

**REPORT ON**  
**TWELFTH SOCIALLY RESPONSIBLE**  
**BUSINESS DEVELOPMENT NETWORK**

**THEME: “RESPONSIBLE TOURISM”**

**March 9, 2007**

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**Socially Responsible Business Development Network (SRBDN)**

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## ACKNOWLEDGEMENT

On behalf of Socially Responsible Business Development Network (SRBDN) we would like to thank the presenter Mr. Chet Nath Kandel, Training Specialist, TRPAP for taking his time to present the concept of community based rural tourism development in Nepal. Also we would like to thank another presenter, Mr. Paul Stevens, Senior Advisor and Practice Leader, SNV Nepal for sharing his thoughts on CSR in Nepal's tourism Industry. We would also like to express our sincere gratitude to Mr. Nima Lama, Manager, Social Tours for moderating the forum.

Our thanks go to all the participants who attended the twelfth forum on Socially Responsible Business Development Network, who took time to participate, discuss and share their views and ideas.

## EXECUTIVE SUMMARY

ActionAid Nepal and Lotus Opportunities initiated a bimonthly forum on Socially Responsible Business Development Network (SRBDN). The Twelfth SRBDN forum took place at Yala Maya Kendra, Patan Dhoka on March 9, 2007. The theme of twelfth forum was “**Responsible Tourism**”.

Mr. Chet Nath Kandel, Training Specialist, TRPAP presented his perspective on the concept of community based rural tourism development in Nepal. Tourism is a growing tool for human development. The main goal of the programme is for the contribution to poverty alleviation through review and formulation of policy and strategic planning for sustainable tourism development. The major impacts of the program are new tourism destinations developed; more women are involved in decision-making positions as well as in business and mostly, regular savings and internal credit system in operation.

The major challenge while working in the rural area is poor accessibility to the program sites, irregularity of tourist visitors due to changing season and also security and political instability.

Mr. Paul Stevens, Senior Advisor and Practice Leader, SNV Nepal shared his thoughts on CSR in Nepal’s tourism Industry. SNV Nepal has been working for the sustainable development of the local organizations. PPST is one of 7 development fields identified having being crucial for long-term sustainable development and poverty alleviation in Nepal and therefore prioritized for their support. They provide technical and capacity-building support to local partners from the public, private and NGO sectors by supporting needy communities and aware them about the income-generating opportunities through tourism and have a long term benefit in their tourism business by embracing CSR.

Mr. Nima Lama, Manager, Social Tours moderated and concluded the forum.

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**ACRONYMS**

AAN	ActionAid Nepal
CBRT	Community-Based Rural Tourism
CSR	Corporate Social Responsibility
DFID	
DNPWC	
INGO	International Non Government Organization
LO	Lotus Opportunities
NGO	Non Government Organization
NTB	Nepal Tourism Board
PPST	Pro-poor Sustainable Tourism
SNV Nepal	
SRBDN	Socially Responsible Business Development Network
TRPAP	
VDCs	Village Development Community
UNDP	United Nations Development Programs

## **1. RATIONALE BEHIND THE MEETING**

Corporate Social Responsibility (CSR) is part of an international drive towards transparency and accountability of business activities and a way of monitoring how business perform against environment, ethics and society. SRBDN is a platform to share information, knowledge and experience on CSR. The rationale behind the meeting was to have a well functioning knowledge and information-sharing network on CSR.

### **Objective of SRBDN**

- Facilitate sharing information, experiences and ideas on Corporate Social Responsibility in Nepal.
- Facilitate identification of common interests and development of joint efforts and create synergy among facilitators, providers and donors.
- Awareness raising
- Cooperation between large organization and SME.
- Integrating CSR in education

## **2. OBJECTIVE OF THE TWELFTH FORUM**

The objective of the twelfth forum on SRBDN was as follows:

- To share the concept on responsible tourism and the industry from both theoretical as well as practical point of view
- To share the experience on rural tourism and its development in Nepal

### 3. PROCEEDINGS OF THE PROGRAM

#### 3.1 Programme Overview

The Twelfth Socially Responsible Business Development Network took place at Yala Maya Kendra, Patan Dhoka on March 9, 2007. The theme for the forum was “**Responsible Tourism**”.

To begin with the session, Ms. Rachana Tuladhar, welcomed the entire guests; she gave a brief background about the forum. Also, she informed all the new participants about the SRBDN yahoo group for membership and the website [www.srbdn.org.np](http://www.srbdn.org.np). Then she invited Mr. Nima Lama to moderate the forum.

#### 3.2. Community-based Rural Tourism Development in Nepal - Mr. Chet Nath Kandel, Training Specialist, TRPAP

Mr. Chet Nath Kandel started his presentation with the vision that tourism is a growing industry throughout the world, if developed in a sustainable manner; it may assist communities to increase their incomes and be more self sufficient. In other words, tourism can be a tool to alleviate rural poverty. There are growing concerns for the responsible tourism like Fair Trade principles but CBRT clearly is about the tourism which is only designed and developed to be sensitive to the needs of the rural community & enhance living standards, particularly amongst the poorest & most marginal groups. CBRT can provide better education and training, empowerment to women, safety measures in health, hygiene and sanitation, access to micro-credit facilities and conservation of nature, culture and environment. He briefed that pro-poor tourism (PPT) is usually familiarized as a change which results increment in the net benefits and improved livelihood for poor people, in context of family health and education. However there are various principles to be followed for the development of CBRT such as, developing an infrastructure in a way to benefit and involvement of local people, all targeted market segments should strictly follow the principles and should add an extra benefit to the farmers particularly in the off-season.

Mr. Kandel then introduced TRPAP and experience in CBRT. Until now, their project has been implementing in 48 VDCs in 6 districts with the technical and financial support of UNDP, DFID

and SNV/Nepal in close partnership with NTB and DNPWC. The main goal of the programme is for the contribution to poverty alleviation through review and formulation of policy and strategic planning for sustainable tourism development.

Besides the main objective of the programme demonstrate sustainable development models for policy feedback and develop institutional mechanisms and also support the government to review and formulate sustainable tourism. The programme conducted many capacity enhancement activities like vocational trainings, skill training and other orientation programmes in the fields like hotel, lodge management, health and sanitation, guiding and portering, handicrafts etc. Even towards human resource development, they have trainings on village-based sustainable tourism, social mobilization/ tourism system analysis and development approach, gender and tourism assessment training, and participatory tourism development and management planning training. There have been 38 types of small-scale tourism infrastructure developments for protection of natural & culture heritage, and environment like renovating monuments, establishing museums and supporting energy saving activities. Some recently developed rural tourism products are Pathibara & Limbu cultural trail in Taplejung, a cultural journey to Mt. Everest and Dudhkunda – Pikey cultural trail in Solukhumbu District, Tamang heritage trail in Rasuwa, Chitwan Chepang hill trail in Chitwan and others in Rupandehi and Dolpa. Due to these new developments, local fairs and festivals are promoted. Also, promotional materials are published, people are starting to promote cultural performances in commercial basis.

According to Mr. Kandel, the major intervention of the second objective is to develop institutional mechanisms for the sustenance of tourism development in Nepal, for which TRPAP had access to capital for micro-enterprises. They have laid out foundations for micro, meso and macro level institutions. Policy development plans were published as district tourism plans and tourism marketing strategy plan 2005 – 2009. There are marketing for new rural products such as familiar visits for journalists, trekking agents, documentary makers, etc. The different activities undertaken for promotional are brochures, documentaries, guide books, training manuals etc. And in his last objective, the major intervention is to support the Government to review and formulate sustainable tourism development policies and strategies; and integrate them with wider conservation objectives. For this, the policy developments are reviewing existing tourism

policies, acts, regulations; endorsing the different plans and regulations and formulate pro-poor tourism policy and long term National Tourism Strategic Plan. Finally, Mr. Kandel discussed about the major impacts of Rural Tourism in Nepal and its major challenges.

### **3.3. Corporate Social Responsibility in Nepal's tourism industry - Mr. Paul Stevens, Senior Advisor and Practice Leader, SNV Nepal**

Mr. Stevens presentation was divided into four major sections. The first section being SNV and Pro-poor Sustainable Tourism describes about how SNV is working in the capacity development of local organizations by providing service to about 1800 local organization in 30 countries. They give support to the local partners form the public, private and NGO sectors with the objective of helping disadvantaged communities identify and utilize sustainable business, employment and income-generating opportunities through tourism, also, by mainstreaming PPST principles and practice into planning and management of all tourism activities in Nepal. Working on this objective they have learnt that though their plans were well managed, community tourism initiatives will struggle to succeed even without the active participation and support of the private sector. There are other ways that local people can benefit from tourism in many ways, not only through the provision of community-based tourism products. Also, there are many good examples of PPST 'best practice' / CSR in Nepal, but they are still the exception rather than the rule. However, learning from their experiences, they have started to apply new theories to their work like, understanding PPST from market sub-sector to managements philosophy, and then planning make it market oriented product which would be pro-actively engaging with, supporting & partnering private sector

Talking about the PPST in the first section of the presentation, Mr. Stevens defined about it in his section of the presentation. Tourism sector can promise economic growth and human development. Also, in the context of Nepal, it offers the opportunity for sustainable economic development and poverty alleviation in remote districts which often have few of such opportunities. But, if not correctly managed, tourism can cause significant negative environmental, social and economic impacts such as pressure on natural resources, pollution and waste, physical degradation or social and cultural pressure. According to Mr. Stevens, a set of

principles or a philosophy which is equally applicable to all types and sizes of tourism business defines as PPST. It helps building environmental and cultural awareness and respect providing positive experiences for visitors and hosts which delivers direct benefits to conservation. This directly provides financial benefits and empowerment for local people. So, in short, we can say that development which meets the needs of the present without compromising the ability of future generations to meet their needs is CSR.

In the third section of the presentation, he illustrated about the different examples of the responsible tourism. In Pokhara, a local organization named 3 Sisters Trekking, established an NGO, Empowering Women in Nepal to help promote the growth of independent, self-sufficient, decision-making women by encouraging self-empowerment. Another example is Explore Nepal Group, is working in minimizing use of energy such as for A/Cs, water consumptions, encouraging using recyclable products and buying local supplies such as furniture etc. they have also organized campaigns like clean up treks, training and environmental allowances for the staff, and briefing tourists on how they can minimize their impact and information posted in all rooms. Externally, they are organizing community awareness raising programs and public campaigns such as tempos, plastic bags etc. In the Global context, Taj Group has a scheme for building livelihoods for the underprivileged. Over 500 Taj training managers voluntarily provide skills training to local communities Provision of needs-based livelihood support to local artisans Their objective is to provide employment training to communities according to their needs and requirements, and provide employment with Taj hotels.

The last section of the presentation is about mainstreaming PPST /CSR. There is a common misconception that small scale business need not apply CSR or CSR is an extra expense. In another perspective, applying the principles and practices of PPST can reduce costs, provide a strong competitive advantage and safeguard the future of business. In another words, we can say that sustainable and social tourism is just a way to increase profit in the long term basis. So, people now have started to introduce various trends in tourism business such as demand for more authentic, more fulfilling holidays associated with the key principles. Because of which tourist knowledge of sustainability is growing and so is their expectation that it is part of product / service quality. Some of the recent surveys found that most of the U.S. and Australian travelers

and 90% of British tourists consider active protection of the environment, including support of local communities, to be part of a hotel's responsibility and they are ready to pay more to the hotel with “responsible environmental attitude”, even for a short stay. So sustainability is slowly growing towards profitability.

There are various donors and development agencies willing to work with & support private sector such as Mast-Nepal and GHT Development Programmes. So, in the conclusion, he said that CSR is equally applicable to all types of tourist business, as it can be a win-win situation for countries, communities, consumers (tourists) and businesses. If we are apply responsible tourism in our business, we can create a competitive advantage, protect their tourism assets, anticipate and address market trends with a profitable amount.

### **Discussion:**

During the discussion session with Mr. Chet Nath Kandel, a participant queried if TRPAP is working towards the implementation or just making plans. Mr. Kandel said that planning is very important to start any work. Also, short term plans are never successful. There are places where we have implemented our plans. But locals are not as benefited as the business men. So, its time for private sector to start supporting tourism.

Meanwhile another participant asked how the plans are implemented and monitored? Is it taken to PPP level? On this Mr. Kandel replied that their planning is of minimum 5 years and they provide resources to community to implement. They also provide facilitators and groom community to implement plans. But they have not thought about PPP yet.

Another participant asked if TRPAP have ever worked with private sector before. Mr. Kandel said that they have only worked with associations and groups like STN till now. And cannot give preference to individual businesses.

Talking about the involvement of private sector, he said that initially it's difficult, but for later they have plans to involve them step by step, like first local, then from district level and finally to the city.

During the discussion session with Mr. Paul Stevens, one of the participants wanted to know if how they made their resources commercially viable. Mr. Stevens replied with an example that in Lumbini, they linked craft producers with a trader of Kathmandu. Likewise, they promoted the products through market linkages.

Another participant asked Mr. Stevens about the initiatives they have taken towards the private sector. He answered that they give necessary tools for marketing and give rewards for good work.

#### **4. WRAP UP**

Mr. Nima Lama, moderator of the forum concluded the session. TRPAP is doing a wonderful job in discovering new tourism destinations. This contribution will directly benefit to all the people involved in tourism business. Also, looking at the presentation from SNV Nepal and its work, private sector is very much encouraged to market the tourism business more responsibly.

## 5. ANNEXURE

### 5.1 Program Schedule

#### Twelfth SRBDN Forum Tentative Program Schedule

**Date:** 9<sup>th</sup> March 2007

**Venue:** Yala Maya Kendra, Patan Dhoka (Near Post Office)

**Theme:** Responsible Tourism

2:15 - 2:30	Registration
2:30 - 2:40	Welcome Address
2:40 – 3:10	Mr. Chet Nath Kandel TRPAP <b>30 minutes</b>
3:10 – 3:30	Discussion Round <b>20minutes</b>
3:30 – 4:00	Mr. Paul Stevens, Senior Advisor, Sustainable Tourism Development SNV Nepal <b>30 minutes</b>
4:00 – 4:20	Discussion Round <b>20minutes</b>
4:20 - 4:30	Moderators wrap up <b>10 minutes</b>

## 5.2 List of Participants

SN	I	F. Name	L. Name	Designation	Organization
1	Mr.	Bijaya	Pradhan	Chairman	Dream Nepal
2	Mr.	Umeed	Shrestha	Training PRO	Bank of Kathmandu
3	Mr.	Rajendra	Basnet	Officer - Services	BDS MaPS
4	Ms.	Sujan	Bharati	PAC Manager	Bottlers Nepal Ltd.
5	Ms.	Pema Doma	Sherpa	Director	Climb High Himalaya
6	Mr.	Rajan	Thapa	Co-director	Climb High Himalaya
7	Ms.	Geeta	Shrestha	Executive Director	Hoste Hainse
8	Ms.	Monisha	Rajbhandari		IUCN
9	Mr.	Indra	Barali		Jana Uttham & Environment Electric Vehicle P Ltd. (JEEV)
10	Mr.	Rohit	Khadka		Jana Uttham & Environment Electric Vehicle P Ltd. (JEEV)
11	Mr.	Jaganath	Maharjan	Managing Director	Khajuri Foods Industry
12	Mr.	Neeraj	Nepali	Executive Director	Lotus Opportunities
13	Mr.	Deebas	Shah	General Secretary	Nepal Mountaineering Association
14	Mr.	Sabendra	Pachhai	Managing Director	Nepal Trekking and Expedition
15	Mr.	Hom Bahadur	Pariyar	Program Officer	Nepal-Reisen Travels & Tours
16	Ms.	Trishna	KC	Reporter	NTTR
17	Mr.	Paul	Stevens	Senior Advisor and Practice Leader	SNV Nepal
18	Mr.	Nima	Lama	Manager	Social Tours
19	Mr.	Arjun	Kandel	Social Development Officer	Surya Nepal
20	Ms.	Aditi	Shrestha		Tara Management
21	Mr.	Avaya	Bajracharya		Tara Management
22	Mr.	Suvash	Thapa		Tara Management
23	Mr.	Birendra	Mahato	Chairman	Tharu Cultural Museum
24	Mr.	Chet Nath	Kandel	Training Specialist	TRPAP
25	Mr.	Gopesh	Maskey	Corporate Manager	Vijaydeep Laboratories