

Improving the performance of rural tourism

Tourism is an important industry in Nepal, accounting for about 9% of GDP and 8% of employment. Overall, tourism development prospects in the country look bright after the recent stabilization of the political situation. However, the forecast growth in the sector still pales in comparison with that in most other countries in the region. Furthermore, the economic downturn in the EU and North America has not eased and could affect tourist travel from those regions. Improving the performance of this sector is crucial to generate more positive impacts on the population of about 30 million, of whom around 90% are rural dwellers and about 30% lived below the poverty line in 2011. Considering that the population of Nepal is mostly in rural areas, it is appropriate that tourism development efforts should also be focused there.

Inspired by previous APO training courses on rural tourism and ecotourism in Sri Lanka and the Philippines, respectively, participants in those courses from Nepal and the National Productivity and Economic Development Centre (NPEDC) with the support of the Lalitpur Chamber of Commerce and Industries organized a national conference on Improving the Performance of Rural Tourism for Increasing Employment and Rural Income in Kathmandu, 1–3 October 2012. The conference was inaugurated by Minister of Industries Anil Kumar Jha and Ministry Secretary Uma Kant Jha, APO Director for Nepal. It attracted 90 participants, almost twice the targeted number, which included high-ranking government officials, leaders in the hotel and tourism industry, community workers, business professionals, and academics. “The Government of Nepal is still in transition, policies in various

sectors of the economy are being reviewed, and stakeholders believed that this forum was an opportune time to share their views and recommendations to improve the tourism industry,” stated NPEDC Acting General Manager Durgesh Shrestha. Dr. Bhawani Dunghara, a political economist and adviser at the Institute of Integrated Development Studies who chaired two sessions, emphasized that, “Tourism is a strategic sector in Nepal and its development will have tremendous impact on our economy and our people, especially those in rural communities.”

The conference concluded that Nepal had enormous potential for tourism development, especially that based on wildlife, adventure, and homestays. However, improved coordination in policy implementation, resource allocation for crucial infrastructure, public-private partnerships, and inclusion of local communities in planning the development and management of natural and cultural tourism resources are needed. 🌀



Minister Jha delivering his keynote address during the inaugural session at Shangrila Hotel, Kathmandu.