



# TOURISM



GOVERNMENT OF NEPAL  
INVESTMENT BOARD NEPAL

APRIL 2024

# 1. OVERVIEW

Nepal is a complete tourism package with unparalleled natural beauty, a rich cultural heritage and varied climates. It is home of the world's highest mountains, with eight of the world's 10 tallest mountains within its borders. These mountains and the high hills have continued to attract mountaineers, rock climbers, trekkers and other adventure seekers from all over the world. Nepal's cultural and natural diversity have been conserved in 4 UNESCO World Heritage Sites.



Average tourist length of stay: **13.1 days.**



Tourism's earnings (2023) constituted **1%** of the Gross Domestic Product



Average expenses per visitor /day (2022):  
**USD 41**



Fourth largest industry in terms of employment, providing **11.5%** of the jobs



Most tourism businesses (**43.6%**) located in Bagmati Province.



Tourism-related industries: **21.9%** of all registered industries

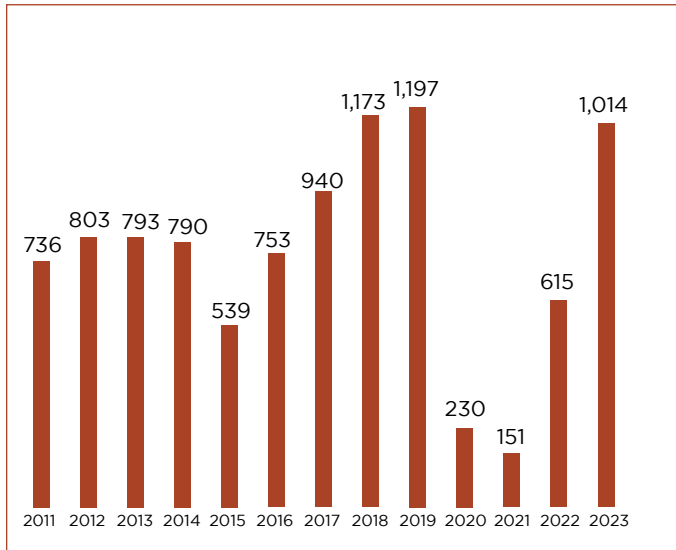


Among FDI receiving industries, tourism related: **33%**



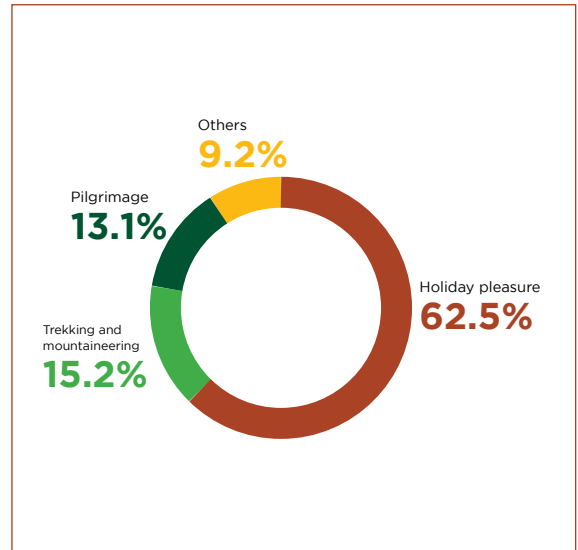
Bilateral air services agreement: **42 countries**

**Figure 1:** Tourist Arrivals in Nepal (in thousand)



Source: Nepal Tourism Statistics, 2023

**Figure 2:** Tourist Arrivals by Purpose of Visit



Source: Nepal Tourism Statistics, 2023

## Nepal's biological diversity



**Mammals**  
**208**



**Birds**  
**867**



**Reptiles**  
**123**



**Amphibians**  
**55**



**Freshwater fish**  
**230**



**Butterfly species**  
**651**



**Flowering plants**  
**284**



## Major tourist attraction



### Trekking/mountaineering and adventure tourism

- Nepal is well known for its mountain peaks and the diverse outdoor activities and adventure sports



### Culture, religious and spiritual tourism

- Rich cultural heritage, including a mix of Hindu, Buddhist, Prakrit (nature-based) influences
- Two of 4 World Heritage Sites in Nepal are related to culture
- Spiritual hub with meditation and educational opportunities in traditional gurukuls, stupas, temples, and cultural centers
- Hundreds of festivals



### Recreation and ecotourism

- Over 20 protected areas, including 12 national parks, one wildlife reserve, six conservation areas and four buffer zones. These are important habitats for endangered plant and animal species.



## 2. INVESTMENT OPPORTUNITIES



### Hotels and resorts

#### a. Hotels in heritage areas

#### b. Nature based resorts along major rivers, lakes, forests, mountains and valleys

#### c. Highway rest stops and cultural hubs along

- Prithvi Highway
- Araniko Highway
- Siddhartha Highway
- East-West (Mahendra) Highway



### Tourism infrastructure

- Conservation and development of cultural heritage sites
- Development and operation of convention and exhibition centers
- Development of recreational facilities such as theme parks and golf courses
- Development of hill stations



### Wellness centres

- High-altitude wellness retreats
- Ayurvedic and herbal treatment centres
- Yoga and meditation training centres



### Tourism training centers

Training institutes to train professionals in hospitality management, adventure tourism, and eco-tourism



### Adventure tourism

- Rock climbing
- Canoeing
- Skiing
- Skywalk
- Zipline
- Air and water-based adventure

## Meeting, Incentives, Conventions and Exhibitions (MICE): WHY NEPAL?

Pleasant weather



Nepal adjoins the world's most **populated** and **fastest growing** economies and can offer specialised tourism services for corporations in the neighbouring countries



Value for money

Rich history and culture



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## 3. SUPPORT SYSTEM

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### Policy and strategy

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#### Tourism Decade 2023-2032

- A decade-long tourism development initiative
- Targets to create 1 million jobs in tourism
- Aims to raise tourism's contribution to GDP to 10%
- Seeks to promote local pilgrimage, culture, festivals, and tourist destinations
- Encourages expansion of interprovincial air services



### Laws

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#### ■ Tourism Act, 1978

1. Basic legal framework for the development and promotion of tourism
2. Basis for registration, regulation, and operation of tourism businesses

#### ■ National Parks and Wildlife Conservation Act, 1973

Framework for regulating tourism activities within national parks and wildlife reserves

#### ■ National Trust for Nature Conservation Act, 1982

Framework for conservation, promotion and management of wildlife and other natural heritage

#### ■ Ancient Monuments Preservation Act, 1956

Framework for regulating the access and use of monuments

#### ■ Hotel, Lodge, Restaurant, and Bar Regulation, 1981

1. Framework for regulating the operation of accommodation centres and eateries.
2. Standardises services, safety, and hygiene

#### ■ Immigration Act, 2049 (1992)

Framework for managing the entry of foreign tourists into Nepal

#### ■ Mountaineering Expedition Regulation, 2002

Framework governing mountaineering expedition for ensuring safety and sustainable practices in high-altitude environments

#### ■ Directives for recreational aviation authorised agency, 2018

Sets standards and regulates the businesses based on international best practices in terms of safety



## Incentives

Income tax exemption (100% ) for five years from commercial operation, and 50% for an additional three years for tourism-based industry (other than casino) meeting the following criteria,

- Established with capital investment exceeding NPR 1 billion and providing direct employment to more than 500 individuals throughout the year
- If industry has increased capital investment to at least NPR 2 billion and provides direct employment to more than 300 individuals throughout the year along with enhancement in capacity by at least 25%
- 100% exemption on dividend tax if profit is capitalised to expand the industry



## Relevant agencies

<b>Ministry of Culture, Tourism &amp; Civil Aviation</b>	<ul style="list-style-type: none"> <li>■ Develops tourism policies</li> </ul>
<b>Investment Board Nepal (IBN)</b>	<ul style="list-style-type: none"> <li>■ Handles investments exceeding NPR 6 billion, has a fast-track service.</li> </ul>
<b>Department of Industry</b>	<ul style="list-style-type: none"> <li>■ Approves and registers industries for FDI up to NPR 6 billion</li> </ul>
<b>Department of Tourism</b>	<ul style="list-style-type: none"> <li>■ Responsible for promoting tourism, managing tourist attractions, and regulating the tourism industry</li> </ul>
<b>Department of Immigration</b>	<ul style="list-style-type: none"> <li>■ Manages visas for foreign investors and workers in the tourism industry</li> </ul>
<b>Civil Aviation Authority of Nepal</b>	<ul style="list-style-type: none"> <li>■ Regulates civil aviation and is service provider for Air Navigation Services and Aerodrome Operations</li> </ul>
<b>Nepal Tourism Board (NTB)</b>	<ul style="list-style-type: none"> <li>■ Promotes Nepal in the domestic and international market</li> <li>■ Regulates product development activities</li> <li>■ Offers tourism related information</li> </ul>

Scan for full sectoral profile, including the data sources.





For this document



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