# **Annapurna Trekking Tourism's impact on Economy**

Dil Bikram Lama Bachelor's thesis Term August/2012 DIB9SN Oulu University of Applied Sciences **ABSTRACT** 

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The purpose of this thesis was to find out the economic impact of trekking tourism in Annapurna

region. This research has reviewed the overall physical features and attraction of Annapurna re-

gion. The other main objective was to find out the obstacles for economic development and pro-

mote tourism as one of the main key success for regional development.

The theoretical part of this research focused on how tourism has brought the economic changes

and what kind of benefit can achieved from the development of trekking tourism in Annapurna

region. With the theoretical knowledge of how to figure out an economic impact and the meas-

urement ideas the thesis was carried out by analysing the data provided by NTNC, NTB and

MOCTCA.

The empirical part was based on the semi structural and in depth interviews with the experienced

tour operator of Nepal and the visitor from Finland. The qualitative research was conduct by ana-

lysing the interviews. Furthermore, the research was completed with positive and negative re-

sults.

In the conclusion chapter, after analysis of two different interviews; the outcome was unclear and

not measureable for economic impact analysis. There was lack of primary data and insufficient

time for interviews. This report is an attempt to study the growth, development, management and

overall prospect of trekking tourism in Annapurna Region.

Keywords: Tourism, Trekking tourism, Annapurna Region, Economic Impact

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# LIST OF ABBREVIATIONS

ACA Annapurna Conservation Area

ACAP Annapurna Conservation Area Project

KMTNC King Mahindra Trust for the Nature Conservation

NTNC National Trust for Nature Conservation

NTB Nepal Tourism Board

VDC Village Development Committee

NGO Non-Government Organization

MOCTCA Ministry of Culture, Tourism and Civil Aviation

GDP Gross Domestic Product

SAARC South Asian Association for Regional Cooperation

B.S Bikram Sambat (Nepalese Calendar date)

NECD Nepal Environmental Conservation and Development

TMSC Tourism Management Subcommittee

TIMS Trekking Information Management System

RS Nepalese Rupees

# 1 Introduction

Tourism started in Nepal in 1950s. Though Nepal offers different types of tourism: it is most famous in the world as one of the best adventure activities in Nepal, trekking is by far the most popular. The diversity in nature and a range of exotic culture makes Nepal an ideal destination for trekking. Trekking in Nepal provides an opportunity to observe the indigenous culture and enjoy the beauty of nature undisturbed by the influence of modernity, offering a myriad of possibilities from the short and easy to the demanding challenges of the snowy peaks. (NTB, 2009) Nepal has been called "A Trekker's Paradise" as its terrain- mountains, hills and the Terai offers some of the most spectacular trekking routes in the world. Trekking in Nepal is as much a cultural experience as a Himalayan adventure, and perhaps is the best way to experience Nepal, the unbeatable combination of natural beauty and cultural riches to walk through them.



FIGURE 1. Nepal mainly divided in three Regions Mountain, Hilly and Terai Source: (Gitec-consult, 10th august 2012)

Nepal is rich in so many ways; in its topography for those interested in climbing, trekking and adventure; and in its culture and heritage for those interested in discovering another way of its life. Nepal will never forget as a land of snowcapped mountains and quiet river valleys of ancient preserved cities and towering pagoda temples, of friendly people and fascination folkways. It is a

country of amazing extremes offering unique pleasures for everyone-tourists, trekkers, poets and those in search of personal Shangri-La (Rieffel 1990).

Nepal is a landlocked country located between 80°, 04' and 88°, 12' east longitudes and between 26°, 22' and 30°, 27' north latitude. It is a small country which lies between two giant countries of Asia, China and India. The kingdom of Nepal extends along the south of Himalayas in Central and India. It covers the total land area of 147,181km² and its borders is contiguous with India in West, South and the people's Republic of China in the North. Nepal is a popular among the people by the name of Himalayan Kingdom as well as it has eight of the world's tallest peak, which includes the highest peak of the world Mount Everest ranging 8,848 meter above. The country is however distinguished not only for its high mountains but also for its unique cultural heritage, artistic monuments and exotic wildlife which are reflected in Kingdom's language, architecture and bio-diversity. The climatic condition of Nepal ranges from sweltering heat of the Terai in the lowland to the freezing cold in the Himalayan Highland. As a result of extreme variations in altitude and climates, the flora and fauna of Nepal demonstrates a wide range of diversity. Competing for space within 1000km east west and 200 km north south, this small rectangle of topographical and hydrological extremes host over 6,500 flowering plant, 181 mammals, 862 birds and 640 butterfly species. It is also home to more than 23 million people. Although Nepal occupies only 0.09% of the total and surface of the earth, it has nearly 5% of mammalian species of the world total. (Wikipedia 2010)

Nepal is the ultimate destination for adventure and culture lovers; and has become one of the prime destinations in the world. Tourism has now become a globally recognized industry and is second industry beside agriculture which is the main stay of Nepal's economy after foreign aid. It helps to bring employment, income, and revenue for communication, health and postal services, hygienic and cleanliness. Tourism is established as a major contributor to Nepal's economy as it provides direct and indirect employment for over 500,000 people. (NTB, 2004) The tourism sector is considered as a key to strengthen the national economy, improve living standards and reduce poverty, as well as help to preserve cultural traditions.

Different regions are opened for trekking. Among them Annapurna Region is one of the most popular trekking destination, receiving about more than 60% of the visitors who come to Nepal for trekking. The unique biodiversity, the scenic grandeur in combination with the multi-ethnic diversi-

ty makes it the world's most popular trekking destinations. Trekking area along the Annapurna is easily accessible, hotels in the hills are plentiful, treks here offer good scenery of both high mountains and lowland villages and it offers different facilities and less strenuous for trekkers as compared to trekking in other regions of Nepal (The trekking guide book, 2000). Due to all these reasons, trekking in Annapurna has become popular in the world. It is considered to be one among the ten treks of the world. With the objectives of achieving a balance between the environment conservation and socio-economic development through people's participation, the Annapurna Conservation Area Project (ACAP) was launched under the aegis of NTNC. ACAP administers the entire Annapurna Region, which is working to conserve the natural and cultural resources of the area. ACAP is the first and the largest conservation area in Nepal, which was launched in 1986. It covers an area of 7629 sq.km. In an innovative approach to environment protection, it was declared as "conservation area" with equally rivaled by its rich cultural diversity. The natural and cultural features of ACAP have made it the most popular trekking destination in the country, drawing more than 60% of the country's total trekkers which is three times greater compared to the Everest Region, the country's second most popular trekking destination (NTNC, 10th October, 2010).

ACAP follows the three grass root philosophy of maximum people's participation, sustainability and its role as at catalyst (facilitators) whereby the local people are involved in all aspects of the conservation and development process, both as principal factors and prime beneficiaries. It covers 55 villages development of Nepal and spreads out in 5 districts of the Western development of Nepal.

From the government and other institutions, ACAP is renowned in developing tourism in this region. ACAP is mainly aimed at conserving of the inhabitants of the environment. In short, it aims at sustainable development and management of trekking tourism and community participation involvement in Annapurna Region.

### 1.1 Objectives of the study

- ➤ To study the various aspects of trekking in Annapurna Region and economic impact of trekking tourism in that region.
- To review the overall physical features and attractions of Annapurna Region from tourism perspective

➤ To highlight the functionalities and prospective of ACAP in promoting the Annapurna Region

# 1.2 Scope of the study

The research mainly focuses on the study of the physical features and attractions of Annapurna Region; it describes an available infrastructure and facilities, tourism and its impact on the region. Furthermore, an overview is given of ACAP contribution for the local people and to the Annapurna area itself.

# 1.3 Limitation of the study

- > The study was done in limited time at personal expenses
- The study and the information presented are largely based on secondary sources

# 1.4 The Methodology of the study

This study is based on both primary and secondary data. More specifically, it is based on primary data, collected using structured and semi structures data by visiting the certain regions of Annapurna Conservation Area. It involves an attempt to consult and interact with the officials, professionals and experts from the related field.

This research also involves collection of information and secondary data from sources such as ACAP, NTNC, NTB and likewise. The research also involves extensive review of literature from books on trekking tourism, tourism impact on economy, internet journals. Magazine and also involves publications related with trekking in Annapurna Region.

# 2 The Annapurna Region

# 2.1 Introduction of Annapurna Region

The central part of Nepal is dominated by the Annapurna Himalaya range and the villages around Pokhara. The Annapurna region is popular for its combination of high peaks, spectacular natural and cultural landscapes, and high cultural diversity. The area surrounding the Annapurna range in western Nepal has long been recognized both nationally and internationally for its rich and varied flora and fauna. The Annapurna Himalaya Region features the world's deepest valley, the Kali Gandaki, between the Dhaulagiri and Annapurna ranges stretching from tropical lowlands lush temperate rhododendron forests in the south to a dry sub-alpine steppe environment on the northern range, the Annapurna Region includes an outstanding variety of wildlife habitat and vegetation.

The Annapurna region is indeed endowed and enriched by the varied and cultural attractions. The altitude of Annapurna region varies from less than 1000 m to 8091 m (which is the height of mountain Annapurna, the 10<sup>th</sup> highest peak in the world). The sharp altitudinal variation has made this region one of the most fragile spectacular and interesting places in the world. This region is rich in biodiversity. There are around 474 species of birds, 102 species of mammals, 39 reptiles, 22 amphibian species and 1226 flowering plants; it is the home of over 122,000 people of various ethnic cultural and linguistic groups. (NTNC 2010)

The Annapurna Region has nature gifted natural assets, river basin, mountains and Himalayan scene, bio-diversity, cultural uniqueness to attract tourism from all over the world. It is the most popular trekking destination in Nepal, as trekking in this region will give a chance to understand the local people livelihood and their culture.

# 2.2 History

The existence of old caves in Muktinath area and southern part of Mustang district in the trekking area has attracted considerable interest in recent years. A German aided project on High Mountain Archeology was started in 1993, which envisages excavating some of the caves. According to preliminary findings, one of the most sophisticated Himalayan civilizations may have flourished in the area. The civilizations may date back to 800 BC. Such caves are visible from the village of Marpha to Kabeni. Some are now used as retreat of monks and nuns.

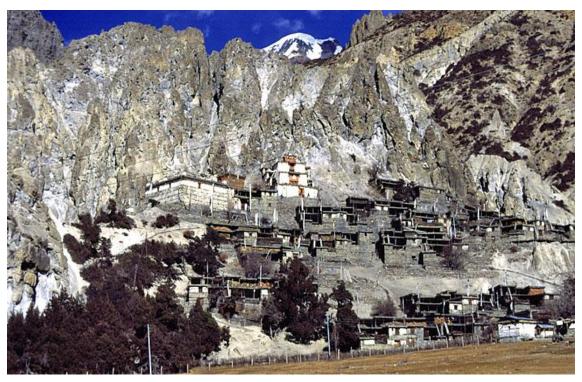


FIGURE 2. Bryaga Monastery, 3475m, below Manang

Source: (treknepal, 20th August, 2012)

On the trek to Jomsom, one might be lucky enough to find an ammonite, a fossilized mollusk, amongst the pebbles of the wide Kali Gandaki valley. Thousands of these fossils, over 180 million years old have been found, clues to the submarine origins of parts if Nepal as the floor of the Tethys Sea. Around 55 million years ago the north bound Indian continental plate drifted into the Asian plate and since then has been lifting up the southern edge of Tibet, creating the Himalaya.

The entire area situated in the Basin of the Gandaki River formed part of twenty four principalities before the unification of Nepal by such kings of Gorkha in the later part of the 18<sup>th</sup> century. The principal of Kaski with its capital kaskikot was ruling Pokhara valley on the other hand; principality of Lamjung was ruling the lower Marshyangdi valley. It was only in the 1780s that the areas, which are now in the Annapurna circuit area, were incorporated into the kingdom of Nepal. (treknepal, 2012)

# 2.3 Geography

Annapurna region has the eight highest peaks in the world where the altitude of mountain varies from less than 100m to 8091m. There are six major peaks over 7,200m which are Annapurna I (8,091m), Annapurna II (7,937m), Annapurna III (7,555m), Annapurna IV (7,525m), Gangaputra (7,455m) and Annapurna South (7,219m). It provides many micro-climates supporting subtropical lowlands in the valley, temperate evergreen forests in the south and alpine steppe environments to the North of Annapurna region. (Wikipedia, 2<sup>nd</sup> November 2012)

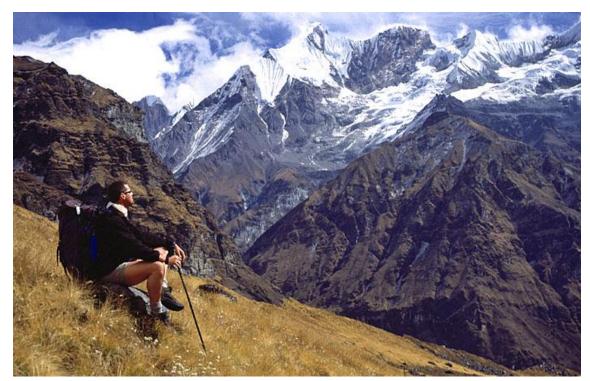


FIGURE 3. On trial below ABC (Annapurna Base Camp)

Source: (treknepal, 20th August, 2012)

#### Trans Himalayan Area in the Tibetan Plateau

This area is situated north of Annapurna Range in Manang and north of Nilgiri and Dhaulagiri areas in Mustang District in the Kaligandaki valley. The villages of Manang are situated in northern side is Chame. The main villages along the Kaligandaki are Muktinath, Jomsom, Tukuche and the former principality of Mustang. As the area is situated in the rain shadows of the Himalayas, it gets very little rain and has a barren landscape.

# Main Himalayan Range

The main ranges in the western part of the country lie within the Nepalese territory in contrast to the eastern part where they form the boundary between Nepal and China (Tibet). The major peaks in the area above 800m include Annapurna (8091m) and Dhaulagiri (8130m). There are several peaks above 7000m including Annapurna II (7937m), Annapurna III (7533m), Annapurna IV (7525m), Annapurna South (7129m), Gangaputra (74550) and Nilgiri (7081m). Machhapuchre is the famous fish tailed peak (6933m) dominating the skyline of Pokhara is actually below 7000m.

#### Hilly Region

This region ranging in altitude between 1000m and 3000m is densely populated land contains many villages which have provided Gorkha soldiers to the British and Indian armies. It has a temperate climate with cold winters and cool summers. The river valleys are at the altitudes below 1000m. In a nutshell, it could be said that the northern part is the semi desert whereas the southern side of the Himalayas contains rice growing areas at lower altitude and a higher area where buck wheat and wheat is cultivated. (Wikipedia, 2nd November 2012)

### 2.4 Climate

Due to altitude difference, the climate also varies. For every 1000m rise in the altitude the temperature decreases by 6°C the average daily temperature decreases between the month of December to February and reaches a maximum between May and July. The seasonal climate is dominated by the southerly monsoon, which occurs June and September. Average annual rainfall ranges from 195mm in the Trans-Himalayan Region of Mustang to 2987mm at Ghandruk, which is in the cls-Himalayan region. Mountain–viewing is a prime reason for going trekking, so the

most popular trekking seasons correspond to when the Himalaya are at their clearest and the weather is neither too cold nor too wet.

From June to September is not good time for trekking in this region. The hot weather and rain falls makes the trails muddy and most of the mountains are obscured by cloud. Even though trekking is possible in the trans-Himalayan regions because it lies in a rain-shadow and rarely gets the rain falls. In end of November, the weather is clear with warm days and cold nights. The mountains views in the night are stunning and crystal clear but the temperature drops down into freezing cold. From December to March, it is also possible for trekking but the winter storms can bring snow as low as 2500m. The time between mid December to mid February is hard time for trekking because of wind condition and semi-regular snowfall. After March up to May month the climate becomes warm and it brings occasional showers. In this season, the forest and the hills looks more beautiful and greener. Rhododendrons flowers are blushing all over the hills and the trekking season starts from late march to April. Usually this season is snow free and the mountain views are clear. Again the monsoon starts from June to September and the weather is hot and rains almost every day which makes hard for trekking and travelling to this mountain region. The trails become unsuitable for travelling. (Explore Himalaya, Access date August 20, 2012)

#### 2.5 Human Settlement and Culture

Different ethnic groups are inhabited in ACA (Annapurna Conservation Area), nearly eleven and smaller ethnic group are inhabited in the slopes and valleys of it South Annapurna. Lamjung range is dominated by Gurung but some of the lower altitude areas south of the ranges are mixture of Gurung, Magar and Hindu caste group settlement. Thakali, Lova and Tibetan refugees mainly live at the western part of the area. The north of the Annapurna range, the Manang, is inhabited by Manangis, Gyalsomloba and Tibetan refugees as well, and the southern part of the area is the home to Hindu castes such as Brahmins, Chhetri, and Damais etc. The region is culturally heterogeneous. Each caste have their own distinct native languages although Nepali language is using as common language. Hinduism and Buddhism are both found in this area with Buddhism Predominating in the area north of the Annapurna range and other high mountain region. Some also follow the ancient Tibetan religion of Bon in the region. Both Hindu and Buddhist people worship the Muktinath temple. The Buddhist people refrain from killing except when predators threaten their livestock (Raj P.A. 1996).

#### 2.6 Flora and Fauna

Different species of flora are found in Annapurna region. A wide variety of wild flowers linger in bloom long after the monsoon. Flowers like Luculia (a pink mallow often mistaken for rhododendron), variety of impatient and composites (e.g. Asters, daisies etc.) and the plume orchids that bloom in trees are found. Along the wet rock walls between Ghorepani and Ghandruk near Banthati, the profusion of mauve primrose cannot be missed (Holidaymountaintreks, 7th September, 2012).



FIGURE 4. Rhododendron flower

Source: (Explorevillage, 21th August, 2012)

Different species of rhododendron are found (both in shrub and tree from) in the temperature and sub alpine zones of Nepal. They are readily recognized when they are burst into magnificent blooms in spring and summer. The national flower (Lanligurans in Nepali) has funnel-shaped flowers clustered at the ends of branches in a wide variety of colors such as white, pink, mauve and red. The main trees like schema and chestnut are the dominant species of the wet subtropical forest (1000m to 2000m) and are easily distinguished from each other. The schema is called chilaune (itchy) in Nepali due to the irritant nature of its bark. It is a medium sized tree of the tea family with evergreen leathery leaves and fragrant white flowers that appear in late spring. Small, round, woody fruit can be found in the fall. The chestnut is the larger tree and is the member of the oak family. The evergreen oaks are found in the temperature zones from 1700m to 3000m. They either form their own existence forest or growth with conifers and rhododendrons. The coni-

fers species of high temperature forest are Hemlock and silver fir. The leafless birch trees in upper region are also readily recognizable in winter. These trees usually denote the upper limits of the tree line are easy to identify with reddish are whitish bark that tends to peel in sheets. (himalyantrekkers, 21st August, 2012)

	ACA'S BIODIVERSITY IN FIGURRS			
	WORLDWIDE	NEPAL	ACA	
PLANTS	248,428	7,000	1,233	
MAMMALS	4,000	175	102	
BIRDS	9,040	862	488	
REPTILES	6,300	71 (141 SUSPECTED)	40	
AMPHIBIANS	4,184	30	23	

TABLE 1: ACA FACT SHEET

Source: (The Annapurna ways/Brochure, 2<sup>ND</sup> October, 2012)

Different species of birds and mammals found in Annapurna region add to the beauty of the region. Birds in the sky, the raptors, of prey are the birds most likely to catch one's eyes. The main birds of this region are Danphe, Kalij Pheasant, Cheer Pheasant, Chestnut-crowned bush warbler, grey-checked warbler, Brown Parrot bill, Golden-breasted fulvetta and Red browned finch. The large raptors such as the Himalayan griffon and lammergeyer are of particular note. These huge graceful vultures are often mistaken for eagles. They are larger than eagles with ling broad wings and are common. The lammergeyer is striking with wingspan of about two meters. These birds like white capped river chat, plumbeous start (a slat blue bird with a red tail), a little fork tail (larger than long black and white specks). And different kinds of Kingfishers are found which are large pied kingfisher and Eurasian Kingfisher. Brown dipper is a chocolate colored bird, White breasted dipper is also found west of the Kaligandaki. The region also provide excellent habitat for various types of spring and autumn birds migrating from India and China as well as from other regions (Annapurna ways brochure, 2<sup>nd</sup> October, 2012).

Therefore, variation in altitude and topography, along with the existing forest cover provide a wide range of habitants, 102 species of mammals, 40 species of reptiles, 23 species of amphibians and 488 species of birds, 248,428 species of plants have been reported in the ACA which are

mentioned on above TABLE 1.The Himalayan Thar, barking deer, goral, Himalayan beer, musk deer, blue sheep, red panda and snow leopard are among the rare species found in the Annapurna region. Among those animals, red panda and snow leopard are on the world list of endangered species.

### 2.7 Language

The most important language understood by almost all the population in Annapurna is as Nepali, which is also national language of Nepal. Bahun, Chhetri and other castes as Kami, Damais and Sarkis in the hills and also by Magaras living in the highlands of the area, also speak it as first language. It is estimated that half of all Gurung in Nepal speak Nepali as their mother tongue but the proportion of those speaking Gurung is the higher in villages such as Ghandruk and Chomrung. Thakali are bi-lingual and can speak their languages as well as Nepali in Thak Khola region. On the other hand, most Thakali living in Pokhara and along many villages of Annapurna circuit have adopted Nepali as their mother tongue. The language of vast majority of people in the trans-Himalayan area is Tibetan living in villages such as Muktinath and Kabeni can also speak Nepali fluently. The language spoke in Manang district south of Chame is Gurung, which is similar to the language spoken by Gurung in the areas south of Annapurna.

As the Annapurna area has been open to tourism for many two decades, English is widely understood by many ex-Gorkha soldiers as well as by Manangis, who have been visiting Hong-Kong and Singapore (NTNC, 5<sup>th</sup> July, 2012).

#### 2.8 Ethnic Groups And Economy

Nepal has several ethnic groups and different spoken languages; in total there are 65 different caste and ethnic groups and 60 different spoken languages. The official language is still Nepali, which is closely related to Hindi and it is spoken by 50% of the population (Kotilainen and Kaitila, 2002.)

The Annapurna region is well known in terms of bio-diversity as well as for diverse ethnic groups. The major ethnic groups of Annapurna region are Gurung, Magar, Thakali, Bahun-Chhetri, newar

and ethnic Tibetan. The Gurung are estimated that about 20.4%, of the total population and main profession of Gurung was animal herding; many are now dependent upon farming. But they have worked in British and Indian armies so the pensions and salaries play an important role in the economy of the area.

Magar are about 8% of the total population of this region and they lives in western part of the trekking areas such as Sikha, Ulleri and Ghodepani. They have been also gone through Nepalese army and Indian army and Arab for labor work for income.

Thakali are less than 10 thousand in Nepal and their original homes are in Thak Khola region of upper Kaligandaki valley between Jomsom and Ghasa (deepest gorge in the world). Bahun and Chhetri are dominant group in the country and their language is Nepali and they are Hindus. Ethnic Tibetans lives in north of Kagbeni and Muktinath where Buddhist is in religion. Newar community is found in market towns along the trial such as Bhote Odar and Beshisahar on the Marshyangdi valley and Baglung in the Kaligandaki valley.

As such tourism activities have been growing in this region, tourism also provides income for a large number of people in this region. Today many people are involved in tourism activities such as operating teashops, hotels and lodges, trekking guide, producing and selling handicrafts.

# 3 Trekking Tourism in Annapurna Region

#### 3.1 Introduction

"Trekking in the Annapurna range will open your eyes not only to scenes of great beauty, but will enable you to build relationship with people of another race another culture"-KevReynols (The Annapurna way brochure, 2011.) Trekking tourism has becoming one of the important activities of Annapurna region. Tourism has been possible in Annapurna Region because of its unique and rich natural resources. Above sixty percentages of the trekking in Nepal visits the Annapurna region. It offers all sorts of trekking possibilities from easy short treks to difficult long treks. Trekking area along this region is easily accessible by road transport. On the other hand, trekkers get great opportunities to see ethnic diversity on the Annapurna trek. Annapurna region offers good facilities for trekkers. Because of this particular reason, trekking tourism in Annapurna region has become more and more popular which can be simply understood by growing numbers of trekkers in Annapurna region every year.

# 3.2 Major Trekking Routes of Annapurna Region

The starting/ending point of major trekking routes of Annapurna Region can be reached easily by several buses and taxis. Amongst some of the most dramatic scenery in the world there are trekking routes to suit all seasons and levels of fitness. (The Trekking Guide book, 2000). The main routes in the Annapurna region follow the two major river valleys (the kali Gandaki and the Marshyangdi) and the trail into the Annapurna Sanctuary via Ghandruk and Chomrung. There are many alternative trails and shorts cuts routes for trekkers and can found numerous possibilities. The options are even greater for those with camping equipment who can explore some of the rarely-trekked high altitude routes.

New road has been built around the trek route of Annapurna which changes the lives of local people and experiences of travelers. From Mustang 'Marpha' now it can be possible to transfer the apples to other places of country with the newly build road. The construction of road between the towns of Beni and Jomsom was finished in 2009 which is 82 km long, rises from 830m to 2720m high. The road has been constructed through almost a kilometer mined inside the side of the mountain that rises vertically. The government of Nepal is planning to continue the road con-

struction from Jomsom all way to Mustang where the road would be 50 km connected with the Tibet. The roads make the transportation cheaper and fastest and everyday life easier for local people. (Dauer Tom, Tie muuttaa elämää, Geo, March, 2012)

# 3.3 Entry Permit

As per the rules of ACAP, one should get a valid permit from the designated places. There are Thamel Sanchayakosh Building in Kathmandu and Tourist Service Center (NTB) in Lakeside Pokhara. The entry fee is NRS 2000/person to foreign nationals and NRS 2000/person to SARRC national. (Welcomenepal, 10<sup>th</sup> June, 2012). Double fee is levied if permit is issued from the field check posts. Following are the other rules:

- 1. This Entry permit is valid for single entry only. The permit holder can enter the designated places within the Conservation Area.
- 2. Person entering Conservation Area shall abide by the National Park and Wildlife Conservation Act 2029 B.S. (1973 A.D) and the Regulations made under this Act.
- 3. The Entry Permit must be carried during the entire trip and should be shown if the concerned personnel of the Conservation Area want to check it
- 4. The entire foreigners below 10 years are free

#### 3.4 ROUTE MAP

Annapurna region offers variety of treks to adventure lovers. It offers both short and long duration treks. People who don't have time for longer treks or who cannot go for longer treks due to health reason or age can go for short treks which range from few hours to a week. Such treks begin and End, near Pokhara. The main routes in the Annapurna region follow the two major river valleys (Kali Gandaki and Marshyangdi) and the trail into the Annapurna Sanctuary via Ghandruk and Chomrung. Even though there are many alternative trails and shorts cuts offering trekkers numerous possibilities (The Trekking Guide 2000, Kathmandu.)

FIGURE 5. The entire Map of trekking routes of Annapurna region Source: (Annapurnatrekkingnepal, 10<sup>th</sup> July, 2012)



# 4 The Economic impact of Tourism

There are many countries like USA, Canada and others which main earning sources are tourism and are based upon the protected land and areas. It has been a part of their national economy for instance USA and Canada earned US \$236 billion and US \$370 billion respectively in 1996 from tourism (Cooper, 2012, 113.) Tourist earn money in their place and spend their money places, communities, regions and countries which counts as economic contribution and it has been source of earning for many developing countries like Nepal. Economic impact can be measured in such terms as GDP (Gross Domestic Product), Labor income or number of jobs created by tourism. When the tourists move to destinations land it generated revenue by aggregates monetary payments which is an economic impact. Tourism does not only generated money and jobs to the destination economy, it also circulated the economy and 'multiply' to increases more opportunities. For instance the tourism generates the revenue US \$1.5 billion and almost 220 million jobs in 2009.

According to the World Travel and Tourism Council, the average domestic product of countries worldwide is 9.5% where spending by international tourists are normally depends upon the accommodation, food and beverage. The other normal expenditure is on imports and Exports of goods for tourism, profit and dividends and foreign investment in accommodation.

Tourism provides wide range of job opportunities from accommodation to transportation, tourist guides, unskilled to the highly trained for instance potter to pilot. There are large numbers of people who are directly and indirectly involves in tourism which is a powerful instrument for development work. Likewise more opportunities drag more new entrants into the labor market such as women and youth with minimal education. Such opportunities create and promote the local economic condition into long term of sustainability.

Tourism has been playing effective role for the development of region where the other types of economic activities are difficult or not possible. In this Annapurna region case, tourism has support for the development of local infrastructure such as road construction, making pure drinking water, building school and hospital for local society. The dependency upon the agriculture and animal husbandry will be reduces through tourism development. It helps to encourage the development of local culture and custom.

Tourism helps those regions where low income with high un-employment, uneven distribution of wealth like south-east Asian nations. It helps to reduce the dependent upon the primary sector too (Cooper, 2012, 64-68.)

Tourism has been starting in Annapurna region since 1950 and it is one of the best destinations in the world where many tourists visited Annapurna for different purposes. Muktinath is one of the most important pilgrimage site which lies in Annapurna region and number of religious visitors has been rising ever since the transportation become easier. In 2000, few pilgrims came but after the new road construction there was 150,000 Hindu and Buddhist pilgrims visited Muktinath in 2009. It increases number of lodges, hotels and markets on that area. Government has a plan to construct more road way between Tibet and Mustang and that would bring more economic progress for Annapurna region in near future (Dauer Tom, Tie muuttaa elämää, Geo, March, 2012.)

Tourism has economic, environmental and social impacts which are highly interdependent each other. Mostly tourism is economically beneficial for number of countries, regions, cities that is why it has been trying to develop in order to earn foreign currency. It has both positive and negative impact. (Swarbrooke and Horner, 2001)

#### Positive economic impact of tourism

- From the tourism business the local place or the destination places or the individual firms get the income
- > It create the job opportunities for number of people
- > It generate tax and revenue for region and government
- > The local economy condition improves by the multiplier effect of tourist expenditure
- ➤ It increases an investment in hotel, lodges and restaurant business
- ➤ It helps to region and country to have more foreign currency

### Negative economic impact of tourism

- It demand more public funds and exhibition center for management facilities and other challenges
- The money which is invested on facilities and services to attract tourists could have been used for other purposes such as health and education of the region.
- It can create costs congestion if there are too many tourists flight on same time
- Local business operator might not get the actual benefits if the expenditure goes to outside operators which are not belongs to destination.

According to Swarbrooke and Horner, tourism has created the positive as well as negative impact too. The more necessary work for economic development is to minimize the negative impact by improving the infrastructures and development work.

# 5 Measurement of Economic impacts of tourism

Economic impact can be measured in such term as Gross Domestic Product (GDP). It is based on the tourism activities or expenditures such as export import supplies, buying goods and services which can be measure locally, regionally and nationally. When there is a flow of tourism activities, local market purchases services regardless of origin so it helps to develop economy regionally and nationally. All these transaction are measureable for economic impact analysis (Eagles, MiCool & Haynes 2002, 114.)

Economic impact analysis is much easier if there is reliable flow of expenditure data because it helps to measure the economic impact regionally or nationally. Tourism is based on service and as a part of national service sector it does influence the GDP of country. The role of service sector in developing countries is 40% whereas in developed countries it is more than 65% (Cooper, Fletcher, Fyall, Gilbert & Wanhill 2008, 125.)

According to the type and nature of economic being consider, tourism impact has been measured for the purpose of ability to generate an inflow of foreign exchange. The economic impact can be estimated on the base of tourist expenditure and the term 'multiplier'. Multiplier concept is mostly used in the study of tourism and economy because it is based on practical theory; one industry needs to purchase goods and services from another industry within the local economy which shows the interdependency. It has many sub divisions which are useful for calculating or measuring the economic impact of tourism. (Cooper et al. 2008, 132)

The term multiplier shows the fact that tourist expenditure increase the local economy income by a greater amount than the tourist has spent on local market and this is called multiplier effect in terms of economy. It increases additional income than the actual expenses. For instance if the income multiplier is 1.5 and total spent is \$10 per person of the destination then \$15 will be generated according to multiplier effect. From the tourist expenditure the hotel and supplier makes more profit which generates greater amount then actual expenditure. (Cooper 2012, 61)

According to the WTTC, tourism has created an employment for 204 million (men and women) which mean one in nine workers worldwide. Tourism has been growing widely and now in many

countries it ranks among the top three industries. In 1994 they had estimated that tourism will create 10.3% of employee wages and salaries globally.

According to the WTO, 475.5 million international tourist arrivals were recorded in 1992 and they had estimated 500 million arrivals in 1993.

Tourism generates three more jobs in business supplying goods and services to the industry for instance custom inspectors, servicing tourism and government services. It is directly and indirectly related with most of the world's industries including transportation, health care, food industry, goods and services, sports, advertising, adventures etc (McIntosh, Goeldner & Ritchie 1995, 4-6.)

# 6 Case Study of Annapurna Conservation Area Project (ACAP)

Nepal has 58 municipalities and 3,913 VDCs and these are the lowest order of country's administrative unit. Each VDC has nine wards but municipalities have variable number of wards according to the population concentration and economic activities. According to geographical variation, mountain region has 16 districts, hilly region has 39 districts and plain region has 20 districts in number. (Kumar and Prasad 2006, 47-49). ACAP is the first and largest conservation area which covers 7,629 sq. km with 5 districts and 55 village Development Committees according to the NTNC (National Trust for Nature Conservation of Nepal) former KMTNC (King Mahindra Trust for Nature Conservation) it is launched to minimize the negative impact of tourism and enhance the living standards of the local people. ACAP annual report shows that the most popular tourist destination in Nepal is Annapurna region which covers more than 60% tourist and the local people are involved in all aspects of ACAP's conservation and development processes. (forestynepal, 2nd October, 2012)

	ACA '10		ACA '11	
MONTH	FOREIGNERS	SAARC	FOREIGNERS	SAARC
JAN	2844	106	3507	71
FEB	4259	125	4065	323
MAR	9773	1341	9117	1470
APR	8613	1760	10767	2263
MAY	2979	2806	3691	3820
JUN	1157	2268	1477	2955
JUL	2049	1801	2687	1429
AUG	2823	1088	3071	612
SEP	8116	1054	8846	1037
OCT	18837	1133	19527	1032
NOV	10146	334	12104	337
DEC	4319	430	5014	74
TOTAL	90	161	99296	1

Table 2: Number of trekkers visiting Annapurna (ACA) 2011

Source: (NTNC/Entry permit counter /Bhrikutimandop/Kathmandu, 7<sup>th</sup> October, 2012)

According to recent NTNC report the total number of visitors for trekking in Annapurna region are 99,296 (2011) but there were 90161 in 2010. It shows that the development of trekking business is in progressive way. There are many rivers and lakes in Annapurna region but the major rivers are Marshyangdi, Kali Gandaki, Seti, Madi, and Modi. Tilicho Lake is the highest lake (4919m) which can be one of good attraction for tourist. In October and November, number of visitors increases which is known as season start for trekking and tourism. Behind this fact, the most common reason is climate. In October month, trekking, hiking, and other propose are suitable but in June-July, landslide, flood and monsoon rain makes problems for travelling. As a fact, there are always fewer trekkers in rainy season.

The bio climatic zone is topical to alpine where it has 6 pheasant species Danphe, Monal, Kaliz, Cheer, Koklass and Blood pheasants. Tourists coming as trekkers can visit the highest pass called Thorung Pass (5416m) which lies in Manang District. The main trekking destinations in this area are Ghandruk, Ghorepani, Annapurna Base Camp, Annapurna Circuit, Jomsom, Muktinath and Manang. (Annapurna way Brochure, 2011)

YEAR	TOURIST VISIT			YEARLY DEVEL-
	AEROPLANE	ROADWAY	TOTAL	OPMENT IN %
2006	2,83,819	1,00,107	3,83,926	2.3
2007	3,60,713	1,65,992	5,26,705	37.2
2008	3,74,661	1,25,616	5,00,277	-5.0
2009	3,79,322	1,30,634	5,09,956	1.9
2010	4,48,769	1,54,086	6,02,867	18.2
2011	545,221	190,994	735,932	22.07

Table 3: The total number of visitors and change in percentage in 2006-2011

Source: (MOCTCA Annual report, 15th October, 2012)

Nepal Government, Ministry of Culture, Tourism and Civil Aviation (MOCTCA) reports shows every previous year have different total number of trekkers who visited Annapurna region. The report presents the data where visitors are categorized into foreigners and SAARC. It means that the visitors who comes from Europe, America, Africa and other nations are consider as a foreign-

ers and the people who comes from SAARC nations consider as SAARC. According to (TABLE 3) 735,932 tourists comes to visit Nepal in 2011. Comparatively there were fewer visitors 100,107 in 2006. Because of political instability in 2008, it causes negative impact on Nepalese tourism industry and visitors' situation was decreased by minus 5%. After solving the political conflict, tourist flow were raised up and it increased by 22.07%. Trekking tourism has brought economic opportunities to remote areas of ACA (Annapurna Conservation Area) region where agriculture and animal husbandry were traditionally the main occupation. Trade and labour works are other doors of their local young people. The trend has been increasing and their destinations for labour work are always some Arab countries like Qatar, Dubai, Malaysia etc. The few people went Indian army as well. Beside this fact, few people are found to be involved in tourism related business such as Hotels, Lodges, Souvenir shops, Tea stalls, Cultural Museum, Curio Shops etc (Annapurna ways Brochure, 2011.)

The MOCTCA (Minister of culture, tourism, and civil aviation) had announced to celebrate the tourism year 2011 and had organized different tourism activities in Nepal including Annapurna region too. The focus line of this tourism year was importing up to 10, 00,000 tourist and promoting the economy of remote areas of Nepal. It has set the goal for achieving 40% foreigner tourist in rural and urban places of country and promoting both national and internal tourism. (MOCTCA, 23)

Recently ACAP has been supporting various tourism entrepreneurs for implementation of tourism programs. It has provided Nepalese Rupees (RS) 245,000 for conservation and promotion of the Gurung Community. Likewise, half hour conservation documentary was prepared with the support of NECD (Nepal Environmental Conservation and Development) where they focused on development of upper Mustang which is the major place of tourist destination. For charity programme ACAP has donated RS 40000 to Mountain expedition. On the occasion of international tourism day TMSC organized one day tourism awareness camp in Ghanapokhara VDC with the help of village tourism home stay owners and there were 30 people participated in the camp. (NTNC Annual report, 2011)

The most popular trekking routes have traditionally been the Everest, Annapurna and Lang tang regions and Annapurna region have greater number of tourist flow than other regions. The most of the tourists choose the altitude between 1,000 and 4,000 meters and only few choose over

5,000 meter for trekking. While trekking on such stunning landscape trekking routes, there is always a chance to meet different ethnic groups on the way. The entry frees to enter the particular National Park or protected areas are mandatory and every trekker should have TIMS card before going on the trip. The price ranges are varying according to areas to visits. In Annapurna conservation trekking area where visitors from SAARC nations have to pay the entrance fee NRs 200/per person and non SAARC nations have to pay NRs 2000/per person where as free for Nepalese citizens. The fee counters are available in Kathmandu and Pokhara and free for below 10 years old children. (Welcomenepal, 21st October 2012.)

NTNC is not getting regular fund from the government and it has right to collect the entry fee from the trekkers. The certain percentages of collected money are used in local area for the development and conservation work for instance helping to uneducated poor children and adults of Annapurna region, form a local institution, build infrastructure, develop local income sources, participate local people on development work, conserve natural and cultural heritage etc.

NTNC has established local TMSC (Tourism Management Sub Committees) for fixed prices rate of basic menu of lodges and hotels to avoid bargaining and cheating. These committees encourage the local people and tourists to keep healthy environment as well. Likewise the community has provided safest and cheapest water stations in the ACA. It helps to improve the health of local and trekkers as well and generate some income source for local people and community group for economy development (Annapurna ways, 2011.)

# 7 Research methods

The methodology of my research is based on interviews with the visitor from Finland and the tour operator from Annapurna region who has been working on trekking tourism more than 20 years. This research was conducted with qualitative approach work which is mainly focus on to study economic impact of trekking tourism. There were two different kinds of questions set has sent to the interviewers which are related with the thesis topic. The main aim of this research was used to obtain tourists expenditure in Annapurna region which are directly and indirectly impact to the local economy. There were twelve questionnaires asked in interview with the tour operator for qualitative research. There were six questions were asked to the visitor concerning about the trip around Annapurna trekking trip.

#### 7.1 Data Collection

For the purpose of data collection there were secondary data collected from Tourism Board, Annapurna Conservation Area Project and National Trust for Nature Conservation and in depth interview with tourism representative. The questions were asked to visitor and tour guide both are experienced in tourism line. The main idea for interview is to find out the tourism impact on local economy in Annapurna region and to evaluate the economic development from tourism perspective. The interviews were taken by sending questionnaire through the internet and email. Due to limited time, the interview with visitor Tuula Kinnunen was quite short because she was planning to travel Annapurna during this thesis writing. But the interview with the Dawa lama (tour operator) was quite interesting and worth full indeed.

The theoretical part of this thesis explains all physical features of Annapurna region and how the tourism has been affecting in economic development of this region. The empirical part was done after the proposal of the interviews with the tour operator and Annapurna visitor. The conversation was written in paper version through internet-email. Conclusion was made according to the interviewee responses and economic development situation of Annapurna region.

There was not any problem to manage the theoretical part of this research which was done through the e-articles-books, literature, brochure, guide book etc. But the research part was challenging and tactical work and there were insufficient books related with topic and lack of primary

data. Without the primary data from the specific areas it is unrealistic to find the result of economic impact. The conclusion which was made according to this research work might not cover all economic impact.

# 7.2 Interview Analysis

The main purpose is to know how the host region can benefit from the foreign exchange earnings from the tourists expenditures. And the other reason is to figure out how the tourism industry is contributing in regional development of Annapurna. The semi-structure interview with the visitor from Finland and the in depth interview with the experienced tour operator from Pokhara, Nepal were taken for analysis.

# 7.2.1 Analysis of an interview with Tuula Kinnunen (Visitor)

The interview was taken on 17<sup>th</sup> Oct 2012 through the email which was semi structured interview. The aim of conducting an interview with her is to find out the purpose of visit and the management of trekking around Annapurna. It was taken in Finnish language and later on translated into English with the help of friend. Due to limit time there were around eight questions were asked in interview.

According to the interviewee, Kinnunen found Annapurna through the Kapua group. Kapua is the Finnish project that collects money from participates for helping developing countries by climbing mountains. People who are participating in this Kapua project are normal Finnish people who want to help them by climbing big mountains. This project has own web page and has been working since 2006. The funds are directed to these community development projects through reliable Finnish organizations. (kapua, 2<sup>nd</sup> Ocotber, 2012)

Kinnunen had already travel Nepal in 2008 with Kapua group and she did a trek to Mount Everest base camp to the 62000 m height. Before that she had already done the trip to Africa with Kapua which was the first trip. From then she has been interested on climbing mountains for charity. Kapua has now new project for the charity trip to Annapurna trekking and including with her 15 people are selected through applications to do one certain climb together and will help raising funds for the project. The charity trip is doing for orphanages of Kathmandu to help in their

schooling through an organization called Mano a mano. For more information about Mano a mano is on web page (manomano, 2<sup>nd</sup> October, 2012.)

According to Kinnunen her group trip was organized through the Mandala travel agency which was almost for 3 weeks. Mandala is Finnish travel agency in Helsinki that is specialized in booking trip in Asia, Africa, Europe and South America and they organize culture, nature trip including hiking, trekking, biking and mountain trips. Information about the travel is available in website (Mandalatravel, 2<sup>nd</sup> October, 2012.)

She had mention that her group will stay in hotel in Kathmandu and Pokhara but during the Annapurna trip they will live in tea huts. It seems like the management of the accommodation were not clearly decided. Her trip was going to start from October to November where the weather is cleared and perfect for trekking. During the trip they have possibility to see the life structure of Annapurna circuit and can experience the difficulties as well as interesting live hood of Annapurna region.

# 7.2.2 Analysis of an interview with Dawa Lama (Tour Operator)

According to the Dawa Lama, he has been working in tourism field since 1975. Currently he is working on Malla trek pvt.ltd. As a tour operator he has great experience about the travel, tour, trekking and mountaineering. The interview was taken on 30<sup>th</sup> October 2012 through an internet email which was targeting for in depth interview. In total there were 12 questions were asked related with economic development of Annapurna region. The main aim of this interview was to find out the impact of tourist expenses on local economy.

Mr. Lama has explained in interview that hotels, lodges, mini market near the trekking areas are getting benefits from the tourists. Today, economy development of Annapurna region is possible through the tourism industry which created employments and job opportunities for local peoples. Tourism brings the foreign currency in region and in country which helps to increase GDP. Now there are more than 100 peoples who are working in ACAP and their financial situation are better now.

According to lama's personal experience in trekking tourism, international tourists are coming to Annapurna region with their budgeted program. Especially there are 5 categories of Annapurna trekking which are the visitor's choice. 9 days program for Annapurna base camp, 14 days program for round Annapurna, 6 days program for Siklish trek, 3 days program for Royal trek and 5 days program for Ghorepani-Poon Hill trek. The mostly tourist expenses are on food and accommodation. According to height and distance of trekking trip, there are different price categories for food and accommodation. The food is getting expensive on higher part of trekking areas due to lack of road transportation.

Mr. Lama had said on interview that there were so many difficulties in Annapurna trekking region before 20-30 years. They had to carry everything by themselves and there wasn't any hotel and lodges. They had to camping and make firewood for cooking. Now the time has been changed and number of hotels and lodges are available on trekking areas and slowly the road construction work has begun. Now there are more than 100 hotels and lodges are available who serves accommodation and food for the tourists.

The tourism started in Annapurna region on 1950 but the development processes are too slow. The fact reason is still there are lack of infrastructure, geographical difficulties, lack of transportation and public awareness about the tourism. More than 80% of people live under the poverty line in Annapurna region. Education and transportation are other two major factors which need to improve for avoiding the obstacle in economic development of Annapurna region. More or less Tourism is playing very important role for economy development in this region.

Nepal Tourism Board and other private organizations are helping Annapurna region by organizing different tourism program and supporting program for economic development. For instance AMMA SAMUHA who gets the donation money from the Annapurna visitors and they use collected funds for awareness program in region. ACAP has collect the entry fee from visitors and the donation money goes to make new road construction and building drinking water stations, school, heath care center and other.

Mr. Lama sees the possibility to promote Annapurna region in International market as a best tourist destination. For this he pointed out numbers of work which are very important for the development of this region. According to him, Annapurna is rich in natural resources which should be mobilized and there should be protection for wild life. Annapurna Conservation Area has been looking after ACAP and that needs to be more protected. The marketing of Annapurna region are not enough in International market so that the publicity should be optimized. The most obstacle of economic development of this region is lack of transportation. The road construction should increase throughout the region and the parks and view point tower should established more.

### 8 Conclusion and Recommendation

Nepal is known as Himalayan Kingdom with different landscape and diversities in the world. With outstanding natural beauty and climate, Annapurna region has been the ultimate destination for mountaineers and trekkers from all over the world. Trekking tourism is one of the top parts of Nepalese tourism industry and the fastest growing economic sector in terms of foreign exchange earnings and job creation. Most new tourism jobs and business are created in developing countries, helping to equalize economic opportunities and keep rural residents from moving to overcrowded cities.

In this study, all the physical features and attractions of Annapurna region has been discussed and the possibility for developing as best place for tourist destination. Annapurna region is the popular trekking destination of Nepal receiving the highest number of trekkers. It is observed that Annapurna Region is ahead of all other trekking regions of Nepal in terms of generating revenue from the tourists. Various facilities have been developed in this region for instance number of hotels, lodges, mini markets, drinking water tanks etc. to attract tourists and generate high revenues.

However, the development of this region is found slower where the tourism has been started since 1950. Behind this fact poverty, undulation and lack of transportation and public awareness are main problem of this regions. An infrastructure development especially transportation is highly necessary for economic progress of this region.

In this study, tourism comes out one of major factor that directly and indirectly impact to regional economy. There should be cooperate between ACAP and NTB for more helps and supports in terms of getting economic benefit. Annapurna region has been doing progress but there are still many works left for the economic development. Local people should be more motivated to participate in tourism management and community development rather than leaving the country for labor work in Gulf countries. There should be promotion of domestic tourism as well as international tourism for the economic development of Annapurna region.

According to numerical data of Nepal Government, MOCTCA, growth rate of tourism in Nepal are quite fluctuated in between 2006-2011. But the growth rate shows the overall good impact of tour-

ism in Nepal where highest rate are estimated in 22.07 % in 2011. However there was bad impact for tourism industry in 2008 which suggests political conflict and instability are bad for tourism. On the other hand, NTB has successfully celebrated tourism year 2011 with many tourism activities in different rural and urban parts of nation. This growing achievements show that tourism is now big opportunity for the development in Annapurna Region. The more development of transportation and education, the more economy development of this region can be achieved in the coming years but the extraordinary promising activities must be made in partnership with the private sector, local authorities and non-government organizations.

This report has provided the difficulties of trekking tourism in Annapurna region and it suggest coordination between tourist and the local people. To study more about the economic impact, there
are lacks of primary data. Likewise, data which are provided by the tourism board and ACAP and
other non government organization was dispute each other. The sources of this report have been
made through the help of Nepal Tourism Board, Annapurna Conservation Area Project, National
Trust and Nature conservation and some sources through Internet data, articles, books and Magazine. The conclusion is made according to the secondary data and the interviews so there are
still more doors are open for further research work. Therefore, this research does not provide all
the aspect of impact that has been made by tourism in Annapurna region.

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# **APPENDIX I**

I hereby request you for the short interview before you leave for Annapurna trekking trip. Please fill up for short answer for the questionnaire. The main motive of this interview is to find out the purpose of visit and how the management has been set for trip.

Name of the Interviewee: Tuula Kinnunen

Personal Address: Finland

Date of Interview: 17th Oct 2012

1. How and where did you find out Annapurna?

I found out about Annapurna and the trip through the Kapua project. You can check on more specially <a href="https://www.kapua.fi">www.kapua.fi</a>

2. Where did you get the information from?

In the year 2006 the Kapua trip was done to Africa and Kilimanjaro, I was also participating in this first Kapua trip. From then I have been informed for charity work and climbing mountains by Papua group.

3. How did you become interested in Annapurna trip?

My interest comes entirely from Kapua. I have been in Nepal in 2008 at Mount Everest base camp and climbed until the top of Island peak (about 6200m) with a Kapua group.

4. How long will your trip last?

My trip will be three weeks from 27th Oct to 16th Nov

5. What is the intention and purpose of this trip?

It is also charity trip. We are collecting money to the children in orphanages of Kathmandu to help in their schooling through an organization called Mano a mano. (www.manoamano.info)

6. How did you book your flight and which channel did you get it?

Our trip is organized through Mandala travel agency

7. How did you'll manage your accommodation?

In Kathmandu and Pokhara we will stay in hotels, and during the Annapurna circuit we are staying in tea hut.

# 8. When you'll back to Finland?

I will come back to Finland on 16th of Nov

Thank you for your valuable time and kind co-operation

DilBikram Lama

Oulu University of Applied Science

Finland

#### **APPENDIX II**

I hereby request you for the interview; please fill up for short answer for the question naire. The main aim of this interview was to find out how the Annapurna tourism's impact on local economy. The other purpose was to find out how Nepal government has been helping in order to develop Annapurna region.

Name of the Interviewee and company: Mr. Dawa Lama, Malla trek pvt.Ltd

Company address: Pokhara branch

Tour guide License no: 2381

Started career in tourism: From 1975

Date of Interview: 30th Oct, 2012

- 1. How Tourism has been supporting the Annapurna region?
- A. Tourist use hotels and Lodges
- B. Tourist eat foods and buy goods and services
- C. Tourist pay ticket fee to ACAP
- D. Local get jobs opportunities
- 2. Is there any changes comes in economic condition of local people from past to now?

Yes, of course lots of changes have been seen from 70's to now. Like development of lifestyle of people, education sector, employment sector and many more

3. What are the new plans for economic development?

A new plan for economic development is to construct new roads along with Annapurna circuit to Tibet.

4. How many foreigners like to take Annapurna trekking among the total visitors?

Annapurna region has 5 categories trekking and almost all wants to do trek here but it depends upon their budgets.

5. Where the tourist most spent their money?

Tourist mostly spend their money on accommodation and foods and especially on drinking

6. How many hotels, lodges are available in trekking routes of Annapurna?

Before 20 years back everything had to carry and make firewood for cooking but now all together more than 100 hotels and lodges are available on the trek routes of Annapurna.

7. How many local people get employment from ACAP?

I don't have exact data but more than 100 local peoples are employed

- 8. Is Tourism Board and other Govt. and Non Govt. has been providing financial support? Sometimes or some occasions only Nepal Tourism board has provided money but that is not enough. Day by day ACAP and other private organization have supporting for development work for instance AMA Samuha (it is a local community organization) performs cultural programs for tourists and collect some donation which are using for development work of area.
- 9. Why the developments work in quite slower in this region even though tourism started early 80's?

There is no easy transportation and the constructed roads are dirt, unpaved and single lane. After the rain it gets regularly buried by landslides and occasionally waster masses wipe whole parts of road away.

10. How many people live under poverty line in Annapurna region?

More than 80% of people live under poverty line in Annapurna region

11. What are the main obstacles for the economic development here in Annapurna?

There is still lack of education and transportation which are the main obstacles for economy development

- 12. What should be done for promoting Annapurna region as a tourist destination?
- A. Natural resources should be mobilized
- B. Wild life should be protected
- C. Optimum publicity of Annapurna region in International level
- D. Easy accessibility of transportation
- E Construction of liable infrastructure such as parks, view point tower

Thank you very much for your kind co-operation
Dil Bikram Lama
Oulu University of Applied Science
Finland