



Tourism, Its Aspects and Enhancing Tourism in Nepal through Bay of Bengal Forum

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Abstract

Tourism is an emerging sector of Nepali economy that generates foreign exchange earnings and adds to the country's balance of payments. Nepal is a member of the Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC) since 2004. Nepal and BIMSTEC member states have historical, geographic, physical, cultural, economic/financial, environmental/natural, people to people, technological, professional and media (social or print) linkages. As BIMSTEC bridges South Asia to South East Asia, Nepal has enormous potentials of economic growth through tourism earning using BIMSTEC Mechanism. By branding of BIMSTEC tourism circuits and marketing tour packages in Europe, America, China, and other top tourist sending countries, both BIMSTEC region and Nepal can gain foreign exchange from tourism which can help them to prosper together.

Keywords: BIMSTEC, circular flow of income, tour operators' networks, tourism circuits, foreign exchange

JEL Classification : L83, Z32, Z33, Z38

Introduction

Nepal is a landlocked country with distinctive geographical diversity that stretches 193 kilometers from north to south. It is positioned between two rapidly growing countries, China to the north and India to the south, east, and west. From *Kechana* in the *Jhapa* district, which is 70 meters above sea level, to Mount Everest, which is 8,848 meters above, visitors to Nepal can experience the differences in height, climate geography, and vegetation.

The Bay of Bengal Forum popularly known as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) was established in 1997 as a bridging organization between South Asia and Southeast Asia. It has now seven member states, among which, five are from South Asia (Bangladesh, Bhutan, India, Nepal, and Sri Lanka) and two are from South East Asia (Thailand and Myanmar). According to the Bangkok Declaration of 1997, this is a regional group established to create a favorable environment for rapid economic development with the desire to establish a solid basis for joint action to promote cooperation in various fields. BIMSTEC has broader objective for cooperation in the field of trade, investment, tourism, technology exchange and other related fields in the spirit of equality and cooperation, thereby contributing to peace, progress, and prosperity in the region (BIMSTEC Secretariat, 2023a).

Nepal and other six BIMSTEC member states have historical, geographical, physical, cultural, economic/ financial, environmental/ natural, interpersonal, technological, professional and media (social or print) relationships. Tourism is an emerging sector of the Nepali economy, a source of foreign exchange reserves and has significant impact on Nepal's balance of payments. According to Ministry of Culture, Tourism and Civil Aviation (MOCTCA) of Nepal, the tourism industry is one of the foreign currency earners in the country and thus makes a significant contribution to the economy. Therefore, Nepal has always been actively promoting tourism and has encouraged the private sector for their involvement and participation (MOCTCA, 2023).

Nepal has been a member of BIMSTEC since 2004. By promoting BIMSTEC tourism circuits and marketing tour packages in major tourist-markets of Europe, America, and China, the BIMSTEC region and Nepal can earn foreign exchange and prosper together. In the context of global and regional tourism, this article explores the possibilities of tourism development in Nepal through BIMSTEC mechanism.

Tourism, Tourist Destination and Its Determinants

The United Nations World Tourism Organization (UNWTO) defines tourism as: “The activities of persons traveling and staying in places outside their usual environment for a period not exceeding one consecutive year for recreational, business or other purposes” (UNWTO, 1995). According to UNWTO, tourism creates 10% of global jobs and contributes to the Sustainable Development Goals (SDGs). The tourism industry's contribution to job creation is specifically recognized in SDGs which can be achieved by designing and implementing policies to promote sustainable tourism that creates jobs and promotes local culture and products.

The world faced a major health, social and economic crisis with the COVID-19 pandemic in 2020 (UNWTO, 2023a). In the aftermath of COVID-19, UNWTO has identified investments as one of the key priorities for tourism’s recovery and future growth and development. For World Tourism Day 2023, UNWTO highlights the need of better-targeted investments for people, planet and prosperity. Therefore, UNWTO has brought the theme of Tourism Day 2023 as “tourism and green investment”. This theme aims for more investment in sustainable tourism for recovery of tourism to the pre COVID-19 normal.

Tourist destination is a physical space with or without administrative boundaries in which a visitor can spend an overnight. Tourists select a destination based on different determinates which can be conceptualized as an eight *As* concept as follows:

- i. Aim (aspiration, ambition, desire, target, agenda)
- ii. Awareness (marketing, recommendation, experience, feedback)
- iii. Access (connectivity, routes, circuits, travel options, time, cost)
- iv. Accommodations (location, safety, security, facilities, price)
- v. Activities (MICE, sight-seeing, theme tourism, adventure, sports)
- vi. Attractions (brand, reputation, name & fame, innovative ideas)
- vii. Attitudes (hospitality, behavior, etiquette, civilization, customs)
- viii. Atmosphere (weather, climate, environment, health, hygiene)

In this concept a destination to travel is determined by various factors. If a person has aspiration, ambition, desire, target, agenda to travel a place, it can satisfy a tourist’s 'aim' to visit a place. Based on aim, one can select tourist destination. Similarly, marketing, recommendation, experience, feedback on a destination create 'awareness' and attract other intended persons to visit that place. Tourists also decide which place to visit by knowing 'access' to the desired destination based on connectivity, routes, circuits, other travel options, time and cost etc. Available 'accommodation' in

a destination based on its location, safety, security, facilities, and price also determine a destination to visit.

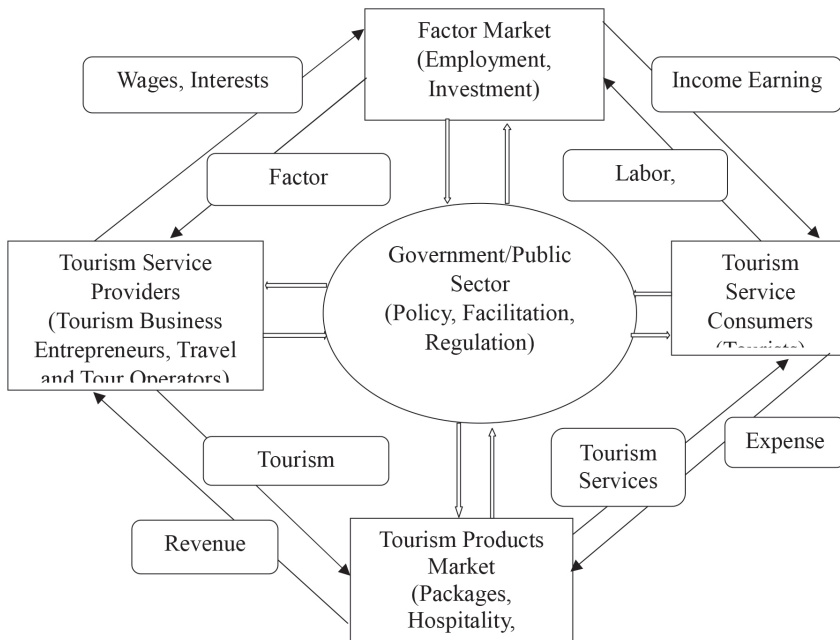
In a similar way, a tourist destination can be decided based on the 'activities' such as MICE (Meetings, Incentives, Conferences and Exhibitions), sight-seeing, theme tourism, adventure, sports etc. Furthermore, brand, reputation, name & fame, innovative ideas in a destination are also the factors of 'attractions'. Moreover, the 'attitude' features such as hospitality, behavior, etiquette, civilization, customs etc. of local people and host community help to decide a place to travel. In addition, the 'atmospheric' factors such as weather, climate, environment, health, hygiene of a destination are also important aspects for tourists to choose a destination.

Income and Expenditure Linkage in Tourism

The income and expenditure linkages of tourism sector are shown in figure 1 as the circular flow of income and expenditure in tourism. It shows that the tourism product market and factor market are linked with tourism service providers and consumers through different forward and backward linkages. The inward arrow shows forward linkage (income side) while the outward arrow shows backward linkage (expenditure side).

Figure 1

Circular Flow of Income and Expenditure in Tourism



Source: Conceptual framework based on circular flow of income in an economy

Tourists are the tourism service consumers supplied by the tourism business entrepreneurs, and travel and tour operators in the tourism product markets as tour packages and hospitality services. Tourism sector also generates employment to tour guides, hotel staffs, travel sector employees etc. The Government regulates tourism sector through its policies and facilitates and promotes tourism. The entire effort of different activities (forward and backward linkages) in tourism sector generates multiplier effect which help to grow an economy.

Global Situation of Tourism

The world was hit by COVID-19 in December 2019 and its major impacts were felt until early 2022. In this period, travel was banned and many countries were in lockdown which has significantly impacted the global tourism industry. It is now in recovery phase and different countries have set diverse priorities and strategies to recover their tourism sector. The global tourism sector is trying to recover from impacts of COVID-19 to its normal situation.

According to UNWTO, the popular tourist destination (countries), number of tourist arrivals, receipts from tourism and share of tourism sector in total exports in 2022 lightly increased from 2021 to 2022 (UNWTO, 2023b). France stood as the most popular destination with 79.4 million tourists arriving in 2022 which is 8.2% of global arrivals receiving 59.7 billion United States Dollar (USD) which stands 18.3% of total exports of France. Similarly, the other top popular destinations are Spain, USA, Turkey, Italy, Mexico, UK, Germany, Greece, and Austria (see table 1).

Table 1

Top 10 Globally Popular Tourist Destinations in 2022

Rank	Tourist Destination (Country)	No of Tourist Arrivals (in million)	% of Total Global Arrivals	Receipts from Tourism (in USD billion)	Tourism as % of Exports
1	France	79.4	8.2	59.7	18.3
2	Spain	71.7	7.3	72.9	39.1
3	USA	50.9	5.4	135.2	17.7
4	Turkey	50.5	5.4	41.4	64.5
5	Italy	49.8	5.3	46.6	38.6
6	Mexico	38.3	4.2	28	76.7
7	UK	30.7	3.4	68.2	13.9
8	Germany	28.5	3.3	31.5	7.9
9	Greece	27.8	3.2	18.6	40
10	Austria	26.2	3	19.2	26.2

Source: UNWTO, 2023b

Data shows that USA is receiving 135.2 billion USD and Mexico is getting 76.7% of the total exports. In 2022 Nepal has only 615 thousand tourist arrivals. The top destinations are also receiving significant amount of receipts which is very important in economy because it provides economic benefits, job opportunities, foreign exchange earnings, and contributes to the overall development of a country. Additionally, it fosters cultural exchange and helps in preserving natural and cultural resources.

The combination of diverse attractions, cultural richness, historical significance, modern amenities, and culinary delights contributes to the appeal of France, Spain, the United States, Turkey, Italy, Mexico France, and Spain as top tourist destinations.

Similarly, the top 10 globally popular tourist sending countries in 2019 are shown in table 2. The pre COVID-19 data of 2019 are used here as the same data for 2022 and the complete data for 2021 and 2020 is not available. USA was the top tourist sending country with 154.6 million tourists departing to different destinations with 115.3 USD billion expenditure and 1323 USD expenditure per departing tourist in 2019.

Table 2

Top 10 Globally Popular Tourist Sending Countries in 2019

Rank	Tourist Sending Country	No of Tourists Departures (in million)	Expenditure (in USD billion)	Expenditure per Departure
1	USA	154.6	115.3	1323
2	China	99.7	114.8	1647
3	Germany	99.5	89.7	937
4	France	93.1	41.3	1662
5	Canada	45.3	24.7	1328
6	Italy	30.4	27.4	874
7	Ukraine	28.7	19.7	295
8	Spain	26.6	21.9	1400
9	Korea	18.4	19.9	1140
10	Russia	11.6	20.3	798

Source: UNWTO, 2023b

The other top tourist sending countries include China, Germany, France, Canada, Italy, Ukraine, Spain, Korea, and Russia. French tourists expend the largest amount per departure (USD 1662) followed by Chinese tourists (1647). In 2019, Nepal had total of 700 million USD tourism expenditure for outbound tourism.

The importance of top tourist sending countries lies in their significant contributions to the economic, cultural, and social aspects of the global tourism industry. In addition, the dynamics of these markets is crucial for destination countries to optimize their tourism strategies and maximize the benefits of international tourism by attracting tourists from top tourist sending countries.

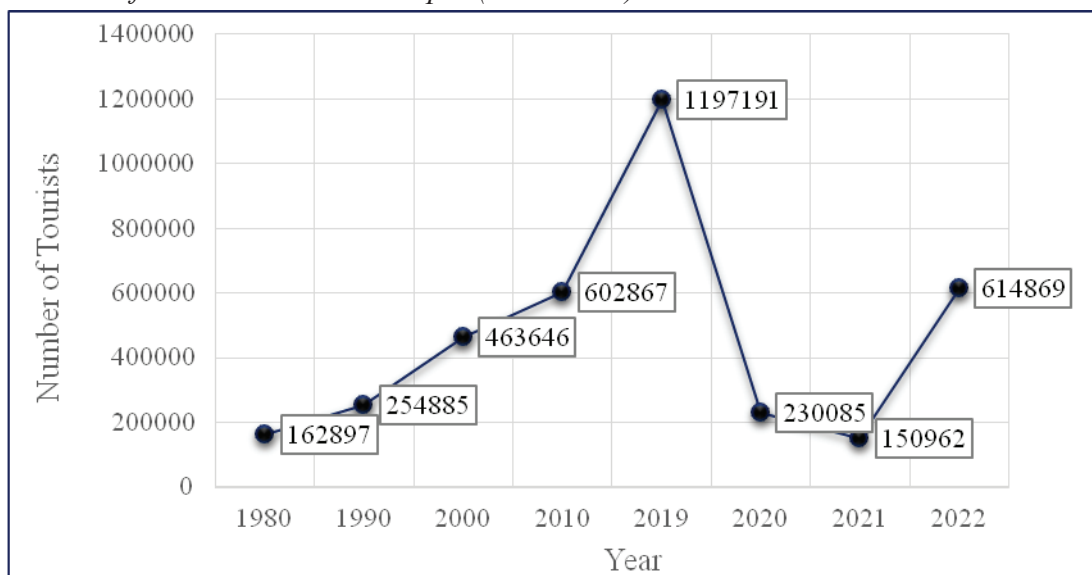
Current Status of Tourism in Nepal

According to Nepal tourism statistics (MOCTCA, 2022), Nepal received the maximum number of tourists in 2019 reaching 1,197,191 tourist arrivals, highest for the period 1980-2022. As the impact of COVID-19 pandemic, the number of tourists dropped to 230,085 in 2020 and further dropped to 150,962 in 2021.

The year 2022 is the recovery year for Nepali tourism sector in which the number of tourist arrivals increased to 614,869 (see figure 2).

Figure 2

Number of Tourist Arrivals in Nepal (1980-2022)



Source: MOCTCA, 2022

India is the top source of tourists for Nepal. In 2022, the Indian tourists that visited Nepal stood as 209,334 (34.0% of total arrivals in Nepal). The other top number of tourists those visited Nepal in 2022 are from USA, UK, Australia, Bangladesh, Germany, France, Thailand, Canada, and China (see table 3). Among the top 10 tourist arriving countries, two (India and Bangladesh) are the BIMSTEC members and more than 38% tourists came in Nepal from these two countries in 2022. However, being close neighbor, as the result of COVID-19, very few Chinese tourists visited Nepal.

Table 3

Top 10 Countries by Tourist Arrival in Nepal

Rank	Country	No of Tourist Arrival in 2022	% of total tourists
1	India	209334	34.0
2	USA	77083	12.5
3	UK	45094	7.3
4	Australia	26894	4.4
5	Bangladesh	25383	4.1
6	Germany	17742	2.9
7	France	16933	2.8
8	Thailand	9935	1.6
9	Canada	9755	1.6
10	China	9599	1.6
11	Other	167117	27.2
Total		614869	100.0

Source: MOCTCA, 2022

Together with other tourism markets, BIMSTEC countries are important basis of tourists for Nepal due to their proximity, cultural ties, and economic cooperation as significant source markets.

The data of increasing tourism related institutions from 2021 to 2022 is shown in table 4.

Table 4

Tourism Related Institutions in Nepal

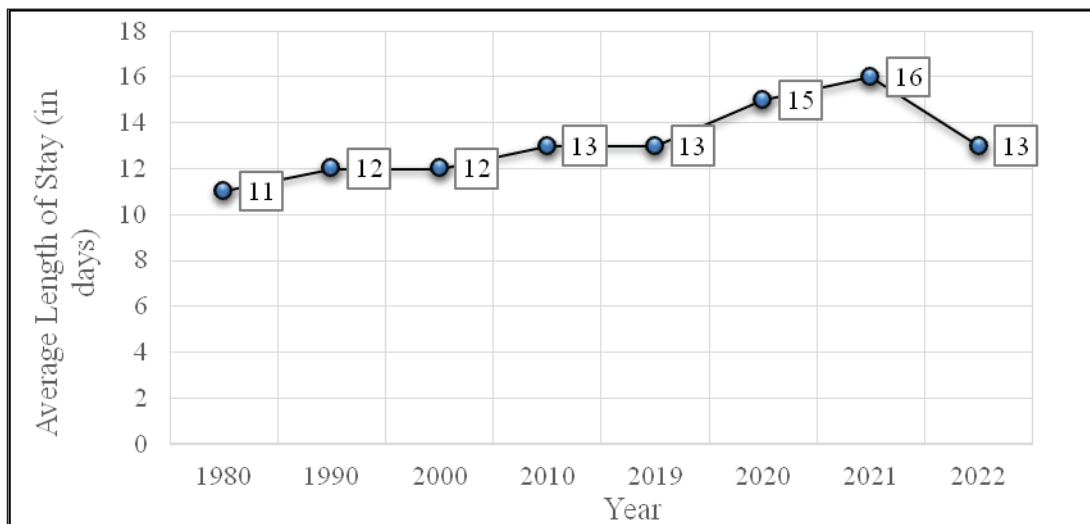
Institutions	Number in the Year		
	2021	2022	% change
Star Hotel	162	173	6.8
Non-Star Hotel	1183	1228	3.8
Total Beds in Hotel	48412	53365	10.2
Travel Agencies	3801	4773	25.6
Trekking Agencies	2821	3136	11.2
Tour Guide	4557	4975	9.2
Trekking Guide	19166	25483	33.0

Source: MOCTCA, 2022

In 2022, the number of star hotel in Nepal reached to 173 from 162 in 2021 (6.8% increase). Similarly, the number of non-star hotel increased by 3.8%, total beds in hotel increased by 10.2%, number of travel agencies increased by 25.6%, number of trekking agencies increased by 11.2%, number of tour guide increased by 9.2% and number of trekking guides increased by 33.0%. According to the circular flow of income and expenditure in tourism (figure 1 above), the increasing tourism institutions indicate that Nepali tourism sector is in recovery phase which can generate more income in the Nepali economy.

Figure 3

Average Length of Stay of Tourists in Nepal (1980-2022)



Source: MOCTCA, 2022

Average length of stay of tourist is a key factor in determining the overall impact of tourism on a region and can guide destination management strategies for sustainable and profitable tourism development. The average length of stay of tourists in Nepal is 11-16 days in the period of 1980 to 2022. It reached to highest of 16 days in 2021 and dropped to 13 days in 2022 (see figure 3). Since the average length of stay is a critical parameter that influences the economic, social, and environmental aspects of a tourism destination, it is perceived as positive for tourism industry in Nepal while comparing data of 1980 to 2022.

Tourism Potentials of Nepal

Nepal has abundant of natural resource endowment including forest, water, biodiversity, hills, mountains etc. The beautiful and diverse landscapes and climatic variations are significant factors for attracting tourists. Ancient heritages of *Hindu* and *Buddhist* culture are also attracting tourists in Nepal (see table 5).

Nepal is covered by a green forest spread from east to west in *Terai* region which is called *Charkoshe Jhhadi*. According to Ministry of Forests and Environment (MOFE) of Nepal about 44.74% of total land of Nepal is covered with forest area (MOFE, 2023). Nepal has many perennial rivers, and 15 national and wildlife parks. Different species of flora and fauna are found in Nepal. The landscapes and climatic zones are varied from Mountain, Hills, and *Terai*. Among top 10 highest peaks of the world eight are in Nepal including Mount Everest. Nepal also has 10 UNESCO preserved world heritage sites.

Table 5

Major Tourist Attractions of Nepal

Resource	Tourism Activities	Major attraction
Forest/ Water/ Biodiversity/ (44.74% of land covered by forest, 15 National & Wildlife Parks)	Animals and birds watching, rafting, kayaking, canyoning, jungle safaris especially in the <i>Terai</i> region, exploring the waterways by raft etc.	Chitwan Jungle Safari
Hills/Mountains/ Landscape/Climate (Top 8 of the 10 highest mountains in the world)	Mountain biking, bungee jumping, rock climbing, mountain climbing, trekking, hiking, mountain flights, ultralight aircraft flights, paragliding, hot air ballooning over the mountains, and mountain biking etc.	Mount Everest
Natural and Cultural Heritages (10 UNESCO World Heritage Sites)	Religious tourism, pilgrimage, cultural exchange, ethnic cultural shows, home stay programs etc.	<i>Pashupatinath</i> , Lumbini
These resources create tourism activities resulting huge tourism potentials in Nepal		

Source: compiled by author

These resources attract tourists in Nepal for many tourism activities including, animals and birds watching, rafting, kayaking, canyoning, jungle safaris especially in the *Terai* region. Similarly, other activities include exploring the waterways by raft, mountain biking, bungee jumping, rock climbing, mountain climbing, trekking, hiking, mountain flights, ultralight aircraft flights, paragliding, and hot air ballooning over the mountains. Furthermore, religious tourism, pilgrimage, cultural exchange, ethnic cultural shows, home stay programs etc. are also attract tourists in Nepal. The tourism resource endowment has created significant tourism potential in Nepal.

The major tourist attractions are shown in table 5 which can play a pivotal role in economic development, cultural preservation, community empowerment, and the overall promotion of Nepal as a diverse and compelling tourist destination. Their significance extends beyond economic contributions to encompass cultural, social, and environmental aspects of sustainable tourism development.

BIMSTEC Tourism Sector Mechanism

BIMSTEC tourism sector is a sub-sector under people-to-people contact sector. Among seven sectors of cooperation in BIMSTEC led by each country, people-to-people contact sector has four sub-sectors (tourism, culture, poverty alleviation and people-to-people contact forums which includes network of policy think tanks, expert group on VISA matters, association of BIMSTEC speakers and parliamentarians etc.).

Table 6:

BIMSTEC Tourism Mechanisms

BIMSTEC Tourism Ministers' Roundtable	BIMSTEC Working Group on Tourism	BIMSTEC Network of Tour Operators
<p><u>First Meeting:</u></p> <ul style="list-style-type: none"> • Held on 23 February 2005 in Kolkata, India • As there was no plan of action, this meeting discussed and prepared a Plan of Action of Tourism for the BIMSTEC Region <p><u>Second Meeting:</u></p> <ul style="list-style-type: none"> • Held on 29 August 2006 in Kathmandu, Nepal • Adopted Plan of Action of Tourism for the BIMSTEC Region • Since there was need for another mechanism, it agreed to establish a BIMSTEC Tourism Working Group 	<ul style="list-style-type: none"> • First Meeting: • Held on 23 September 2013, New Delhi, India • Since there was not fund to support tourism activities, this meeting agreed on BIMSTEC Tourism Fund to run Information Centre in India. • Since there was no point of contact, this meeting agreed to appoint nodal officers in tourism ministries of member states. 	<p><u>First Meeting:</u></p> <ul style="list-style-type: none"> • Held on 07 July 2017, New Delhi, India • This meeting identified that a joint effort is needed to develop tourism in the region and agreed to have Public-Private Partnership to promote tourism in BIMSTEC region • This meeting discussed to increase tourism activities and agreed to hold annual convention on tourism. <p><u>Second Meeting:</u></p> <ul style="list-style-type: none"> • Held virtually on 8-9 December 2020 in Colombo, Sri Lanka • This meeting identified the need to brand tourism in the region and agreed to run BIMSTEC tourism circuits in the name of BIMSTEC brand of tourism
<p><u>BIMSTEC tourism conclave</u> was proposed by the Fourth BIMSTEC Summit to be held in Nepal coinciding the Visit Nepal Year 2020 but could not be held due to COVID-19 Pandemic.</p>		

Source: BIMSTEC Secretariat, 2023b.

Nepal is the in charge of people to people contact sector and its sub-sectors including tourism. Tourism sub-sector has three mechanisms, viz, BIMSTEC Tourism Ministers' Roundtable, BIMSTEC Working Group on Tourism and BIMSTEC Network of Tour Operators (see table 6). Ministerial meeting is the highest mechanism which has authority of policy making and has met two times, the working group and network of tour operators make policy recommendation and implement them.

The three mechanisms are working to implement common tourism package marketing strategy in BIMSTEC region such as the creation of a BIMSTEC brand of tourism, a common website for promotion, annual BIMSTEC travel mart/conclave, a common safety protocols for adventure tourism, public-private partnership for promotion of Tourism and BIMSTEC annual convention on tourism, etc.

The Fourth BIMSTEC Summit took place in Kathmandu on 30-31 August 2018 with the theme "Towards a Peaceful, Prosperous and Sustainable Bay of Bengal Region". The Summit aimed to boost intra-BIMSTEC tourism and develop strategies for promoting tourism where safety, security, and smooth transport connectivity were emphasized. The Summit also focused on the development and promotion of various tourist circuits, ancient cities trail, eco-tourism, and medical tourism. Nepal offered to host a BIMSTEC tourism conclave in 2020, coinciding with the Visit Nepal Year, but it was postponed due to the impact of COVID-19.

BIMSTEC Tourism Circuits

A tourism circuit is a route that includes three or more popular tourist attractions spaced out across small distances and situated in various towns, villages, or cities. The circuit's entry and exit points must be clearly marked. Tourists should be inspired to visit every location listed on the circuit upon arriving at the entry point. Theme-based tourist circuits include those that are related to Buddhism, temples, shrines, ecotourism, ancient trails, wildlife, rivers, coastlines, deserts, heritage, mountains, tribal, and nature. Increasing the overall number of visits on the circuit and offering the attractions of every place on the circuit are the goals of circuit tourism.

Five tourism circuits have been established by BIMSTEC. The Secretariat was given the task of creating five tourism circuits under the BIMSTEC brand of tourism by the Fourth BIMSTEC Summit, which was held in Kathmandu in 2018. The third virtual meeting of tour operators, which took place in 2020 in Sri Lanka, suggested five tourism circuits, including the Buddhist Circuits, the Temple Circuits, the Adventure Circuits, the Eco-Trails Circuits, and the Cruise Circuits. The seven member states have chosen the destinations to be included in the BIMSTEC tourist circuits after the BIMSTEC Secretariat asked them to select and submit two locations for each of the

five circuits. The start and end points of these tourism circuits are still to be decided and they are under discussion in the BIMSTEC Network of tour operators.

In BIMSTEC, Nepal is handling tourism sub-sector. According to the current BIMSTEC practice, the member state which leads the sector and sub-sectors is responsible to prepare action plan and propose the programs. Since Nepal is leading tourism sub-sector, we have opportunities to promote new and virgin destinations, branding of BIMSTEC tourism, creation of image of BIMSTEC common destinations, attraction of foreign investors in hotel and hospitality industry and skill enhancement of BIMSTEC tourism entrepreneurs. However, MOCTCA of Nepal should prepare action plan on BIMSTEC tourism which can be beneficial for all the member states including Nepal.

In addition to BIMSTEC tourism circuits, Nepal has its own popular tourism circuits. These include Kathmandu Valley Cultural Circuit, Annapurna Circuit, Everest Base Camp Circuit Langtang-Gosainkunda Circuit, Western Nepal Circuit, Wildlife and Nature Circuit, (Chitwan National Park), Lumbini Circuit, Kanchanjunga Circuit, Tamang Heritage Trail and Tansen-Palpa Circuit. These circuits can be integrated to the BIMSTEC tourism circuits for increasing the number of tourists in Nepal.

Opportunities for Nepal through BIMSTEC Tourism Mechanism

The BIMSTEC tourism mechanism offers several opportunities for Nepal. Tourism market diversification is the first opportunity that Nepal can get from BIMSTEC forum. Since BIMSTEC comprises diverse countries with different cultures and preferences, this diversity provides an opportunity for Nepal to attract a broad range of tourists, catering to various interests and preferences.

Regional collaboration is the second opportunity in tourism promotion and development. By working together with other member countries, Nepal can benefit from joint marketing initiatives, cross-border tourism packages, and shared best practices, leading to a more integrated and cohesive tourism approach.

Cultural and heritage tourism is the third opportunity for Nepal using BIMSTEC forum. Nepal has a rich cultural and historical heritage, and many BIMSTEC countries share similar cultural ties. Collaborative efforts to promote cultural and heritage tourism can attract visitors interested in exploring the historical and religious aspects of the region.

Adventure tourism is the fourth opportunity for Nepal. The Himalayan region in Nepal is renowned for adventure tourism, including trekking, mountaineering, and other outdoor activities. BIMSTEC countries, with a shared interest in adventure

tourism, can collaborate to promote the region as a prime destination for adventure enthusiasts.

Pilgrimage tourism is the fifth opportunity for Nepal. *Pashupatinath*, the exclusive religious place for all *Hindus* of the world and *Lumbini*, the birthplace of Lord Buddha, are significant pilgrimage site among others. Collaborative efforts within BIMSTEC can promote pilgrimage tourism, attracting visitors from countries with *Hindu* and *Buddhist* populations.

Cross-border tourism packages create the sixth opportunity for tourism development in Nepal. BIMSTEC countries can develop joint tourism packages that encourage travelers to explore multiple destinations within the region including circuit tourism. This can lead to longer stays and increased economic benefits for each participating country, fostering a spirit of regional tourism.

Infrastructure development is the seventh opportunity for Nepal. BIMSTEC collaboration can facilitate infrastructure development, including transportation networks, border facilitation, and the improvement of tourism-related facilities. Joint efforts can enhance the overall tourism experience and accessibility.

Economic growth can be the eighth opportunity for Nepal. Increased tourism from BIMSTEC countries can contribute to economic growth in Nepal. The revenue generated from tourism activities, including accommodation, transportation, and local businesses, can stimulate economic development and job creation.

Sustainable tourism practice is the ninth opportunity for Nepal. BIMSTEC provides an opportunity for member countries to collaborate on adopting and promoting sustainable tourism practices. Shared initiatives for environmental conservation, community engagement, and responsible tourism can contribute to the long-term sustainability of the tourism sector in Nepal.

Capacity building and training in the tenth opportunity in which BIMSTEC can facilitate the exchange of knowledge and expertise in the tourism sector. Training programs, workshops, and skill development initiatives can enhance the capabilities of tourism professionals in Nepal, leading to improved service quality.

Cultural exchange programs and the eleventh opportunity for Nepal. BIMSTEC countries can promote cultural exchange programs, encouraging artists, performers, and cultural practitioners to showcase their talents across the region. This fosters mutual understanding and appreciation, attracting tourists interested in experiencing diverse cultural offerings.

By actively participating in the BIMSTEC Tourism Mechanism, Nepal can tap into these opportunities to strengthen its tourism industry, promote sustainable development, and foster regional cooperation in the realm of tourism.

The different types of connections directly or indirectly support tourism in the BIMSTEC region. Historical, geographic, physical, cultural, economic/financial, environmental/natural, interpersonal, technological, professional, and media (social or print) links among the seven member states create, in one way or another, a unique identity for the BIMSTEC region and aid in its economic integration.

In addition, increased intra-regional tourism connectivity and deepened regional tourism connectivity will reduce isolation in the region by allowing it to flourish with its neighbors. Domestic tourism entrepreneurs could gain greater access to markets in South Asia, Southeast Asia, and around the world with their tourism offerings.

The creation of regional value chains (RVCs) of tourism products by small and medium enterprises (SMEs) and integration into global tourism value chains (GVCs) also generate multiplier effects in the economy. Similarly, more competition and broader market access reduce monopolies, lower prices, and increase choice, which increases economic efficiency and enlarges the pie of the economy. With accessible travel regulations, informal tourism activities would be diverted into official channels, generating revenue and other benefits for all member countries, including Nepal.

Nepal's National Tourism Strategy for 2016-2025 envisions tourism as an emerging sector of Nepal's economy that could be a sustainable sector due to its significant comparative advantages (MOCTCA, 2016). Sustainable tourism in Nepal presents both opportunities and challenges. To build a tourism industry that is environmentally responsible and benefits the economy and local communities, focusing on community-driven projects and improving infrastructure is crucial. Government policies that offer financial incentives can also contribute to promoting sustainable practices in the tourism sector. By prioritizing eco-friendly tourism, Nepal can preserve its cultural heritage and natural wonders for future generations to enjoy.

Conclusion

Nepal, as in charge of BIMSTEC tourism sector and a country with several tourism resources, has tremendous opportunities for tourism development in the days to come. Since more than one third of tourist arriving in Nepal in 2022 are from India and Bangladesh, Nepal has alike potential to attract tourists from Sri Lanka, Thailand, Bhutan, and Myanmar as all of these share the common Buddhist heritages and are in the same littoral zone of Bay of Bengal. Therefore, by leveraging the Bay of Bengal Forum for regional cooperation, Nepal can tap into a larger tourism market, enhance its global visibility, and create a sustainable and inclusive tourism industry for the benefit of its economy and people. In addition, strengthening ties within the BIMSTEC framework can open opportunities for collaboration and mutual growth in the tourism sector.

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