



Monthly E-Newsletter

SATKAR

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Tourism Stakeholders Team Appraises Finance Minister

The Tourism Stakeholders Team appraised the Finance Minister on the current status of the industry and the way forward.

President Mr. Binayak Shah raised the issue of industrial electricity tariffs on hotels as per the relevant act. He highlighted the 'No License, No Hotel' provision and requested the abolition of the hotel luxury tax, facilitation of easy e-payment, promotion of domestic tourism, implementation of leave travel allowances, support for destination weddings and MICE events, and permission for government programs to be held at hotels.

He further requested the government to announce special financial support to allow deferral of interest payable to banks until the end of Asad 2083. He also emphasized that, in order to sustain business for at least one year, hotels must provide services and facilities to affiliated



workers and employees and manage the minimum financial resources required to operate the supply chain.

President Mr. Shah also emphasized that tourism should be prioritized through concessions similar to those provided to the agricultural industry and that a separate special policy and economic arrangement under the title 'Tourism

and Hotel Industry' should be announced in the Monetary Policy of Nepal Rastra Bank for the sustainable development of the sector. Other issues raised included VAT on air travel, TIMS, Nepal Airlines and promotional and operational matters. The meeting was attended by NTB, HAN, NATTA, TAAN, NMA, AOAN and other tourism industry associations.

Follow-Up Meeting with Energy Minister

HAN President Mr. Binayak Shah met Hon'ble Energy Minister Mr. Kulman Ghising this afternoon and handed over a memorandum from the hotel industry. President Shah strongly urged the government to ensure that hotels/resorts receive electricity



tariffs equivalent to those of the manufacturing industry, as declared in the National Budget and enacted by the Finance Act, 2082/83.

Minister Ghising, responding to this pending issue, stated that it has been referred to the Nepal Electricity Authority and the Electricity Regulatory Commission for the necessary institutional and departmental processes and implementation, as requested.

HAN President Meets Sri Lankan Ambassador

HAN President Mr. Binayak Shah met with Her Excellency Ms. Ruwanthi Delpitiya, the Ambassador of Sri Lanka to Nepal, at the embassy on December 10, 2025.

The meeting focused on strengthening bilateral tourism promotion and exploring possible collaboration in the hospitality sector.

The areas of mutual cooperation to boost tourism, connectivity enhancement, and tourism practices of both countries were discussed.



Elephant festival revives Sauraha tourism after prolonged slump



On the cusp of Christmas and the New Year, tourism entrepreneurs in Sauraha were buoyed by a noticeable rise in tourist arrivals—both domestic and international—after months of slow business. Hoteliers say that poor road conditions and weather-related disruptions to domestic flights failed to deter jungle safari enthusiasts this time. The main attraction was the three-day 19th Elephant and Tourism Festival, which concluded on Sunday.

“Rooms are almost sold out, and bookings are encouraging,” said Prakash Neupane, general manager of Banbas Resort in Sauraha. “The elephant festival in Sauraha has become a major draw.”

December-to-February is typically considered the off-season in Chitwan, as many foreign tourists return home to celebrate Christmas and the New Year, leaving the destination relatively quiet.

“This year, however, the situation is different,” said Neupane. “We hope the momentum will continue.” Foreign visitors were also drawn to the festivities. “We arrived in Chitwan from Pokhara to see the elephant festival,” said Liwen Liang from Nanjing, China. “The environment here—from local culture to the elephant festival—is fascinating.”

In previous years, tourist numbers in this period used to be low, forcing hotels to operate under financial strain. Tourism entrepreneurs credit the elephant festival with reversing that trend, at least temporarily.

The elephant festival has been held in Chitwan for decades, though it has long faced opposition from

animal rights activists.

In December 2017, Nepal’s most popular but controversial sport—elephant polo—was officially discontinued after 35 years.

Tiger Tops, a pioneer of eco-tourism and organiser of the annual International Elephant Polo Competition, announced it would stop the event from 2017 to support the movement against animal cruelty.

Elephant polo was first introduced in Nepal in 1982 by James Manclark, along with fellow enthusiast Jim Edwards. The World Elephant Polo Association was formed the same year at Tiger Tops Jungle Lodge in the then Royal Chitwan National Park.

The matches were played on a grass airfield in Meghauli, on the edge of Chitwan National Park. Players rode elephants guided by mahouts, initially using a football before switching to standard polo balls after elephants damaged the softer ones. Bamboo sticks fitted with polo mallets were used.

The unusual sport attracted large numbers of foreign tourists to Chitwan for decades.

Even after Tiger Tops withdrew, other organisers continued hosting the event. In December 2018, an elephant polo tournament held in Sauraha drew international criticism over alleged mistreatment of elephants. Similar informal events were organised in 2019, prompting animal rights groups to urge the government to intervene.

In the run-up to Visit Nepal 2020, dozens of international elephant experts and animal welfare campaigners appealed to the government to prevent elephant abuse. The elephant polo and

football events did not take place in 2020 due to the Covid pandemic.

Following the end of elephant polo, many luxury properties in Chitwan also stopped offering elephant-back safaris, once a popular way to view wildlife. Instead, they introduced “walk with elephant” packages, allowing tourists to walk alongside elephants in the forest.

This shift followed international campaigns opposing elephant rides. In December 2014, several Germany-based tourism companies declared that the use of elephants in tourism was improper.

Tourism entrepreneurs in Chitwan say the global backlash has taken a toll on business.

Taking past criticisms into account, festival organisers claim they now conduct events in ways that do not harm elephants.

Currently, the festival includes activities such as elephant penalty kicks, elephant beauty pageants and elephant picnics, which organisers say are less harmful. “As we continue, tourist numbers have increased further,” said Om Pandey, president of the Regional Hotel Association Sauraha.

“Sauraha’s tourism is closely linked to elephants. When we organise events without causing them harm, tourists are attracted,” Pandey said.

According to him, most hotels and resorts were fully booked for about a week from December 24.

“Occupancy has now dropped again, averaging around 50 percent,” he said. Organisers have also renamed the International Elephant Polo Competition as the Elephant and Tourism Festival. “We plan to extend the event to five days next year, from the current three,” Pandey said.

Across Nepal, tourism entrepreneurs remain concerned about slow recovery in arrivals, which have yet to reach pre-Covid levels. Frequent road and air accidents have dented Nepal’s image as a safe destination.

In August 2024, a bus carrying Indian tourists plunged into the Marsyangdi River, killing 27 people. More than 120 people have died in air crashes over the past four years, discouraging foreign visitors. High airfares and the September Gen Z protests during peak tourism season further affected arrivals.

“Now, with the elephant festival, tourism has begun to revive,” said tourism entrepreneur and conservationist Basu Dhungana. “Indian and domestic tourist numbers have risen sharply, though Chinese and other foreign arrivals are yet to increase significantly.”

He said sustained growth would depend on visitors leaving with positive impressions of Sauraha.

“This festival has played an important promotional role,” he said, expressing confidence that arrivals will increase further from February.

Hoteliers say businesses are becoming lively again,

jobs have returned, and optimism is growing. However, concerns remain over elephant welfare and costs.

“There should be clear standards for elephant rides and festivals,” said Suman Ghimire, former president of Hotel Association Nepal’s Chitwan chapter.

“For years, elephants used to carry up to six people through the jungle for 2-3 hours daily. We are discussing reducing it to one or two persons for one trip a day. A guideline can be introduced in Nepal to reduce the number of people and the hours elephants work per day.”

Likewise, as inexperienced mahouts are mostly seen punishing elephants and making them fearful, such behavior could be monitored to create a comfortable and intimate interaction between elephant and rider, said Ghimire. Nepal has made strides in the care and monitoring of elephants.

“The operators keep them under good conditions. The jumbos are nowadays under veterinary care and are provided adequate nutrition. So, we haven’t abused the animals,” said Ghimire.

Captive elephants consume 150–250 kg of food daily, and owners spend about Rs150,000 per month on feeding, medical care and mahout wages. An adult elephant can cost up to Rs15 million.

Nepal has an estimated 100 captive elephants, including around 60 used by the government for jungle patrols.

Speaking at the event, Nepal Tourism Board Chief Executive Officer Deepak Raj Joshi said elephants are not just animals but an integral part of Nepal’s

culture, history and identity. He said the common perception of Nepal solely as a nature-based destination is incomplete, noting that elephants are deeply intertwined with the country’s cultural heritage.

Joshi added that the Elephant Festival serves as a strong bridge between tourism and conservation, and said the tourism board would play a leading role in elephant conservation and population enhancement, guided by a long-term roadmap.

While organisers insist the festival caused no harm to elephants, animal rights groups dispute the claim. In a statement, a rights organisation alleged that mahouts were seen striking elephants with bullhooks and sticks.

“Elephants feel pain and fear just as we do,” said PETA Asia President Jason Baker, calling on the government to shut down the festival. Pandey dismissed the allegations as “propaganda.”

The three-day Elephant and Tourism Festival concluded on Monday, featuring 15 stalls showcasing local cuisine and agricultural products. Tourists also took part in jeep safaris, jungle walks, boat rides and community forest excursions. Around 130 hotels and resorts are currently operating in Sauraha, as the destination looks to sustain the fragile recovery.

“Elephants require constant care, and without tourism-related business, it would not be possible to sustain them,” said Pandey.

(Source: The Kathmandu Post)



Interaction Session with the Ministry of Culture, Tourism and Civil Aviation

President Mr. Binayak Shah attended an interaction session organized today by the Ministry of Culture, Tourism and Civil Aviation. During the discussion, President Mr. Shah highlighted key policy-related concerns and operational challenges currently facing the hotel industry. On the occasion, HAN presented a set of immediate, mid-term, and long-term proposals to the Minister, containing key issues such as improving connectivity and preparations for attracting two million tourists by 2026, which HAN considers an extremely ambitious target.

Hon'ble Minister Mr. Anil Kumar Sinha, referring to his long-standing association with HAN, committed to supporting the industry to the best of his ability. President Shah also handed



over the document to Mr. Mukunda Prasad Niraula, Secretary of Ministry of Culture, Tourism and Civil Aviation.



Chefs Association of Nepal bestowed title of “Guardian of Nepali Tourism” to the President of Hotel Association Nepal Mr. Binayak Shah at a special program organized today in Kathmandu.

Ink an Agreement with DAI Global UK

HAN President Mr Binayak Shah and Mr Ratish Basnyat, Team Leader Nepal In Business (DAI Global UK) ink an agreement on Dec 12, 2025.

The agreement will prepare a ground for promoting wellness tourism in Nepal, offering direct benefits to the hospitality industry.

As part of this collaboration, HAN will render its expertise and legacy to broaden the scope of wellness business in Nepal and also intensify branding and promotion with a mission to establish wellness tourism as a major product for both domestic and international tourists.

HAN Hosts Interaction Program

Hotel Association Nepal hosted an interaction program with stakeholders in the presence of Mr Ram Krishna Lamichhane, DG of Department of Tourism along with NTB CEO Mr. Deepak Raj Joshi at its office at Gairidhara on December 15, 2025.

The meeting was attended by the presidents/representatives of Tourism Associations as well as prominent tour operators.

The meeting discussed the upcoming Chitwan Tourism Festival-2082 and other contemporary issues of the industry.

Tourism Recognised as Industry but Not Given Industrial Benefits: Minister Sinha

Minister for Culture, Tourism and Civil Aviation Anil Kumar Sinha has said that although tourism has been recognised as an industry, it has not been provided with facilities equivalent to those enjoyed by other industries.

Speaking at a meeting of the Legislative Management Committee on December 29, 2005, Minister Sinha said existing laws do not allow tourism businesses to receive benefits granted under the Industrial Enterprises Act, despite their recognition as an industry. He stressed the need to address this gap through legal facilitation. He said that more than 80 percent of hotels are currently filled by domestic tourists and noted that the number could increase further if internal tourism is made more convenient. He added that tourism entrepreneurs have demanded tax exemptions on expenses related to domestic tourism, particularly by bringing such spending under corporate social responsibility provisions.

“More than 80 percent of hotels are currently packed with domestic tourists. If internal tourism is made slightly more convenient, including tax exemptions on domestic tourism-related expenses under corporate social responsibility, it would significantly help the sector,” the minister said. “We say tourism is an industry, but the benefits that industries are entitled to under the Industrial Enterprises Act are not available to tourism businesses under existing laws.”

Minister Sinha also informed the committee that the ministry is



preparing to introduce an integrated bill aimed at addressing the overall problems facing the tourism sector.

(Source: epardafas.com)



Treasurer Mr. Youb Raj Shrestha has taken a motivational classes to the Apprenticeship student in Madan Asrit Memorial Polytechnic Institute and Nepal Banepa Bahu Pravidhik Sickshyalaya on December 22, 2025



Hotel Association Nepal (HAN)

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