. The major percentage of the respondents are agree with statement so that the conclusion can be drawn as, the government has announce the national park but the government has no plan to attract the tourists and visitors to this area.

**Table 4.14: Opinion on Price of Lodging, Fooding, Quality of Hotels, Transportation Facilities, and Behaviors of Locals**

| Statements | Totally Dissatisfactory | % | Dissatisfactory | % | Average | % | Satisfactory | % | Totally satisfactory | % |
|---|---|---|---|---|---|---|---|---|---|---|
| Price of lodging | 1 | 3.33 | 2 | 6.66 | 7 | 23.33 | 13 | 43.33 | 7 | 23.33 |
| Price of fooding | 2 | 6.66 | 4 | 13.33 | 10 | 33.33 | 10 | 33.33 | 4 | 13.33 |
| Quality of hotels | 5 | 16.66 | 17 | 56.66 | 5 | 16.66 | 3 | 10.00 | 0 | 0 |
| Transportation facilities | 0 | 0 | 7 | 23.33 | 15 | 50.00 | 5 | 16.66 | 3 | 10.00 |
| Facilities on park | 8 | 26.66 | 10 | 33.33 | 7 | 23.33 | 5 | 16.66 | 0 | 0 |
| Behaviors of local | 0 | 0 | 0 | 0 | 5 | 16.66 | 5 | 16.66 | 20 | 66.67 |

Source: Field survey, 2016

Table 4.14 shows the different opinions of the tourists. Majority of the tourists are satisfied with the price of the lodging. 43.33% responded that the price of lodging is satisfactory. 23.33% are totally satisfied with the price of the lodging. About 10% are not satisfied.

About 57% of the respondents are not satisfied with the quality of hotels of this area. About 16.66 % of them are totally dissatisfied. 16% reported as average and 10% are satisfied with the quality of the hotels.

On the next issue the transportation facility, 23.33% are dissatisfied. 50% respondents reported as average, 16.67% reported as satisfactory and 10% are totally satisfied.

26.66% reported that they are totally dissatisfied with the facilities provided on the park, 33.33% dissatisfied, 23.33% average, and 16.66% satisfied with the facilities provided on the park.

66.67% respondents reported that the behaviors of the local are totally satisfactory, 16.67% satisfactory and 16.67% average.

**Figure 4.22: Opinion on Strength of Local Market**
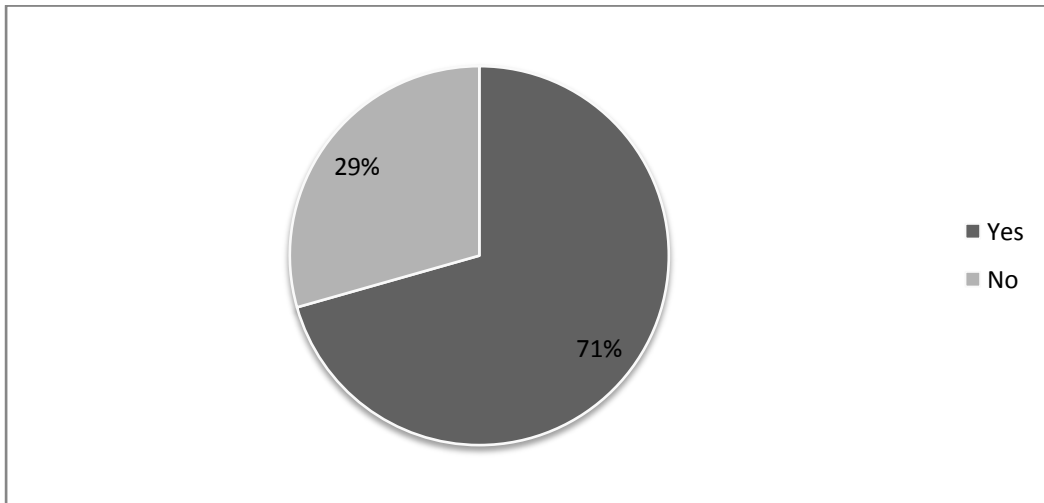
The respondents for this issue were the hotels and guesthouses of the area. Regarding to their demand and the supply of the local business the strength of local market is discussed. Either their demand is fulfilled or not. The mean value for this statement was 1.2 and mode value was 1. That indicates that about 60% demand is fulfilled by the local business.

Figure 4.22 show the strength of the local market. The 71% respondents responded that the local supply fulfill their demand. Whereas 29% responded that the local supply does not fulfill their demand.

# CHAPTER- V

# SUMMARY, CONCLUSION AND RECOMMENDATIONS

## 5.1 Summary

Tourism industry is regarded as World's biggest and fastest growing industry. Tourism is important source of contributing the additional development of the country by providing foreign currency and additional employment generation. Tourism is recognized as an

important industry for both developed and developing countries. Tourism in Nepal has contributed on reducing the negative balance of payment by earning foreign currency, providing new jobs to the job seekers, increasing entrepreneurial abilities and promoting local goods and culture. In case of the countries like Nepal tourism has become fortune because it has played role on the poverty alleviation and local job creation.

The economic impacts of tourism depends on the numbers of tourists, tourism spending, numbers of days of tourist stay, availability of the touristic goods and so on. This depends on the demand side and supply side of the tourism. In our study area so many tourists arrive there but the numbers of days they stay is limited due to different reasons. The touristic products are less available so that the economic impacts are not as expected.

Excellent economic impacts in tourism sector can be achieved with developing the local communities and transportation system, communication, preservation of historical and cultural values, recreational facilities, environmental conservation etc. To achieve this goal, tourism planning plays a big role to maintain coordination between all these aspects of tourism. Coordination is necessary so as to take the social and economic benefit of tourism. Tourism is basically linked with supply side and demand side of any destination. In supply side, tourism needs its product development and human resource development whereas in demand side tourism needs marketing and promotion that leads to long term sustainability of tourism.

In sivapuri nagarjun national parks there are limited tourist attraction activities so the economic impacts are lesser than what it should be. Naturally Shivapuri Nagarjun National Park as a tourist destiny is full of attractions. The views of green, clean environment, lovely evergreen forest, different religious places, monasteries, temples, wetland etc are the main attractions of Shivapuri Nagarjun National Park. In spite of having lots of encouraging factors, Shivapuri Nagarjun National Park is not being able to attract many tourists and needs promotion and development.

## 5.2 Conclusions

As the scope of the study the research was focused mainly to find out the economic impacts of tourism in Shivapuri-Nagarjun national park. Aim was to find out the tourism spend on the

area, no of job creation on the area, sales due to tourism, tax contribution to the government and so on. On the basis of this study following conclusions can be made:

- During the survey so many national tourists were visiting this area on group or couple. And mostly the young and matured persons are involved in hotel business. Also most of them are qualified.

- Most of the visitors traveling Shivapuri Nagarjun National Park come on motorcycle covering about 43.33% of the visitors, about 23.33% with travel couch and about 17% on local vehicles. This implies that the roads are well built. At the same time, people traveling in private vehicles and taxi are also in good number so the local buses and its facility should be increased in number.

- They are not providing adequate facilities to the tourists. 5.9% of the hotels only provide fooding facilities, 29.40% provide lodging and fooding facilities, another 29.4% provide lodging, fooding and vehicles to the guests. 17.60 % has extra facilities of guides and another 17.6% provide entertainments programs to the guest along with above all facilities

- . Tourist come to Shivapuri Nagarjun National Park  for its great natural beauty, caves, lovely evergreen forest,  birds and wild life, a number of important temples, monasteries, people and the culture etc. In this sense, Shivapuri Nagarjun National Park has huge potentiality to attract number of tourists. According to the study numbers of tourists per day per hotels are not as enough as expected..

- Quite upsetting!!  It was reported that about 71% of the local do nothing activities which will benefit them from tourism. The activities performed by the local are not quite impressive. The locals are not conscious about their capacity at all.

- In total 52 establishments there are total 149 jobs are created. Among them 68 are the investors them self. 45 local staff has found jobs on the establishment. Among them 30 are skilled and 15 are non skilled on their job. 65% of the respondents reported that they are agreeing with the statement that the tourism activities of this area have helped to get jobs to the locals.

- .The government generate the tax revenue from this area because on total 52 establishments, 40 (76.92%) are registered on PAN, 7 (13.46%) are registered on VAT and 5 (9.61%) are not registered in government tax office of Nepal. But 45%

respondents are agreeing with the statement that the government has played only the limited role to increase the benefits from tourism.

- Local shops and restaurants reported that their 32.38% daily sales are due to tourists and visitors visiting to the Sivapuri- Nagarjun National Park. And the data shows that for vegetable 76.5% purchase on local market, for milk 82.4%, for beverage 52.9% for food items 58.8% and for non food items 35.3% depends on the local market.

## 5.3 Recommendations

For development of an undeveloped country like Nepal, and to enlarge the size of benefits, tourism may be very effective approach. For effective utilization of the opportunities created by tourism and for sustainability and promotion of tourism in Shivapuri Nagarjun National Park, the researcher has put forward some recommendations on the basis of the study conducted:

### 5.3.1 Recommendation for Attraction of Tourist & to Increase Their Spending

It will be better if the locals organize Shivapuri Nagarjun National Park festivals at least once a year and invite every travel and tourism related agencies to participate so that they may know the potentiality of the area and refer to travel there. Then the economic values of the area will increase day to day.

It is recommended to build up a separated website for disseminating information regarding Shivapuri Nagarjun National Park , booking hotels, accommodation charges, facilities available, places to watch etc.

There should be well transportation facilities for development of tourism. Only better roads do not mean that the transportation facility is better, rather it needs adequate local vehicles, taxi stands, petrol pumps, better workshops and also the road signs. The parking lots are also essential for safe parking of vehicles. Most of the tourists showed the problem of good road connection on different trekking routes.

Shivapuri Nagarjun National Park has tremendous potentialities for adventure tourism. The Shivapuri Nagarjun National Park can be well developed for Bird watching. Cycling inside from Shivapuri Nagarjun National Park, trekking in different points inside Shivapuri Nagarjun National Park etc can be very interesting. Little more these activities have been happening but it should be increase.

### 5.3.2 Recommendation for more Job Creation and Greater Economic Impacts

Establishment and management of two grades of hotels are recommended – expensive and luxurious hotels/ restaurants for foreign tourists, moderate and cheap for domestic tourists. Economic resorts focused on internal tourism encourage local people too.

Also, the accommodation facilities should be provided by each and every hotel because length of stay determines the expenditure pattern. There should be proper arrangement for tourists to accommodate, better food, provision of guides and entertainment facilities.

Guides are necessary to explore any area which is unknown. Inside the Shivapuri-Nagarjun national park there is full of wild life so it is risky to travel along. The unknown places are always risky and without guides, importance of the place is never known. The wild animals and birds that migrate and that are resident to this park are known by bird experts or the guides only. The flora and fauna are also well known by the guides. The cultural and historical importance of different shrines is also known through guides. So that guide should be available in hotels and park itself for the tourist who is not in group.

Most of the people of the area are not engage to the tourist based activities so that they are recommended to participate in the tourism activities so that they can realize the better economic impacts. To encourage them the awareness program through education is recommended. It is equally important to include tourism along with its other component as subjects of training and study in our education programme. Education programming will help us in creating awareness among the people to value our tourist resources and understand the impact of tourist arrival.

Further it would also help to make the people realize their basic responsibilities of being in the host county. The subject course should be so designed as it could effectively provided sound knowledge about our main cultural, historical and other types of resources. Developing awareness in people (native) about the importance of tourism is recommended for the development of area and country as well. Every local should be aware of the benefits of tourism.

### 5.3.3 Recommendation for the Promotion of Local Sales

Superstructures such as big hotels, motels, resorts, properly managed shopping complex with parking, departmental stores etc should be developed around Shivapuri Nagarjun National Park. Also, the places for entertainment as discos, pubs, night clubs, swimming pools, pool/ snooker houses, sports centre etc should be developed but that should not exploit local norms and values and that should not hamper the wildlife of the park and the peaceful nature of the locality. If that is happened then the local goods are easily sold in the local market and the local can realize the impact on their life.

### 5.4 Scope for Further Research

The researcher has taken the limited numbers of hotels, restaurants and local shops as the respondents to find out the economic impacts. This may be able to show the impacts on surrounding locality. The official data is not taken on employment, income and so on. It should be taken because the impacts of tourism are there too. This research does not use any models like input output models, multiplier analysis and so on so that it has become descriptive study. So for the future researcher it is recommended that the comprehensive and in-depth study is lacking in this field so use as much as possible variables to find the real economic impacts. Thus, this study can be pure a mini research and it needs more research for future study to find out the exact economic impacts.

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**APPENDIX 1: Map of SNNP**
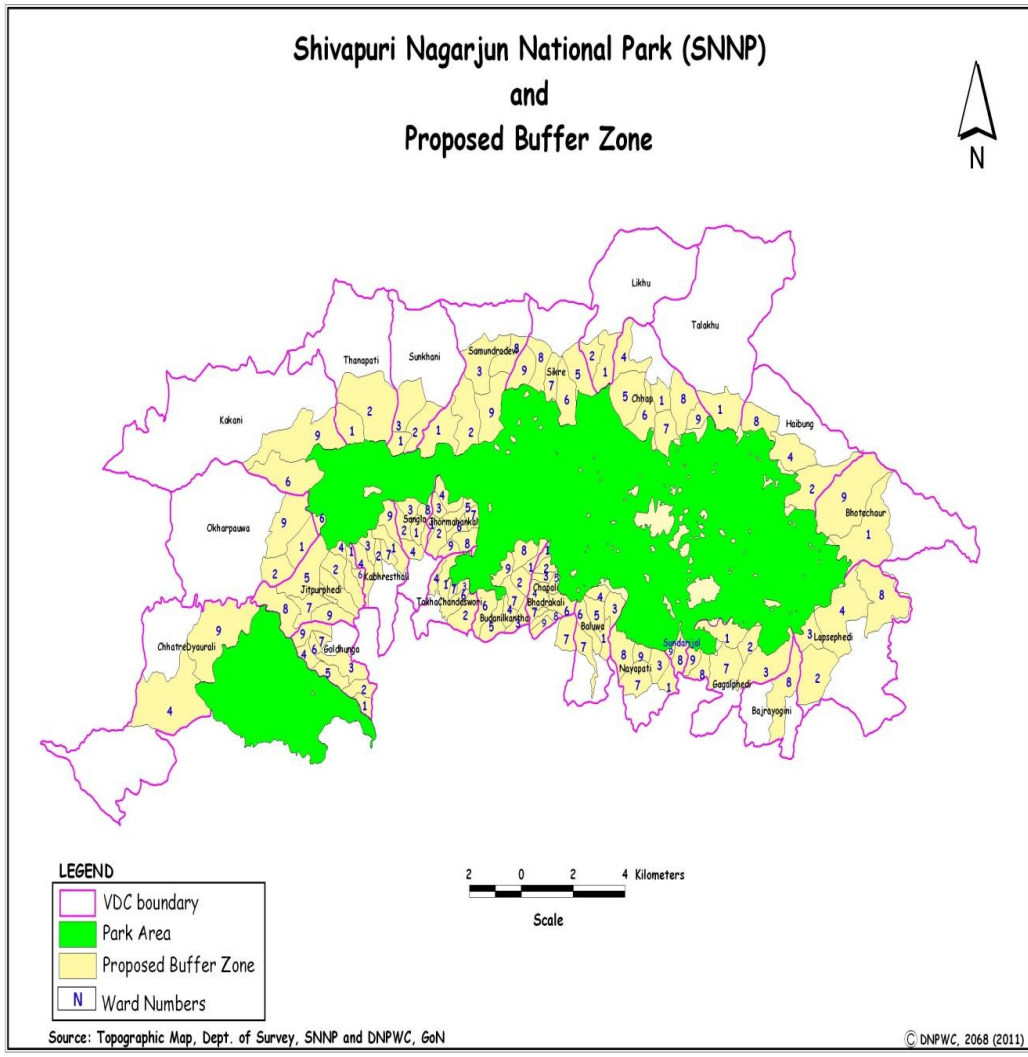


**APPENDIX 2: QUESTIONAIRES**

**PROBLEM AND PROSPECT OF TOURISM IN NEPAL**

# A CASE STUDY OF SHIVAPURI-NAGARJUN NATIONAL PARK

## Questionnaire for tourist

**Male/Female.........................**                    **Occupation**

**Date**

1. In which means of transportations you come to Shivapuri?
   a. Local bus
   b. Travel coach
   c. Motorcycle/cycle
   d. Care/own vehicles
2. What is your purpose of visit?
   a. National park
   b. Wildlife and animals
   c. Peaceful environment
   d. Sight seeing
   e. Recreation
   f. Study/research
3. From which continent you come to shivapuri?
   a. Western Europe                          b. Asia
   c. North America                           d. Africa
   d. Australia and pacific.
4. Which country are you from?
   ........................................
5. Is it your first visit?
   a. Yes                          b. No

   If no how many time did you visit?

   a. First              b. Second              c. third              d. others
   If yes do you think to come back here again?
   a. Yes                          b. No
6. **Are you in group or alone?**
   a. Group                          b. Alone
7. How many days you think to stay here?
   ...........................................................
8. How much money do you think to spend for one night loudging?
   ...............................................................
9. What kind of food do you like in Here?
   a. Nepalese              b. Indian              c. continental              d. others
   .................................................................................................
10. What do you think of the standards of lodging and fooding here?
    a. Standard     b. Moderate     c. Good         d. Bad

11. What do you think about the future of Nagarjun- Shiwapuri National Park as a tourist center?
a. Excellent      b. Good      c. Not so good
12. How did you find the neatness of the place?
.................................................................................................
13. How did you find the condition of the road to Nagarjun/Shivapuri area from Kathmandu?
.................................................................................................
14. How did you find the co- operation of the local people to a tourist?
a. Well    b. Satisfactory    c. Not so good
15. You have any suggestions to develop Shivapuri as a tourist centre?
...............................................................................

## Questions for hotel/ lodge owners

Name of the hotel/ lodge:-
Established years:
1. What is your permanent address?
.................................................................................................
2. Is the present hotel/ lodge your own house or you have taken it on rent?
a. Own house      b. Rented on
b. Own as well as rented on.
3. If it has been on rent how much rent do you have to pay per months?

.................................................................................................

4. How many employees are there in your hotel/ lodge?
a. ........................................
b. ...................
c. ......................
d. ...................
5. How much do you pay them respectively?
a....    b...........  c..........  d...........  e.............. f ..............

6. How many foreigners came to your hotel/ lodge last year?

..........................................................
7. What are the peak months of visiting tourists?
....................................................
8. What is the annual income of your hotel/ lodge last year?
.................................................................................

**Questions for the local peoples**

9. What kind of change do you notice with the increase in the number of tourist visiting this place?

- ❖ This place has gone dirty ☐
- ❖ There has been increasing deforestation ☐
- ❖ Local people have become more selfish and inhospitable. ☐
- ❖ Creation of job opportunity to local people. ☐
- ❖ Patterns of living of local people are changing. ☐
- ❖ Enlargement of Market. ☐
- ❖ Anything else.......................................................................

10. Do you have any suggestion for the improvement of tourism in Shivapuri?

..............................................................................................................

..............................................................................................................

**Socio economic survey**

District:               VDC               municipality               Ethnicity
Village               Religion               Household head

11. Please! Provide these information

| S.N | Name | Age | Relation with household head | Literacy Status | Marital Status | Occupation |
|-----|------|-----|------------------------------|-----------------|----------------|------------|
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |

12. Do you have secondary occupation?

a. Yes                         b. No

13. If yes please! Specify

...........................................

14. How much land you and your family member own?

| Types of land | Own land cultivate by self | Own land cultivate by others | Area |
|---------------|----------------------------|------------------------------|------|
| | | | |

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |

15.If you have other sources of income, please provide the following information.

| Sources | Income(Rs)daily/monthly/Annually | Working day :monthly/year | Remarks |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

16. Is any member of your family involved in tourist oriented activities?

a. Yes                                         b. No

19. If yes, for what?

I. Trekking guide

ii. Operating lodge

iii. Porters

iv. Others

17. Have you noted any socio-economic cultural impact of tourism?

a. Positive impact                                         b.Negative impact

- Increase economy                              inflation rate is high
- Employment opportunities                   Rapid cultural change
- Increase entrepreneurship                   Degradation in moral values
- Opportunity to learn cross culture        Misuse of community property
- Appreciation of our tradition               Hazards to trekking staff
- Cultural and moral values                    Uncontrolled accommodation

18. Energy sources

a. Fire wood

b. Gases

c. Electricity

d. other

19 .What is the source of drinking water?

a. local spring                          b. Pond/well

c. Tube well                          d. River                    e. Other

20. Have you noticed any adverse impact of tourism in the environment of  Shivapuri Nagarjun national park?

...................................................................................................................................

21.. If yes, what are they?

    a. Landslide         b. Climate change       c. Water scarcity        d. Deforestation
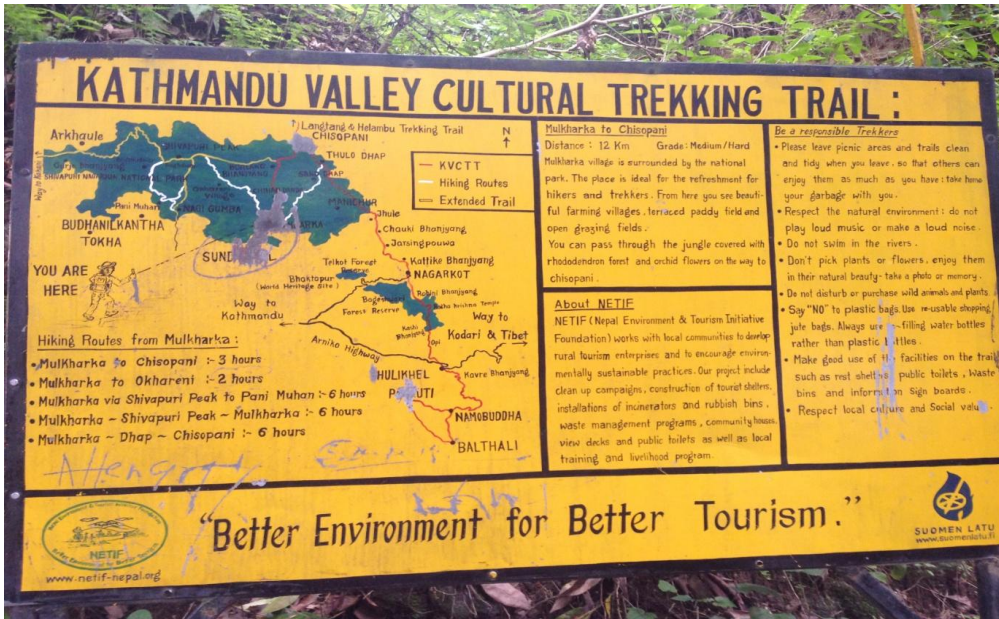
Tourist are enjoying at SNNP

**Entrance gate of SNNP at Sundarijal Cluster**

**Rules and regulations board for visitors at SNNP**

**Information board at SNNP**

**Natural beauty of the SNNP**