



# NAMASTE

Monthly E-Newsletter of Hotel Association Nepal, NOVEMBER 2024

## 940,000 Foreign Tourists in 2024 so far

Nepal's tourism sector has seen promising growth in 2024, welcoming over 940,732 foreign tourists in the first ten months, according to the latest data from the Nepal Tourism Board. October alone recorded 124,393 arrivals, reflecting a 6.4% increase over the same period last year, when 117,306 tourists visited. This recovery highlights the resilience of Nepal's tourism industry, now at 92.96% of pre-COVID levels, with 2019 being the last benchmark year, which saw 134,096 tourists in October.

Analyzing the data regionally, arrivals from India and China, Nepal's top neighboring markets, have decreased over recent months. October saw 16,313 tourists from India, a 13% drop from the previous month, with numbers for Chinese visitors also declining to 7,750 in October from higher counts in August and September. Industry experts attribute this reduction to challenging monsoon conditions, which could have impacted travel plans. Despite

these drops, visitors from other regions, particularly the U.S., showed increased interest, with a notable 12.88% rise in American arrivals in October, totaling 16,023. Other major contributors included the United Kingdom, with 8,019 tourists; Australia, with 6,929; and Germany, with 6,018 arrivals, indicating a strong demand for Nepal's renowned travel experiences.

Throughout the year, March remained the highest point for tourism with 128,167 visitors, contrasting with July, which recorded the lowest turnout at 64,599 tourists. This variance underscores the seasonal appeal of Nepal's trekking routes, adventure tourism, and natural sites, which attract peak crowds during spring. Other high-performing months included May, with 90,211 tourists, and January, with 79,100 visitors, each indicating a solid upward trend despite the impact of early-year monsoon disruptions. September recorded a respectable 96,305 arrivals, followed by August with 72,719 tourists.

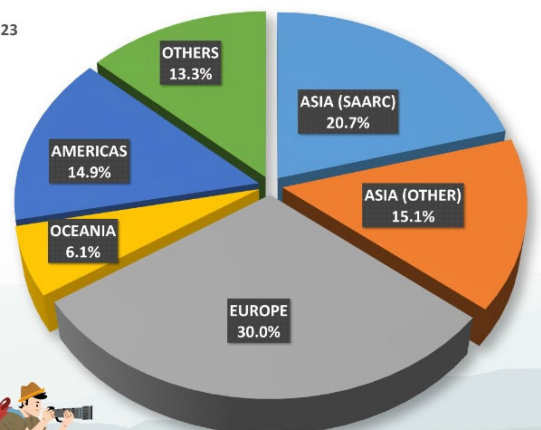
**INTERNATIONAL**  
Visitors Arrival in October, 2024 **124,393**



### TOP 10 Source Market Countries



### Regionwise Distribution of Arrivals



Source : Department of Immigration  
Prepared by : Nepal Tourism Board



# The Himalayan Journey So Far and the Vision for the Decade

– Binayak Shah, President-HAN

## HAN's Legacy and Achievements:

The Hotel Association of Nepal (HAN) has been the backbone cornerstone of Nepal's hospitality industry for over 58 years. Established in 1966, HAN represents more than 5,000 hoteliers across the country, including Deluxe, International Brands and multi star hotel boutique resorts, and budget accommodations. With a membership strength that spans the entire nation, HAN has worked tirelessly to elevate the standards of hospitality, contributing significantly to Nepal's global tourism footprint. Today, the estimated market value of Nepal's hotel investment stands nearly at National Annual Budget of the country showcasing our industry's growth and potential. Today we can proudly say we have created more than one million job all across the country. The hospitality sector is now the second-highest foreign exchange earner in Nepal, a fact we are incredibly proud of. This achievement, however, underscores the importance of continued collaboration between the private sector and the government to sustain and grow this crucial economic growth engine.

## The Himalayan Journey So Far:

As we stand here today, looking back at our journey, it is important to recognize the milestones we have achieved and the lessons we have learnt. Nepal's tourism journey has been nothing short of remarkable. From being a hidden gem to becoming a must-visit destination for travelers seeking cultural, spiritual, and adventurous experiences, Nepal has come a long way.

We have faced challenges: political instability, natural disasters, and a global pandemic that brought tourism to a standstill. But time and again, we have risen from adversity, stronger and more resilient. In 2023, Nepal welcomed over one million tourists, closed to pre-pandemic levels. In 2024, more than 9.5 lacks visitors have already come by October, indicating strong momentum.

## Present Scenario :

Our current tourist carrying capacity stands at 3.5 million but tourist arrival is around a million-which means our capacity utilization is only one third and business yields are below break even.

## Vision for the Next Decade:

While the government has declared 2023-2032 as the Tourism Decade, it is now November 2024, but the program has not started. HAN strongly urges the government to amend the Tourism Decade timeline to 2025-2035. This would allow us to realign our goals, make strategic plans, and amend policies in line with



current needs and set tourist arrival target at 5 million by the end the decade.

*In the present context, our success largely depends in our achievements on following*

## Key Focus Areas:

1. **Connectivity and Access:** We need to improve our connectivity, both internationally and domestically. Key airports in Pokhara and Bhairahawa must operate and our road infrastructure needs significant upgrades. We also call for a streamlined immigration and customs process.
2. **Policy Reforms and Public-Private Partnership:** We call for comprehensive policy reforms that align with the needs of the private sector. The government must hold its mechanism accountable for the lack of implementation and nonperformance on announced program & policies. We must also ensure stronger public-private partnerships to foster an environment where tourism can thrive.

46 years old tourism act of BS 2035 urgently needs to be amended and also hotel must be

declared and categorized as Industry in the law of the land.

Effective performances from Nodal Agencies: Additionally, Nepal Tourism Board, Nepal Airlines and CAAN must be held accountable for executing the policies and programs they are mandated. We cannot afford delays any longer. We urge Nepal Tourism Board to forge ahead effectively as National Focal point for Tourism Promotion Organization.

Regulation of Airbnb, Homestays, and BnBs: While Airbnb and homestays have flourished, they remain largely unregulated. This lack of regulation hurts the hotel Sector. Stricter policies and enforcement mechanisms are necessary to ensure fair competition and quality standards across all types of accommodation.

3. **Promotions of New Destinations & Activities :** Sustainable Tourism as the Core: The future of tourism is sustainable tourism. We must integrate eco-friendly practices, minimize our carbon footprint, and involve local communities to preserve our natural and cultural heritage. Our

initiatives, such as banning single-use plastics in hotels, are a good start, but we must aim for more. **Mega Destinations in Each Province:** To achieve the 5 million tourist target, we need to establish major mega destinations in each province. This would lure the private sector to invest in these areas, helping us build the necessary infrastructure and tourism offerings to meet future demand.

**Alpine Activities & Mid-Hill Trekking Tourism:** Our Himalayan region remains our greatest asset, offering immense potential for alpine and high-altitude adventure sports activities. Simultaneously, mid-hill trekking routes, which are rich in culture and biodiversity, remain untapped. Promoting these areas will support sustainable tourism.

**Gastronomy Tourism:** Gastronomy tourism is growing pillar of Nepal's tourism success. Our rich culinary traditions, from Newari feasts to mountain cuisines, are drawing international food lovers. Promoting Nepali gastronomy will further cement Nepal as a top culinary destination as well.

4. **Redefining Nepal's Image and Market Strategy:** For too long, Nepal has been perceived as a "cheap destination." We must shift this narrative by investing in marketing and branding Nepal as a premium year-round destination, offering luxury, wellness, adventure, and cultural tourism. By leveraging digital marketing and forming global alliances, we can transform Nepal's market positioning.

**A Call to Action: Building the Future Together** Friends, our vision for the next decade must be one of bold ambition and unwavering commitment. We must build on the strengths we already possess—our unique culture, breathtaking landscapes, and the warmth of our hospitality—and address the gaps that hold us back. This will require collaboration, innovation, and shared determination to position Nepal not just as a destination but as an experience of a lifetime.

Let us seize this moment, embrace our collective responsibility, and move forward with the confidence that the best days for Nepal's tourism are yet to come. The Himalayan journey is far from over; it is just beginning. Together, let us create a new decade of growth, prosperity, and shared success. With the target of welcoming 5 million tourists by the end of the year 2035.

*(Excerpts from Key Note Address made by Mr Shah at Nepal Hospitality Conclave 2024)*

# Kathmandu airport to cut flight hours



Nepal's only international aviation gateway, at Kathmandu airport, will cut night-time operation hours to allow construction of taxiways, and airlines have been told to curtail flights.

This is expected to lead to more than normal chaos during the height of peak autumn and spring tourist seasons at an airport that is congested even at the best of times. The airport will close from 10PM to 8AM from 8 November-31 March 2025.

The taxiways will now connect to the thresholds at both ends of the runway, making the airport more efficient in handling higher frequencies of landings and takeoffs.

The parallel taxiway extension will allow international flights to land every 4 minutes instead of the current every 7 minutes. At present planes have to wait to land until a plane taking off backtracks along the runway.

Kathmandu is Nepal's only airport with international operations, and it has only one runway that is only one way in from the south over the mountains. With the taxiway improvement, the airport will be able to handle 42 aircraft landings and takeoffs per hour — double the current capacity.

The Civil Aviation Authority of

Nepal (CAAN) has been trying to entice international airlines to also start flying to and from the other two international airports at Pokhara and Bhairawa (Lumbini) by slashing landing and handling charges. But so far only Nepal Airlines operates a weekly flight to Bhairawa from Kuala Lumpur.

CAAN has reportedly told international airlines to cut their flight frequency to Kathmandu citing the shorter operation hours and has told budget airlines to shift some of their flights to Pokhara or Bhairawa, or face cuts.

Many airlines currently operate regular flights to and from Kathmandu between 10PM and 8AM: Air Arabia to Sharjah, Fly Dubai to Dubai, Jazeera Airways to Kuwait, Cathay Pacific to Hong Kong, Singapore Airlines, several Nepal Airlines flights, and one of four daily flights by Qatar Airways to Doha.

Jazeera Airways, FlyDubai, and Thai AirAsia have applied and got permission from CAAN to begin regular flights to Bhairawa's Gautam Buddha International Airport. Starting 9 November, FlyDubai will start making a stopover in Bhairawa before flying on to Kathmandu.

## International flights start from Bhairahawa

Four airlines have started international flights from Gautam Buddha International Airport. Two and a half years after the opening of the airport, four domestic and foreign airlines companies have started international flights from Bhairahawa.

Nepal Airlines, Thai Air Asia, Jazeera Airlines and Fly Dubai has started flights from Gautam Buddha International Airport. After the start of regular international flights, Gautam Buddha International Airport has started to get crowded with passengers and general public. Likewise, the right of the TBA (ticket booking agent) given to the travel agencies by the airline companies to sell the tickets en masse has been cancelled.

Immigration, customs and security are all fully functional in Bhairawa.

In Kathmandu, the next phase of the airport upgrade includes converting the current international terminal for domestic operations, the construction of a new international terminal where the domestic departure area is now, as well as moving the hangars and the Nepal Army Air Wing to the eastern side of the runway. The apron area will also double its parking space for widebody jets.

This is part of a Airport Capacity Enhancement Project that was initially funded through a \$80 million loan from the Asian Development Bank (ADB), and the entire masterplan is expected to cost \$800 million.

This project is the latest upgrade to Nepal's only international airport since it saw its first flight in 1949. The current international and domestic terminals are too small to handle the current annual traffic volume of 8.5 million passengers a year that is growing at 20% a year.

(Source: nepalitimes.com)

# The 5 and 4 Star Committee Meeting Convened

HAN organized a joint meeting of 5 and 4 star owners/representatives on October 23, 2024 at The Soaltee Kathmandu. The meeting also invited the DG of Department of Tourism Dr Narayan Prasad Regmi as well as the CEO of Nepal Tourism Board Mr Deepak Raj Joshi who noted the issues and concerns of the hoteliers raised at the meeting. The meeting concentrated on various issues, especially on legal, policy, and operational issues facing the industry.

One of the discussions revolved around the proposed formation of a Tourism Council, which aims to create a cohesive platform for stakeholders to collaborate on policies and initiatives that will drive sustainable growth in the sector. Participants also deliberated on connectivity issues, emphasizing the need for improved access to key tourist destinations, which is vital for elevating tourism status of a nation. Airport operations and standardization emerged as another significant point of concern, with owners highlighting the importance of consistent quality, crisis management, tourists security and service across all airports in Nepal to boost the image of tourism.

Moreover, the committee discussed recommendations for simplifying regulatory frameworks and enhancing support for hotel operators to navigate the complex landscape of compliance and standards including hotel standardization and licensing criteria across Nepal.

The meeting also discussed various legal issues including status of national priority industry, tourism act and tourism policy, immigration and border facilitation issues, cash incentives among others. The participants also stress on the need to appoint an international expert to foster the brand image of Nepalese tourism in the international market which couldn't really gear up as expected over the years.

The DG of Department of Tourism also made clear various aspects as raised at the meeting and he also asked to implement the circular sent by Department of Tourism to replace the plastic bottled waters at the hotels. Similarly, NTB CEO expressed commitment to promote private sectors as per their demands and requirements.

## Top 13 International Tourists Arrival in World (in million)

Characteristic	2019	2020	2021	2022	2023
France	90.91	41.68	48.4	93.2	100
Spain	83.51	18.93	31.18	71.66	85.17
United States	79.44	19.21	22.28	50.87	66.48
Italy	64.51	25.19	26.89	49.81	57.25
Turkey	51.19	15.89	29.93	50.45	55.16
Mexico	45.02	24.82	31.86	38.33	41.95
United Kingdom	39.42	10.71	6.29	30.74	37.22
Germany	39.56	12.45	11.69	28.46	34.8
Greece	31.35	7.37	14.71	27.84	32.74
Austria	31.88	15.09	12.73	26.22	30.91
Thailand	39.92	6.73	0.51	11.07	28.15
United Arab Emirates	21.56	7.17	11.48	22.65	28.15
Saudi Arabia	17.53	4.14	3.48	16.64	27.42