

# Assessing economic impact of national park visitation in Nepal

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## Introduction

International Union for Conservation of Nature (IUCN) has categorized Protected Areas into six categories depending on management objectives. National park (IUCN category II) is the large natural or near-natural areas protecting large-scale ecological processes with characteristic species and ecosystems, which also have environmentally and culturally compatible spiritual, scientific, educational, recreational and visitor opportunities (Dudley, 2008). Thus, national park provides opportunities for recreation and tourism besides conservation of biodiversity and ecological processes. . Tourism and Recreation which forms part of the cultural ecosystem services provide benefits to local, regional and international community in the form of nature visit, wilderness experience and economic contribution.

Ecotourism industry provides extra income to local people residing in and around the park, supporting for poverty reduction and conservation (Odell, 1998). Benefits accrued from ecotourism businesses are an important element for positive attitudes towards natural areas (Lindberg et al., 1996 in Lindberg, 2003) which otherwise would have been detrimental to both tourism and conservation (Lindberg, 2003).

Langtang National Park (LNP), the third most visited mountain Park in Nepal provides opportunity to experience both nature and culture. International category of protected areas, Ramsar Site (Gosaikunda) also lies within the park and attracts thousands of Hindus and Buddhist pilgrims. Therefore, it is important to understand the economy impact of ecotourism in the park and to justify the need for more investment to secure various ecosystem services, including tourism.

## Methodology

Survey among foreign visitors (N= 289) visiting LNP was carried out in 2014 (autumn) to explore the economic value of the park tourism and its local and regional economic impact. Survey was carried out in Kyangjin Gompa in Langtang National Park (3850 masl) by the author himself and few tourists who returned from trekking trip were also surveyed in SyafuBensi. Convenient sampling method was employed and tourist were approached during their free time in hotel. Rate of rejection to participate in the survey among tourists themselves was almost null however, guides of some tourists were reluctant and had fear that if the survey was for different purpose . Only the international tourists were surveyed during the study period ignoring Nepalese and South Asian Association for Regional Cooperation countries (SAARC) tourist because of the lack of visitor data for Nepalese tourist and negligible number of SAARC tourist in the region. The economic impact of tourism in LNP region was calculated based on Money Generation Model version 2 (MGM2 model) (Stynes et al., 2000).

## Result and Discussion

The highest age of the visitor (respondent) was 74 years old. In average, tourists spend 10.43 days in LNP which is bit more in comparison to previous year of 9.73 days (Thapa and Getzner, 2014). Two different group of international tourists visit LNP, one is group traveler or those who buy tour package (package tourists) and the other is Free and Independent Tourists (FITs). Group/package tourist represented 47% and FITs represented 53%.

Tourists travelling without guide have to pay USD 20 for Trekkers' Information Management System (TIMS) card fee, otherwise pay USD 10 in addition to park entrance fee. 38% of the tourist visit park without trekking guide.

Average expenditure for FITs is found to be USD 35.44/day (n=142) and average package tour cost for the whole trip is USD 1156 (n=126). Due to difficulty to calculate the daily average expenditure figure by package tourists, Thapa (2016) used the conservative estimate of national average expenditure of tourist visiting Nepal (USD 46.4/day) (The Himalayan Times, 2015). This may be underestimated than the actual expenditure because the package tourist are high spending tourist. Group tourist yielded the highest economic impact followed by FITs, entrance fee, TIMS card (for FITs) and TIMS card (group). Economic impact due to the existence of park is estimated to be USD 13,008,223 (detail calculation in Table 1).

**Table 1.** Analysis of money flow and economic impact in Langtang National Park

Category	Average stay days	Average expenditure per day (USD)	Number of tourists	Total money flow (USD)
FITs	10.43	35.44	7489	2,768,228
Group Tourist	10.43	46.4	6645	3,215,861
	Expenditure			
TIMS (FITs )	20	5371	107,420	
TIMS (Group)	10	8763	87,630	
Entrance fee	30	14134	424,020	
Total Monetary Value (USD)			6,603,159	
<b>Economic Impact (Total Monetary Value X Multiplier) = USD 13,008,223</b>				

Although the tourism provides heavy sum of money for the small economy country like Nepal, the major constraints is the tourism income leakage. As high as 70% of the income leaks out of Nepal (Lindberg, 2003).

## Conclusion

Existence of park in the Langtang region provided various opportunities to locals and outsiders, most notably income generation to local and economic contribution to local, regional and national economy. An average visitor day in the region is increased than previous year and so economic impact. Attention should be given to increase the production base in the region so that leakage will be less to maximize local benefits. However, return from tourism benefit in comparison to the investment made to secure park resources is very high.



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